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SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF LOS ANGELES

OSCAR ALMANZA and FRED AMEZOