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SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF CONTRA COSTA

JOSE SANTILLAN and JESUS NAVARRO,
individuals, on behalf of themselves, and on
behalf of all persons similarly situated,

Plaintiffs,

v.

NUMBER ONE CONCRETE READY MIX,
INC., a California corporation; A CUT ABOVE
SERVICES, INC., a California corporation; and
DOES 1-50, Inclusive,

Defendants.

Case No. C25-00726

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

Judge: Hon. Judge Benjamin T Reyes, II
Dept.: 16

TABLE OF CONTENTS

I.	INTRODUCTION	1
	.....	1
	1. The “Class” and “Class Period”	1
	.....	1
	2. The “Aggrieved Employees” and “PAGA Period”	1
	.....	1
	3. The “Gross Settlement Amount”	1
	.....	1
	a. “Service Awards”	1
	.....	1
	b. “Class Counsel Award”	1
	.....	1
	c. A “PAGA Payment”	1
	.....	1
	d. “Settlement Administration Costs”	2
	.....	2
	4. The “Net Settlement Amount”	2
	.....	2
II.	FACTS AND PROCEDURE	3
	.....	3
	A. Overview of the Litigation and Mediated Settlement	3
	.....	3
	B. Class Counsel Thoroughly Investigated the Factual and Legal Issues	4
	.....	4
	C. The Proposed Settlement Fully Resolves Plaintiffs’ Claims	5
	.....	5
	1. The Composition of the Settlement Class Members	5
	.....	5
	2. The Settlement Consideration	6
	.....	6
	3. The Funding Date and Installment Plan	6
	.....	6

1	4. Formula for Calculating Settlement Class Payments	7
2	5. Release by Settlement Class Members	7
3	6. PAGA Release by the Aggrieved Employees	8
4		
5	III. ARGUMENT	8
6		
7	A. The Court Should Preliminarily Approve the Proposed Class Action Settlement	8
8		
9	1. The Parties Reached the Settlement Through Arm’s-Length Bargaining Led by	
10	Experienced Counsel.	9
11		
12	2. Class Counsel’s Thorough Investigation Provided an Objective Measurement of the	
13	Settlement’s Reasonableness.	10
14		
15	3. The Settlement Falls Within the Recognized Range of Reasonableness.	10
16		
17	a. The Gross Settlement Amount Meets the Recognized Range of	
18	Reasonableness.	11
19		
20	(1) Estimated Exposure for Unpaid Overtime	12
21		
22	(2) Estimated Exposure for Failure to Pay for All Hours Worked	12
23		
24	(3) Estimated Exposure for Meal Period Violations	13
25		
26	(4) Estimated Exposure for Rest Period Violations	13
27		
28	(5) Estimated Exposure for Unreimbursed Business Expenses	14
	(6) Estimated Exposure for Wage Statement Violations	14

///

1	(7) Estimated Exposure for Waiting Time Penalties	
2	.....	14
3	(8) Defendant’s PAGA Exposure	
4	.....	15
5	b. Inherent Risks of Continued Litigation Support Preliminary Approval.	
6	.....	16
7	B. The Proposed Notice Informs the Class about the Case and Settlement	
8	.....	18
9	C. The Court Should Preliminarily Approve the Service Awards	
10	.....	19
11	D. The Court Should Preliminarily Approve the Class Counsel Award	
12	.....	20
13	E. Provisional Certification for Settlement Purposes is Appropriate	
14	.....	21
15	1. The Standard for Class Certification	
16	.....	21
17	2. The Proposed Settlement Class is Ascertainable and there is a Well-Defined	
18	Community of Interest Among the Settlement Class Members.	
19		21
20	IV. CONCLUSION	
21		23

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CASES

1		
2		
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4	(2000) 85 Cal.App.4th 1135, 1151.....	9
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16	30 Cal. App. 5th 504 (2018).....	16
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19	<i>Cellphone Termination Fee Cases</i>	
20	180 Cal. App. 4th 1110, 1118 (2010)	8
21	<i>Cellphone Termination Fee Cases</i>	
22	(2009) 180 Cal. App. 4th 1110, 1118.....	9
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27	<i>Chavez v. Netflix, Inc.</i>	
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	(2009) 175 Cal.App.4th 785.....	19
	<i>D'Amato v. Deutsche Bank</i>	
	(2d. Cir. 2001) 236 F.3d 78, 85.....	9
	<i>Dunk v. Ford Motor Co.</i>	
	(1996) 48 Cal.App.4th 1794, 1802.....	8
	<i>Duran v. U.S. Bank National Association</i>	
	(2014) 59 Cal.4th 1, 31.....	17
	<i>Fleming v. Covidien</i>	
	2011 U.S. Dist. LEXIS 154590 (C.D. Cal. 2011).....	15
	<i>Fontana v. Elrod</i>	
	(7 th Cir. 1987) 826 F.2d 729, 732.....	18
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	(W.D.N.Y. 2005) 228 FRD. 174, 186.....	11
	<i>Hopson v. Hanesbrands Inc.</i>	
	No. CV-08-0844 EDL, 2009 WL 928133, at *1, 9 (N.D. Cal. Apr. 3, 2009).....	15
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	No. C 06-4128 JF (HRL), 2008 U.S. Dist. LEXIS 108195 (N.D. Cal. Nov. 5, 2008).....	9
	<i>In re Global Crossing Sec. and ERISA Litig.</i>	
	(S.D.N.Y 2004) 225 F.R.D. 436, 460.....	11

1	<i>In re IKON Office Solutions, Inc Sec Litig.</i>	
	(E.D. Pa. 2000) 194 F.R.D. 166, 184.....	11
2	<i>In re Michael Milken and Assoc. Sec. Litig.</i>	
	(S.D.N.Y. 1993) 150 F.R.D. 57, 66.....	11
3	<i>In re Nordstrom Com. Cases</i>	
	186 Cal.App.4th 576, 589 (2010).....	16
4	<i>In re Nvidia Derivs. Litig.</i>	
	(N.D. Cal. 2008) 2008 WL 5382544, at *3.....	17
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	(N.D. Cal. 2008) 559 F.Supp.2d 1036.....	11
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	2016 U.S. Dist. LEXIS 48557, *40-43 (E.D. Cal. Apr. 6, 2016).....	16
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	No. 09cv1683 MMA (JMA), 2011 WL 4899942, at *6 (S.D. Cal. Oct. 13, 2011).....	15
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	(1977) 67 Cal.App.3d 100, 106).....	18
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	(2008) 168 Cal.App.4th 116, 133.....	11
10	<i>Lee v. Dynamex, Inc.</i>	
	(2008) 166 Cal.App.4th 1325, 1332, 1334.....	21
11	<i>Magadia v. Wal-Mart Associates, Inc.</i>	
	(9 th Cir. 2021) 999 F.3d 668.....	17-18
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	(C.D. Cal. 2009) 2009 WL 4581276, at *7.....	16
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	(2021) 72 Cal.App.5th 56, 77.....	15
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	(2010) 186 Cal.App.4th 399, 409.....	11
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	(2022) 13 Cal. 5th 93.....	14
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	(1994) 27 Cal.App.4th 1085, 1089-90.....	8
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	(9 th Cir. 2018) 904 F.3d 1087.....	17
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	(C.D. Cal. Jan. 17, 2013) 2013 WL 210223, at *11.....	13
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	(1990) 220 Cal.App.3d 1117, 1140, <i>opinion modified</i> (June 18, 1990).....	17
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	(9 th Cir. 2009) 563 F.3d 948, 958-59.....	19
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1	<i>Sav-On Drug Stores, Inc.</i>	
2	(2014) 34 Cal.4th 319, 326, 333.....	21
3	<i>See's Candy Shops, Inc. v. Superior Court</i>	
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6	(1976) 62 Cal.App.3d 231, 236.....	9
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STATUTES

15	<i>Cal. Civ. Proc. Code § 382</i>	21
16	<i>Cal. Lab. Code § 203</i>	14
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18	<i>Cal. Lab. Code § 2699(o)</i>	15
19	<i>Cal. Lab. Code § 2698 et seq.</i>	3
20	<i>C.R.C. 3.769(c)-(g)</i>	8, 20
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I. INTRODUCTION

Plaintiffs Jose Santillan and Jesus Navarro (“Plaintiffs”) seek preliminary approval of the Stipulation of Settlement of Class and PAGA Action Claims and Release of Claims (“Agreement”)¹, which if approved, would provide valuable monetary relief for approximately 92 Class Members. The basic terms of the Agreement provide for the following:

1. The “**Class**” and “**Class Period**” shall mean all persons who worked for Defendant Number One Concrete Ready Mix, Inc. and Defendant A Cut Above Services, Inc. (“Defendants”) as non-exempt employees in the State of California (“Class”) during the period from March 13, 2021, to March 28, 2026. Agreement at §§ I(E); I(I); I(L). The Settlement Class Members exclude any Class Member that submitted a valid and timely request for exclusion. Agreement at § I(MM).

2. The “**Aggrieved Employees**” and “**PAGA Period**” means all persons who worked for Defendants as non-exempt employees in the State of California (“Aggrieved Employees”) at any time during the period from March 13, 2024, through March 28, 2026 (“PAGA Period”). Agreement at §§ I(C); I(Y). Aggrieved Employees do not have the ability to opt-out of the PAGA portion of the settlement. *See* Agreement at § III(M)(2).

3. The “**Gross Settlement Amount**” is Three Hundred Fifteen Thousand Dollars and Zero Cents (\$315,000.00). Agreement at § I(O). The Gross Settlement Amount is non-reversionary and includes the following:

a. “**Service Awards**” of not more than \$10,000.00 to each Plaintiff in recognition of their efforts and risks in assisting with the prosecution of the Action and in exchange for a general release. Agreement at § III(N)(9);

b. “**Class Counsel Award**” in the amount not to exceed thirty-three percent (33%) of the Gross Settlement Amount for attorneys’ fees, currently estimated to be \$103,950.00 *and* actually incurred litigation costs not to exceed \$30,000, to be paid to Class Counsel. Agreement at § III(N)(10);

c. A “**PAGA Payment**” of Twenty Thousand Dollars and Zero Cents (\$20,000.00) shall be allocated from the Gross Settlement Amount for settlement of claims for civil penalties under

¹ The Agreement is attached as Ex “A” to the Declaration of Sydney Castillo-Johnson (“SCJ Dec.”) at ¶ 3. All citations to the Agreement incorporate by this reference a citation to the SCJ Dec., ¶ 3. Further, unless indicated otherwise, capitalized terms used herein have the same meaning as those defined by the Agreement.

1 the Private Attorneys General Act of 2004. The Settlement Administrator shall pay sixty-five (65%)
2 percent of the PAGA Payment (\$13,000.00) to the Labor and Workforce Development Agency
3 (“LWDA Payment”). Thirty-five percent (35%) of the PAGA Payment (\$7,000.00) will be distributed
4 to the Aggrieved Employees (“Aggrieved Employee Payment”). Agreement at § III(N)(11); and

5 d. “**Settlement Administration Costs**” not to exceed \$4,990.00 payable to the
6 Settlement Administrator, Apex Class Action, LLC, for, *inter alia*, the administration of the Notice
7 Packet and for administration of the settlement. Agreement at § III(N)(12).

8 4. The “**Net Settlement Amount**” of approximately \$136,060.00 (Gross Settlement
9 Amount less the requested Service Awards, Class Counsel Award, PAGA Payment and Settlement
10 Administration Costs) will be allocated to all Settlement Class Members on a pro-rata basis according
11 to the number of Workweeks each Settlement Class Member worked during the Class Period. The
12 entire Net Settlement Amount will be paid to all Settlement Class Members who do not opt out of the
13 Settlement resulting in an average Individual Settlement Payment of **\$1,478.91**. Agreement at §
14 III(N)(1); SCJ Dec., ¶ 21.

15 An objective evaluation of the Settlement confirms that the relief negotiated on behalf of the
16 Class is fair, reasonable, and adequate. The Settlement was negotiated by the Parties at arm’s length.
17 The Settlement confers substantial benefits to the Settlement Class. The relief offered by the Settlement
18 is particularly impressive when viewed against the difficulties encountered by plaintiffs pursuing wage
19 and hour cases (*see infra*). Indeed, by settling now rather than proceeding to trial, Class Members will
20 not have to wait (possibly years) for relief, nor will they have to bear the risk of class certification being
21 denied or of Defendants prevailing at trial. SCJ Dec., ¶ 6.

22 As discussed below, the proposed Settlement satisfies all criteria for preliminary settlement
23 approval and falls within the range of reasonableness. The average Individual Settlement Payment to
24 the Settlement Class meets awards in similar wage and hour class actions. Moreover, the proposed
25 Settlement Class is appropriate for provisional certification. Accordingly, Plaintiffs respectfully request
26 the Court grant preliminary approval of the Settlement. SCJ Dec., ¶ 7.

27
28 ///

II. FACTS AND PROCEDURE

A. Overview of the Litigation and Mediated Settlement

Defendants own and operate a concrete and landscaping business in the state of California, including Contra Costa County where Plaintiffs worked. Plaintiff Santillan was employed by Defendants as a non-exempt employee from April 2024 to October 2024. Declaration of Jose Santillan (“JS Dec.”) ¶ 4. Plaintiff Navarro was employed by Defendants as a non-exempt employee from June 2022 to October 2024. Declaration of Jesus Navarro (“JN Dec.”) ¶ 4. At all times during their employment, Plaintiffs earned an hourly wage and were entitled to legally compliant meal and/or rest periods, and minimum, regular, and overtime wages for all hours worked. Throughout their employment, Plaintiffs were subject to Defendants’ written policies and procedures contained in, among other documents, the “Number One Concrete Ready Mix Employee Handbook.” SCJ Dec., ¶ 8; JS Dec., ¶ 4; JN Dec., ¶ 4.

Generally, Plaintiffs claim that Defendants failed to pay minimum and overtime wages, failed to provide compliant meal and rest periods, failed to reimburse employees for all necessary business expenses, failed to issue accurate itemized wage statements, and failed to pay all wages when due. Defendants deny liability for each of Plaintiffs’ claims. Further, Defendants assert that they fully complied with all applicable employment laws and raised several other significant defenses to Plaintiffs’ claims, including but not limited to, facially compliant meal and rest period policies. SCJ Dec., ¶ 9.

On March 13, 2025, Plaintiffs served Defendants and the Labor and Workforce Development Agency (“LWDA”) with a Notice of Violations (“PAGA Notice”). Plaintiffs’ PAGA Notice set forth the facts and theories supporting Defendants’ alleged violations of various provisions of the California Labor Code and applicable Industrial Welfare Commission (“IWC”) Wage Order and of their intent to pursue claims under California Labor Code Private Attorneys General Act of 2004, Cal. Lab. Code Sections 2698 *et seq* (“PAGA”). SCJ Dec., ¶ 10.

The same day, Plaintiffs filed a class action complaint alleging various causes of action pursuant to the California Labor Code. On July 25, 2025, Plaintiffs filed a First Amended Complaint adding an additional cause of action for violations under PAGA. SCJ Dec., ¶ 11.

1 The Parties agreed relatively early to mediate the case. To prepare for mediation, the Parties
2 agreed to informally exchange additional documents and data points subject to the mediation privilege,
3 including but not limited to, the Class Members' time data and certain payroll data points. As discussed
4 *infra*, Plaintiffs' counsel retained the forensic consultants at Berger Consulting Group ("BCG") to
5 analyze Defendants' time and payroll data. SCJ Dec., ¶ 12.

6 On January 27, 2026, the Parties participated in a full day mediation with wage and hour
7 mediator Doug Leach, Esq. ("Mediator Leach"). With the assistance of Mediator Leach, the Parties
8 reached an agreement after both sides agreed to a Mediator's proposal. The agreement was
9 memorialized in the form of a Memorandum of Understanding. Thereafter, the Parties drafted and
10 negotiated a long-form settlement agreement, which is the subject of the instant motion. SCJ Dec., ¶
11 13.

12 **B. Class Counsel Thoroughly Investigated the Factual and Legal Issues**

13 Months before filing the Action, Class Counsel began its pre-filing investigation into the
14 Plaintiffs' complaints. Class Counsel's investigation started with several lengthy interviews with
15 Plaintiffs. As part of the interview process, Plaintiffs produced documents related to their employment,
16 including portions of Defendants' handbooks, compensation policies and time and payroll records. At
17 the conclusion of the interviews, Class Counsel determined that Plaintiffs' complaints justified further
18 inquiry. SCJ Dec., ¶ 14.

19 Defendants also produced Plaintiffs' employee file, which included copies of Plaintiffs' hiring
20 documents, payroll and time records, and written policies and agreements. Class Counsel reviewed
21 and analyzed the documents and determined the documents appeared to substantiate Plaintiffs' claim
22 that Defendants failed to, among other things, pay minimum and overtime wages, provide compliant
23 meal and rest periods, reimburse for mandatory business expenses, provide accurate wage statements
24 and pay wages when due. SCJ Dec., ¶ 15.

25 Prior to mediation, Defendants produced time and payroll records for the Class Members,
26 aggregate workweek and pay period data for the Class Members, aggregate meal premiums paid to the
27 Class Members, average hourly rate for the Class Members, and copies of applicable handbooks,
28 policies, and agreements. In total, Class Counsel reviewed thousands of pages of documents and

1 hundreds of thousands of unique cells of time and payroll data. SCJ Dec., ¶ 16.

2 Class Counsel then retained the statisticians and economists at BCG to evaluate the Class
3 Members' payroll and time data. BCG provides data analysis and damage modeling consulting services
4 specializing in wage and hour class actions. BCG's team of financial and data analysts are credentialed
5 and experienced experts in their fields and have provided their expertise on thousands of cases. SCJ
6 Dec., ¶ 17.

7 BCG analyzed Defendants' time and payroll data to assist in the development of various damage
8 models. Among other things, BCG determined the approximate number of work shifts, workweeks,
9 pay periods, average length of shift and average number of hours worked per week and pay periods
10 during the Class Period. BCG also determined the amount of underpaid overtime hours, estimated the
11 number of missed, late or truncated meal and rest periods, the amount of paid missed meal period
12 premiums paid during the Class Period, and amount of unreimbursed business expenses. SCJ Dec., ¶
13 18.

14 Prior to mediation, Class Counsel created several damage models predicated on BCG's analysis.
15 Class Counsel's models calculated Defendants' potential liability exposure while accounting for the
16 uncertainties of continued litigation. These damage models informed and guided Class Counsel during
17 the mediated settlement discussions. SCJ Dec., ¶ 19.

18 **C. The Proposed Settlement Fully Resolves Plaintiffs' Claims**

19 1. The Composition of the Settlement Class Members

20 The proposed Settlement Class consists of all persons who worked for Defendants as non-exempt
21 employees in the State of California at any time during the Class Period. Agreement at § I(E). The
22 Settlement Class excludes any person who submits a timely and valid request for exclusion. Agreement
23 at § I(MM). At the time of mediation, Defendants estimated that the Settlement Class was comprised
24 of 90 Class Members that worked approximately 7,904 Workweeks during the Class Period.
25 Agreement at § III(A)(2). On April 24, 2026, Defendants provided the Class Data to the Settlement
26 Administrator who confirmed that there is a total of 92 Class Members who worked 8,527 Workweeks
27 during the Class Period. Declaration of Sean Hartranft, ¶ 7.

28 ///

1 2. The Settlement Consideration

2 The Parties agreed to settle the underlying class claims in exchange for the Gross Settlement
3 Amount of \$315,000.00. The Gross Settlement Amount includes: (1) Individual Settlement Payments
4 to the Settlement Class; (2) Service Awards of \$10,000.00 to each Plaintiff for their services on behalf
5 of the Settlement Class; (3) a PAGA Payment in the amount of \$20,000.00; (4) Settlement
6 Administration Costs estimated at \$4,990.00; (5) Class Counsel Award in the amount of \$133,950.00,
7 comprised of attorneys' fees not to exceed thirty-three percent (33%) of the Gross Settlement Amount
8 estimated to be \$103,950.00 and an estimated \$30,000.00 for actually incurred litigation expenses. See
9 generally Agreement at § III(N).

10 Subject to the Court approving the Service Awards, Class Counsel Award, PAGA Payment, and
11 the Settlement Administration Costs, the Net Settlement Amount will be distributed to each
12 participating member of the Settlement Class. Agreement at § III(N)(1). There is no reversion to
13 Defendants and Defendants must separately pay for their share of the employer payroll taxes.
14 Agreement at § III(A)(1).

15 3. The Funding Date and Installment Plan

16 Defendants will fund the Gross Settlement Amount as follows: the First Installment of \$105,000
17 shall be made by July 1, 2026, or thirty (30) days after final approval, whichever date is later; the Second
18 Installment of \$105,000.00 shall be made six (6) months following the First Installment, and the Third
19 Installment of \$105,000.00 shall be made one (1) year following the First Installment (the "Funding
20 Date"). Agreement at § I(N). Within fifteen (15) days after the Funding Date, the Settlement
21 Administrator will pay: all Individual Settlement Payments, all Aggrieved Employee Payments, PAGA
22 Payment, the Settlement Administration Costs, Class Counsel Award, and the Service Awards, all as
23 determined by the Court at the Final Approval Hearing. Agreement at §§ III(N)(7), III(N)(9)-(12).

24 During the litigation, Defendants raised the possibility that it would be unable to satisfy a larger
25 class-wide settlement due to its financial condition. Class Counsel retained Certified Public Accountant,
26 Kenneth L. Creal, to review and analyze Defendants' confidential financial information. Based on Mr.
27 Creal's review, he determined that Defendants could not afford a larger settlement than the one
28 contemplated here. Moreover, the installment plan contemplated by the Agreement is appropriate

1 because it allows Defendants to work toward accumulating the settlement funds. SCJ Dec., ¶ 20;
2 Declaration of Kenneth L. Creal, ¶¶ 1-11.

3 4. Formula for Calculating Settlement Class Payments

4 Each Settlement Class Member will receive an Individual Settlement Payment. The Individual
5 Settlement Payments will be proportional to the number of Workweeks each Class Member worked for
6 Defendants in California during the Class Period. Using the Class Data, the Settlement Administrator
7 shall add up the total number of Workweeks for all Class Members. The respective Workweeks for
8 each Class Member will be divided by the total Workweeks for all Class Members, resulting in the
9 Payment Ratio for each Class Member. Each Class Member's Payment Ratio will then be multiplied
10 by the Net Settlement Amount to calculate each Class Member's estimated Individual Settlement
11 Payments. Each Individual Settlement Payment will be reduced by any legally mandated employee tax
12 withholdings (e.g., employee payroll taxes, etc.). Individual Settlement Payments for Class Members
13 who submit valid and timely requests for exclusion will be redistributed to Settlement Class Members
14 who do not submit valid and timely requests for exclusion on a pro rata basis based on their respective
15 Payment Ratios. Agreement at § III(N)(1).

16 Given that there are approximately 92 Class Members, the average gross recovery is
17 approximately \$1,478.91 (Net Settlement Amount divided by Class Members). SCJ Dec., ¶ 21.

18 5. Release by Settlement Class Members

19 As of the Funding Date, Plaintiffs and the Settlement Class Members will release the Released
20 Parties from the Released Class Claims, which are defined as all claims that were alleged, or reasonably
21 could have been alleged, based on the facts stated in the operative Complaint in the Action during the
22 Class Period and expressly excluding all other claims, including claims for vested benefits, wrongful
23 termination, unemployment insurance, disability, social security, workers' compensation, and class
24 claims outside of the Class Period. The Released Parties shall include Defendants, as well as
25 Defendants' present and former owners, officers, shareholders, directors, agents, members, managers,
26 employees, attorneys, insurers, parent companies, successors, affiliates or subsidiaries, and assigns.
27 Agreement at § I(EE); III(B).

28 ///

goal of favoring settlements. (*Stambaugh v. Super. Ct* (1976) 62 Cal.App.3d 231, 236 (“the law wisely favors settlements”); *Cellphone Termination Fee Cases* (2009) 180 Cal.App.4th 1110, 1118 (“public policy generally favors the compromise of complex class action litigation”); *7-Eleven Owners for Fair Franchising v. Southland Corp.* (2000) 85 Cal.App.4th 1135, 1151 (“voluntary conciliation and settlement are the preferred means of dispute resolution ... [t]his is especially true in complex class action litigation”).)

Additionally, in reviewing the fairness of a class action settlement, due regard should be given to what is “otherwise a private consensual agreement between the parties.” (*Cellphone Termination Fee Cases* (2010) 186 Cal.App.4th 1380, 1389.) The inquiry “must be limited to the extent necessary to reach a reasoned judgment that the agreement is not the product of fraud or overreaching by, or collusion between, the negotiating parties, and that the settlement, taken as a whole, is fair, reasonable and adequate to all concerned.” (*Id.*)

1. The Parties Reached the Settlement Through Arm’s-Length Bargaining Led by Experienced Counsel.

“[W]hat transpires in settlement negotiations is highly relevant to the assessment of a proposed settlement’s fairness.” (*State v. Levi Strauss & Co.* (1986) 41 Cal.3d 460, 482.) Courts presume the absence of fraud or collusion in the negotiation of a settlement, unless evidence to the contrary is offered; thus, there is a presumption that settlement negotiations are conducted in good faith. (Newberg, § 11.51.)

The Parties participated in mediation with Mediator Leach who managed the Parties’ expectations and provided a useful, neutral analysis of the issues and risks to both sides. (*In re Apple Computer, Inc. Derivative Litig.*, No. C 06-4128 JF (HRL), 2008 U.S. Dist. LEXIS 108195 (N.D. Cal. Nov. 5, 2008) (mediator’s participation weighs considerably against any inference of a collusive settlement); *D’Amato v. Deutsche Bank* (2d. Cir. 2001) 236 F.3d 78, 85 (a “mediator’s involvement in pre-certification settlement negotiations helps to ensure that the proceedings were free of collusion and undue pressure.”).) At all times, the Parties’ negotiations were at arm’s length, adversarial and non-collusive. The matter resolved only when Mediator Leach issued a Mediator’s proposal that the Parties accepted after further settlement discussions. Mediator Leach only arrived at his proposal after hearing

arguments, reviewing evidence and evaluating the Parties' respective claims and defenses. SCJ Dec., ¶ 22.

Once the Parties agreed to the Mediator's proposal, the Parties engaged in protracted negotiations regarding the written terms of the class action settlement. The Parties maintained the arm's length, non-collusive and adversarial negotiations while arriving at the final terms of the Settlement. The Agreement is the final product of these mediated negotiations. Objectively, the Settlement terms are fair, adequate and represent a reasonable compromise of the claims at issue. SCJ Dec., ¶ 23.

2. Class Counsel's Thorough Investigation Provided an Objective Measurement of the Settlement's Reasonableness.

As set forth in greater detail above, Class Counsel conducted a very thorough investigation into the factual and legal issues in dispute. In addition to informal discovery, document review, data analysis and legal research, Class Counsel also researched similar wage and hour actions. Although no two cases are identical, this research provided Class Counsel with a marker to inform settlement discussions and, ultimately, to measure this settlement against. The investigation allowed Class Counsel to realistically assess the value of Plaintiffs' claims and intelligently engage defense counsel in settlement discussions that culminated in the proposed settlement now before the Court. SCJ Dec., ¶ 24.

Class Counsel only agreed to enter the Settlement following their thorough investigation and evaluation of Plaintiffs' claims. Based on their investigation of the facts, applicable law, and marketplace for similar settlements, and considering the risk of significant delay, uncertainty associated with litigation, and the various defenses asserted by Defendants, Class Counsel firmly believe this Agreement to be in the best interests of the Class Members. Because the Settlement's terms are fair, reasonable, and adequate, the Court should preliminarily approve the Settlement. SCJ Dec., ¶ 25.

3. The Settlement Falls Within the Recognized Range of Reasonableness.

The Gross Settlement Amount of \$315,000.00 is within the range of reasonableness. To determine whether a settlement is fair and reasonable, the court should "consider enough information about the nature and magnitude of the claims being settled, as well as the impediments to recovery, to make an independent assessment of the reasonableness of the terms to which the parties have agreed."

(*Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 133.) In making this determination, the court is “not to try the case” but rather to “satisfy itself that the class action settlement is within the ‘ballpark of reasonableness.’ ” (*Id.* (emphasis added).) For this analysis, courts do “not require any such explicit statement of value; [they] require[] a record which allows an understanding of the amount that is in controversy and the realistic range of outcomes of the litigation. ” (*Munoz v. BCI Coca-Cola Bottling Co.* (2010) 186 Cal.App.4th 399, 409 (internal citation omitted).) The reasonableness of a settlement is not dependent upon its actual value approaching the potential recovery plaintiffs might have received if they had succeeded at trial.² Indeed, “[t]he determination whether a settlement is reasonable does not involve the use of a ‘mathematical equation yielding a particularized sum.’ ” (*Frank v. Eastman Kodak Co.* (W.D.N.Y. 2005) 228 FRD. 174, 186 (quoting *In re Michael Milken and Assoc. Sec. Litig.* (S.D.N.Y. 1993) 150 F.R.D. 57, 66).)

a. The Gross Settlement Amount Meets the Recognized Range of Reasonableness.

The Gross Settlement Amount is fair and reasonable considering the nature and magnitude of the claims being settled and the various potential impediments to recovery. Prior to mediation, Class Counsel retained BCG to develop economic damage models measuring Defendants’ potential liability exposure with respect to the Class and PAGA claims. The damage models were informed by Class Counsel’s investigation, including the analysis of the time and payroll data Defendants produced. Regarding Defendants’ liability for class claims, Class Counsel projected Defendants’ liability exposure (excluding penalties) at \$870,658.42 (“Conservative Model”) and Defendants’ *total* exposure for class claims (including waiting time and wage statement penalties, but exclusive of PAGA penalties) at \$1,821,073.67 (“Aggressive Model”). Thus, the Gross Settlement Amount of \$315,000.00

² Federal district courts recognize that there is an inherent “range of reasonableness” in determining whether to approve a settlement “which recognizes the uncertainties of law and fact in any particular case and the concomitant risks and costs necessarily inherent in taking any litigation to completion.” *Newman v. Stein* (2d. Cir. 2002) 464 F.2d 689, 693; *see In re Omnivision Tech, Inc.* (N.D. Cal. 2008) 559 F.Supp.2d 1036; *see also Nat’l Rural Telecomm. Coop. v. Directv. Inc.* (C.D. Cal. 2004) 221 F.R.D. 523, 527 (“well settled law that a proposed settlement may be acceptable even though it amounts to only a fraction of the potential recovery”); *In re Global Crossing Sec. and ERISA Litig.* (S.D.N.Y 2004) 225 F.R.D. 436, 460 (“settlement amount’s ratio to the maximum potential recovery need not be the sole, or even dominant, consideration when assessing settlements fairness”); *In re IKON Office Solutions, Inc Sec Litig.* (E.D. Pa. 2000) 194 F.R.D. 166, 184 (“the fact that a proposed settlement constitutes a relatively small percentage of the most optimistic estimate does not, in itself, weigh against the settlement; rather the percentage should be considered in light of strength of the claims”); *Officers for Justice v. Civil Serv. Comm.* (9th Cir. 1982) 688 F.2d 615, 628 (it is “the complete package, taken as a whole rather than the individual component parts, that must be examined for overall fairness”).

represents approximately 36.18% of Defendants' *total* liability exposure and 17.3% of Defendants' *maximum* class-wide exposure. SCJ Dec., ¶ 26.

(1) Estimated Exposure for Unpaid Overtime

Plaintiffs' primary claim alleges that Defendants failed to pay overtime wages. Specifically, Plaintiffs assert that when employees reached or neared their overtime threshold under Defendant Number One Concrete, Defendants would assign their overtime hours to Defendant A Cut Above. This practice artificially split Plaintiffs' and Class Members' hours across two entities to evade California's overtime requirements, making time records appear as though Class Members never worked over 8 hours per day or over 40 hours per week for any one defendant. SCJ Dec., ¶ 27.

Defendants argued that they did not avoid paying overtime and that records throughout the Class Period show the payment of overtime. In light of Defendants' defenses, Plaintiffs applied a 25% discount to this claim and estimated that Defendants' exposure for this claim ranged from approximately \$434,497.16 to \$579,329.55. SCJ Dec., ¶ 28.

(2) Estimated Exposure for Failure to Pay for All Hours Worked

Plaintiffs also alleged that Defendants failed to pay its employees for all hours worked under two separate theories. First, Plaintiffs alleged that prior to 2024, Defendants employed a rounding practice which resulted in an underpayment of wages to Plaintiffs and other Class Members. Specifically, Plaintiffs' expert found that Defendants' conduct resulted in an underpayment of approximately 1,422 hours compared to **zero** overpaid hours. Second, Plaintiffs and Class Members were required to wait in line to clock in each day using a single tablet shared by the entire company requiring Plaintiffs and Class Members to wait in line for approximately five (5) minutes before they could clock in for their shifts. SCJ Dec., ¶ 29.

Defendants denied liability and asserted that their employees were paid for all time worked. Additionally, Defendants argued that any rounding practice ceased in 2024 and that this claim resulted in minimal actual damage to the Class Members and that its rounding policies complied with *See's Candy Shops, Inc. v. Superior Court* (2012) 210 Cal.App.4th 889. Thus, Plaintiffs applied a 50% discount to the Conservative Model for this claim and estimated Defendants' exposure for this claim ranged between \$30,607.20 and \$61,214.40. SCJ Dec., ¶ 30.

1 (3) Estimated Exposure for Meal Period Violations

2 Plaintiffs alleged that Defendants failed to provide compliant meal periods. Specifically,
3 Plaintiffs' expert found that 3,347 shifts greater than six hours had no recorded first meal break,
4 representing 45.1% of all such shifts. Additionally, 99.9% of shifts between 10 and 12 hours were
5 without a recorded second meal period. Further, 99.3% of shifts greater than 12 hours, during which a
6 second meal break cannot be waived, were without a recorded second meal period. SCJ Dec., ¶ 31.

7 Defendants contend that they fully complied with California meal period laws and maintained
8 compliant policies and practices. Defendants also argued that they provided Class Members and
9 Aggrieved Employees with the opportunity to take compliant meal periods. Further, Defendants argued
10 that they maintained facially compliant meal period policies. Thus, Defendants argued that there was
11 no potential liability for Plaintiffs' alleged meal period violations, and any claimed violations required
12 a highly individualized inquiry not suitable to class. In light of the foregoing, and considering
13 Defendants' defenses, Plaintiffs applied a 50% discount and estimated that Defendants' exposure
14 ranged from \$161,894.43 to \$323,788.86. SCJ Dec., ¶ 32.

15 (4) Estimated Exposure for Rest Period Violations

16 Plaintiffs also alleged that Defendants failed to provide compliant rest periods. Specifically,
17 Plaintiffs alleged that because of their rigorous work schedules, Plaintiffs and Class Members were
18 required to remain on the premises and were unable to take timely and duty-free rest periods. Again,
19 Defendants denied liability and asserted that they maintained legally compliant rest period policies and
20 practices throughout the Class Period. Moreover, Plaintiffs recognize the evidentiary burdens in
21 establishing this claim. Establishing Plaintiffs' rest period claim would depend, almost entirely, on
22 Class Member testimony, making it a riskier claim at class certification and liability stages. Defendants
23 likely would have argued that only a small number of Class Members missed their rest breaks.
24 Certification likely would have required depositions of Class Members who provided declarations, and
25 Defendants surely would have obtained opposing declarations stating either rest breaks were taken, or
26 rest breaks were voluntarily waived. *See, e.g., Ordonez v. Radio Shack, Inc.* (C.D. Cal. Jan. 17, 2013)
27 2013 WL 210223, at *11 ("Because of the competing testimony before the Court, Plaintiffs' evidence
28 that Defendants may have an illegal, written rest break policy is insufficient for this Court to find that

common issues predominate.”); *Villa v. United Site Servs. of California, Inc.* (N.D. Cal. Nov. 13, 2012) 2012 WL 5503550, at *8 (“Indeed, Plaintiff’s own evidence confirms that the written policy does not generate uniform practices.”) Plaintiffs estimated Defendants’ exposure for this claim ranged from \$161,894.43 to \$323,788.86. SCJ Dec., ¶ 33.

(5) Estimated Exposure for Unreimbursed Business Expenses

Plaintiffs alleged Defendants failed to reimburse Class Members for all necessary business expenses. Specifically, Plaintiffs assert that they were required to use the personal cell phones for work-related purposes, including communicating with coworkers and management and using GPS navigation to locate job sites. However, Defendants failed to reimburse Class Members for this cost, in violation of Labor Code Section 2802. Defendants denied any liability for this claim. Defendants argued, among other things, that on the rare occasion where employees did incur business expenses, these expenses were fully reimbursed. Considering Defendants’ defenses, Plaintiffs estimated Defendants’ exposure for this claim ranged from \$2,812.50 to \$5,625.00. SCJ Dec., ¶ 34.

(6) Estimated Exposure for Wage Statement Violations

Plaintiffs also alleged that Defendants failed to furnish their employees with accurate itemized wage statements. Specifically, Plaintiffs allege that as a result of Defendants’ failure to provide meal and rest periods as required by the California Labor Code, Plaintiffs and other Class Members are entitled to derivative wage statement penalties. (See *Naranjo v. Spectrum Security Services* (2022) 13 Cal. 5th 93 (concluding that meal premiums are “wages” entitling employees to derivative wage statement penalties). Further, Defendants argued that even if they failed to furnish accurate wage statements, Plaintiffs could not establish the injury requirement on a class-wide basis. As a result, Plaintiffs discounted this claim 75% to account for this risk. Plaintiffs estimated that Defendants’ exposure on this claim ranged between \$43,700.00 and \$174,800.00. SCJ Dec., ¶ 35.

(7) Estimated Exposure for Waiting Time Penalties

Plaintiffs also alleged that the Defendants’ labor code violations resulted in derivative liability for waiting time penalties. Although these *penalties* represented Defendants’ largest dollar amount of exposure, this is Plaintiffs’ most uncertain claim. Specifically, Defendants argued that Plaintiffs could not prove the “willful” prong needed to obtain waiting time penalties under Labor Code section 203.

1 Notwithstanding the uncertain nature of the claims, Class Counsel’s Conservative Model discounted
2 the waiting time penalty claim by 90% and estimated Defendants’ exposure for these claims ranged
3 between \$35,252.70 and \$352,527.00. SCJ Dec., ¶ 36.

4 (8) Defendants’ PAGA Exposure

5 Class Counsel’s damage models also estimated Defendants’ exposure for PAGA penalties.
6 Pursuant to Labor Code section 2699(o), “the penalty recovered pursuant to this part shall be reduced
7 by one-half if the employees’ regular pay period is weekly rather than biweekly or semimonthly.”
8 Defendants implemented weekly pay periods, thus the PAGA pay period count reduces the weekly
9 PAGA periods by 50%. At the time of mediation, Plaintiffs estimated Defendants’ PAGA exposure at
10 \$212,500.00. SCJ Dec., ¶ 37. The proposed PAGA Payment of the Gross Settlement Amount is fair,
11 just and reasonable. *Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, 77. Where settlements
12 “negotiate a good faith amount” for PAGA penalties and “there is no indication that this amount was
13 the result of self-interest at the expense of class members,” such amounts are generally considered
14 reasonable. *Hopson v. Hanesbrands Inc.*, No. CV-08-0844 EDL, 2009 WL 928133, at *9 (N.D. Cal.
15 Apr. 3, 2009). Courts routinely approve of amounts for PAGA penalties in the range of zero to two
16 percent of the settlement. *See id.* at *1, 9 (approving a PAGA payment of 0.3%); *Jack v. Hartford Fire*
17 *Ins. Co.*, No. 09cv1683 MMA (JMA), 2011 WL 4899942, at *6 (S.D. Cal. Oct. 13, 2011) (approving a
18 PAGA payment of 0.25%); *McKenzie v. Fed. Express Corp.*, No. CV 10-02420 GAF (PLAx), 2012 WL
19 12882124, at *5 (C.D. Cal. Jan. 23, 2012) (acknowledging that courts approve PAGA claim settlements
20 in the range of zero to two percent of the total settlement).

21 Here, the Parties negotiated a good faith PAGA Payment in the amount of \$20,000.00, which is
22 6.3% of the Gross Settlement Amount. This amount falls well within the range of approved PAGA
23 Payments. Sixty-Five percent (65%) of the PAGA Payment (\$13,000.00) will be paid to the LWDA
24 (“LWDA Payment”) with the remaining thirty-five percent (35%) of the PAGA Payment (\$7,000.00) to
25 be distributed to the Aggrieved Employees, which is within the range of PAGA penalties approved by
26 courts and should be approved. SCJ Dec., ¶ 38.

27 Under PAGA, Courts have considerable discretion to reduce the penalty award. In *Fleming v.*
28 *Covidien*, 2011 U.S. Dist. LEXIS 154590 (C.D. Cal. 2011), a federal court reduced PAGA penalties

1 from \$2,800,000 to \$500,000, a reduction of 82.2%, because the court found maximum penalties
2 "unjust" because the employees had suffered no injuries. Some trial courts have actually awarded no
3 civil penalties, even when Labor Code violations are established. *See In re Nordstrom Com. Cases*, 186
4 Cal.App.4th 576, 589 (2010) (affirming an award of \$0 in PAGA penalties in a wage and hour class
5 action); *In re Taco Bell Wage & Hour Actions*, 2016 U.S. Dist. LEXIS 48557, *40-43 (E.D. Cal. Apr.
6 6, 2016) (PAGA penalties denied after trial).

7 *Carrington v. Starbucks Corp.*, 30 Cal. App. 5th 504 (2018), illustrates the risk of PAGA claims.
8 In *Carrington*, while the plaintiff prevailed on his PAGA claim upon trial, the trial court reduced the
9 maximum PAGA penalty amount by 90%, citing the employer's good faith attempt at complying with
10 the law. *Id.* at 517. Upon review, the Court of Appeal found such reduction to be proper. *Id.* at 539.
11 Again, the *Carrington* decision was after Plaintiff actually prevailed at trial, and even then, the PAGA
12 penalties were reduced by 90%.

13 For the aforementioned reasons, the PAGA Payment of the Gross Settlement Amount is fair, just
14 and reasonable.

15 **b. Inherent Risks of Continued Litigation Support Preliminary Approval.**

16 "It can be difficult to ascertain with precision the likelihood of success at trial. The Court cannot
17 and need not determine the merits of the contested facts and legal issues at this stage, [Citation], and to
18 the extent courts assess this factor, it is to 'determine whether the decision to settle is a good value for a
19 relatively weak case or a sell-out of an extraordinary strong case.'" (*Misra v. Decision One Mortg. Co.*
20 (C.D. Cal. 2009) 2009 WL 4581276, at *7.)

21 With respect to the most immediate challenge, i.e., class certification, the risks attendant to the
22 certification of similar wage and hour claims are demonstrated by *Ali v. U.S.A. Cab Ltd.* (2009) 176
23 Cal.App.4th 1333, 1341. There, the Court of Appeal affirmed the Trial Court's denial of class
24 certification because employees' declarations attesting to having taken meal and rest breaks
25 demonstrated that individualized inquiries were required to show harm. *See also Campbell v. Best Buy*
26 *Stores, L.P.*, (C.D. Cal. 2013) 2013 WL 5302217 at *11-13 (following *Brinker* and denying certification
27 of proposed off-the-clock and rest and meal break classes due to lack of uniform policy); *Brown v. Fed*
28 *Express Corp.* (C.D. Cal. 2008) 249 F.R.D. 580, 587-88 (denying certification of driver meal and rest

1 period claims based on the predominance of individual issues). SCJ Dec., ¶ 39.

2 Further, even if a class is certified, liability remains uncertain. The risks attendant to the issue of
3 Defendant’s liability in similar wage and hour actions are demonstrated by *Duran v. U.S. Bank National*
4 *Association* (2014) 59 Cal.4th 1, 31. There, the Court reversed a trial verdict in favor plaintiffs in a
5 wage and hour class action. *See also Tien v. Tenet Healthcare Corp.* (2012) 209 Cal.App.4th 1077, 1088
6 (“[T]he reason, if any, that employees might not take their breaks were predominantly individualized
7 questions of fact not susceptible to class treatment.”). SCJ Dec., ¶ 40.

8 Finally, even if a class is certified and Defendant is found liable for the class claims alleged,
9 post-certification risks remain, including a reversal of a favorable judgment for Plaintiff and
10 decertification of the class. These post-certification risks are demonstrated by *Magadia v. Wal-Mart*
11 *Associates, Inc.* (9th Cir. 2021) 999 F.3d 668. There, the Ninth Circuit vacated reversed and remanded
12 a \$110 million judgement against an employer for, *inter alia*, inaccurately paying overtime, and
13 directed the trial court to enter judgement in favor of the employer. *See also O’Conner v. Uber*
14 *Technologies, Inc.* (9th Cir. 2018) 904 F.3d 1087 (decertification of wage and hour misclassification
15 action). SCJ Dec., ¶ 41.

16 Collectively, the examples cited above illustrate the uncertain nature of class litigation.
17 Consequently, the uncertainty of obtaining certification through a contested motion is a significant risk
18 factor favoring settlement. SCJ Dec., ¶ 42.

19 “The Settlement eliminates these and other risks of continued litigation, including the very real
20 risk of no recovery after several years of litigation.” (*In re Nvidia Derivs. Litig.* (N.D. Cal. 2008) 2008
21 WL 5382544, at *3.) Indeed, potential appeals aside, litigating a complex case through trial is
22 inherently perilous regardless of the strengths of merits of the claims:

23 [N]othing is assured when litigating against commercial giants with vast
24 litigative resources, particular in such complex litigation as this, which
25 would strain the cognitive capacities of any jury. Defense judgments were
26 hardly beyond the realm of possibility. Accordingly, this factor weighs in
27 favor of preliminary approval.

28 (*Rebney v. Wells Fargo Bank* (1990) 220 Cal.App.3d 1117, 1140, *opinion modified* (June 18, 1990).)

1 Finally, continuing to litigate this action would require continued and extensive resources
2 coupled with significant Court time to proceed through trial and post-trial motions, which can often
3 take years. Furthermore, wage and hour litigation is complex and expensive, as it often necessitates
4 extensive expert testimony, particularly with regard to damages. But even if Plaintiffs were successful
5 at trial, Plaintiffs are acutely aware that a judgment does not end the litigation. Plaintiffs fully expect
6 that Defendants would appeal any favorable judgment. As demonstrated by *Magadia, supra*, 999 F.3d
7 668, the risk of an appeal and subsequent reversal is real. SCJ Dec., ¶ 43. “Avoiding such a trial and
8 the subsequent appeals in this complex case strongly militates in favor of settlement rather than further
9 protracted and uncertain litigation.” (*Nat’l Rural Telecomms. Coop v. DirecTV* (C.D. Cal. 2004) 221
10 F.R.D. 523, 527.) Thus, “unless the settlement is clearly inadequate, its acceptance and approval are
11 preferable to lengthy and expensive litigation with uncertain results.” (*Id.* at 526.)

12 In this matter, Class Counsel negotiated a Gross Settlement Amount of \$315,000.00 that is
13 between 17.3% and 36.18% of Defendants’ class-wide exposure. Given the amount of the settlement
14 here, as compared to potential value of the claims, offset by the various inherent risks to continued
15 litigation, the settlement is fair and reasonable. SCJ Dec., ¶ 44.

16 **B. The Proposed Notice Informs the Class about the Case and Settlement**

17 The Settlement Class is entitled to the best practical notice under the circumstances. (*Kass v.*
18 *Young* (1977) 67 Cal.App.3d 100, 106.) The purpose of the notice is to give class members sufficient
19 information to decide whether they should accept the benefits offered, opt out and pursue their own
20 remedies, or object to the settlement. (*Trotsky v. Los Angeles Fed Savings & Loan Assn.* (1975) 48 Cal.
21 App. 3d 143, 151-52.) The notice must advise class members “that they may be excluded from the class
22 if they so request and that they will be bound by the judgment, whether favorable or not, if they do not
23 request exclusion.” (*Kass*, 67 Cal.App.3d at 106.) Authorities generally require service of the class
24 notice by mail or similar reliable means. (*Chance v. Super. Ct.* (1962) 58 Cal.2d 275, 290; *Cart v.*
25 *Super. Ct.* (1975) 50 Cal.App.3d 960, 972.)³

26
27 ³ Due process does not require that each class member actually receive a notice, but rather a procedure reasonably certain to
28 reach class members. Wright, A. Miller & M. Kane, *Federal Practice and Procedure* § 1789, at 253 (2d ed. 1986). If
appropriate notice is given, class members will be bound by the judgment even if they never actually receive the notice.
Fontana v. Elrod (7th Cir. 1987) 826 F.2d 729, 732.

1 The Parties jointly drafted the Class Notice, which fairly and neutrally informs the Class
2 Members of their rights and remedies. The Settlement Administrator will first verify addresses, then
3 mail the proposed Class Notice to all Class Members. The Class Notice will include information
4 regarding the nature of the lawsuit, a summary of the substance of the Settlement's terms, the class
5 definition, the procedure, and time period within which to request exclusion from or object to the
6 Settlement, the date for the final approval hearing, the formula used to calculate settlement payments,
7 and the terms and scope of the Released Class Claims. Agreement at § III(M)(2)(a); Ex. 1 to the
8 Agreement. This method was negotiated by the Parties to ensure delivering the most reasonable method
9 of notice to the Class Members while ensuring cost effective administration of the Settlement. SCJ
10 Dec., ¶ 45.

11 Accordingly, both the method of disseminating the Class Notice and content of the Class Notice
12 satisfy due process. (*See* C.R.C. 3.776(e)-(f); *State of Cal. v. Levi Strauss* (1986) 41 Cal.3d 460,485
13 (the class notice must "fairly apprise the class members of the terms of the proposed compromise and
14 of the options open to dissenting class members.").)

15 **C. The Court Should Preliminarily Approve the Service Awards**

16 Enhancement payments "are fairly typical in class action cases." (*Cellphone Termination Fee*
17 *Cases* (2010) 186 Cal.App.4th 1380, 1393 (affirming incentive awards of \$10,000); *Rodriguez v. West*
18 *Publishing Corp.* (9th Cir. 2009) 563 F.3d 948, 958, *citing* 4 Newberg on Class Actions (4th ed. 2002)
19 § 1 1:38, and Eisenberg & Miller, *Incentive Awards to Class Action Plaintiffs: An Empirical Study*, 53
20 UCLA L. Rev. 1303 (2006).) Enhancement payments "are intended to compensate class representatives
21 for work done on behalf of the class, to make up for financial or reputational risk undertaken in bringing
22 the action, and, sometimes, to recognize their willingness to act as a private attorney general."
23 (*Rodriguez*, 563 F.3d at 958-59.) "[T]he rationale for making enhancement or incentive awards to
24 named plaintiffs is that they should be compensated for the expense or risk they have incurred in
25 conferring a benefit on other members of the class." (*Clark v. American Residential Services LLC*
26 (2009) 175 Cal.App.4th 785.)

27 The Settlement provides for Service Awards of \$10,000 to each Plaintiff. The Service Awards
28 are fair and reasonable compensation for the Plaintiffs' efforts bringing the action, assisting Class

1 Counsel with the litigation and settlement, regularly conferring with Class Counsel on the status of the
2 case and the strategies for prosecuting the claims, reviewing the proposed Settlement to ensure that its
3 terms are fair and provide adequate relief for the Settlement Class, and agreeing to provide to
4 Defendants a general release of all claims arising out of their employment. SCJ Dec., ¶ 46.

5 Class Counsel will file a formal motion for the negotiated Service Awards on behalf of Plaintiffs
6 once preliminary approval of the Settlement is granted. Plaintiffs respectfully submit that the above
7 showing is sufficient for preliminary approval of the negotiated Service Awards. SCJ Dec., ¶ 47.

8 **D. The Court Should Preliminarily Approve the Class Counsel Award**

9 The purpose of an award of attorneys' fees and costs in class action litigation is to reward counsel
10 who took the risk of non-payment and invested in a case that achieved a substantial positive result for
11 the class. California courts routinely award attorneys' fees equaling one-third or more of the potential
12 value of the common fund, the amount requested under this settlement. (*See Chavez v. Netflix, Inc.*
13 (2008) 162 Cal.App.4th 43, 66 n.11 ("Empirical studies show that regardless whether the percentage
14 method or the lodestar method is used, fee awards in class actions average around one-third of the
15 recovery."); Theodore Eisenberg & Geoffrey P. Miller, *Attorney Fees in Class Action Settlements: An*
16 *Empirical Study*, *J. of Empirical Legal Studies*, Vol. 1, Issue 1, 27-78, March 2004, at 35 (independent
17 studies of class action litigation nationwide have come to a similar conclusion that a one-third fee is
18 consistent with market rates).)

19 Class Counsel took this matter on a contingency fee basis and invested significant time and
20 expense successfully prosecuting Plaintiffs' claims. As discussed *supra*, the estimated average
21 Individual Settlement Payment illustrates the demonstrably positive outcome for the Settlement Class
22 Members. Considering the positive outcome for the Class Members, and in light of the supporting
23 authority, the proposed Class Counsel award is fair and reasonable. SCJ Dec., ¶ 48.

24 Attorneys for Plaintiffs have entered a Contingency Fee Agreement in compliance with
25 California Rules of Court, rule 3.769(b). Plaintiffs will file a formal motion for the negotiated Class
26 Counsel Award once preliminary approval of the Settlement is granted. Plaintiffs respectfully submit
27 that the above showing is sufficient for preliminary approval of the negotiated attorneys' fees. SCJ
28 Dec., ¶ 49.

1 **E. Provisional Certification for Settlement Purposes is Appropriate**

2 For Settlement, Plaintiffs contend, and Defendants do not dispute, that provisional certification
3 of the Class is appropriate. SCJ Dec., ¶ 50.

4 1. The Standard for Class Certification

5 Class actions are statutorily authorized “when the question is one of common or general interest,
6 of many persons, or when the parties are numerous, and it is impracticable to bring them all before the
7 court” (*Cal.Civ.Proc.* Code § 382; *Lee v. Dynamex, Inc.* (2008) 166 Cal.App.4th 1325, 1332.) Class
8 certification is appropriate when there is an “ascertainable class and a well-defined community of
9 interest among class members.” (*Sav-On Drug Stores, Inc.* (2014) 34 Cal.4th 319, 326.) Class treatment
10 is appropriate even if class members at some point may be required to make an individual showing as
11 to eligibility for recovery. (*Bufile v. Dollar Financial Group, Inc.* (2008) 162 Cal.App.4th 1193, 1207;
12 *Sav-On*, 34 Cal.4th at 333.)

13 2. The Proposed Settlement Class is Ascertainable and there is a Well-Defined Community
14 of Interest Among the Settlement Class Members.

15 Whether a class is “ascertainable” within the meaning of Code of Civil Procedure section 382 is
16 “determined by examining (1) the class definition, (2) the size of the class, and (3) the means available
17 for identifying class members.” (*Lee*, 166 Cal.App.4th at 1334.) Class members are ascertainable where
18 they may be readily identified without unreasonable expense or time by reference to official records.
19 (*Id.*)

20 The community of interest requirement embodies three factors: (1) predominant common
21 questions of law or fact; (2) a class representative with claims or defenses typical of the class; and (3)
22 a class representative and counsel who can adequately represent the class. (*Cal. Civ. Proc. Code* § 382.)

23 In April 2012, the Supreme Court expounded on the element of predominance: The “ultimate
24 question” the element of predominance presents is whether “the issues which may be jointly tried, when
25 compared with those requiring separate adjudication, are so numerous or substantial that the
26 maintenance of a class action would be advantageous to the judicial process and to the litigants.”
27 (*Brinker*, 53 Cal. 4th at 1021-1022 (citations omitted).)

28 Because all Class Members are Defendants’ current and former employees, the class is readily

ascertainable from Defendants' regular business records, i.e., payroll records. SCJ Dec., ¶ 51.

The statutes relating to each of Plaintiffs' claims apply with equal force and effect to the entire Settlement Class. Factually, Defendants' policies and practices apply class-wide and Defendants' liability can be determined by facts common to all members of the class. The wage and hour issues are both numerous and substantial, and a class action is the most advantageous method of dealing with the claims of the Settlement Class. SCJ Dec., ¶ 52.

Plaintiffs' wage and hour claims are typical of the proposed Settlement Class because they arise from the same factual basis and are based on the same legal theories applicable to the other Class Members. Likewise, Plaintiffs' interests are entirely coextensive with the interests of the Settlement Class. Plaintiffs allege that they were injured by the same company-wide practices to which the proposed Class Members were subjected and seek the same relief. Plaintiffs have already demonstrated their ability to advocate for the interests of the Class by initiating this litigation, undertaking extensive class discovery, and evaluating the proposed settlement to assure that it is fair. SCJ Dec., ¶ 53.

Additionally, Plaintiffs are represented by competent Class Counsel who have extensive experience in litigating wage and hour class action cases. Class Counsel have successfully briefed, argued, certified, and gained state court settlement approval of the same class-wide causes of action that are at issue in this case. Class Counsel's wage and hour class action experience establishes that they are well qualified to represent the interests of this Class. SCJ Dec., ¶¶ 54, 56-59; Declaration of Jean-Claude Lapuyade, ¶¶ 1-8; Declaration of Shani Zakay, ¶¶ 1-3.

A class action is superior to a multitude of individual lawsuits. Given the size and amount of each individual claim, the Class Members likely have little incentive to litigate their claims on an individual basis because the out-of-pocket expense and personal commitment necessary to litigate each claim outweighs any potential recovery. In sum, class treatment is superior to individual, case-by-case adjudication. SCJ Dec., ¶ 45.

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Dated: May 8, 2026

By: Sydney Castillo-Johnson
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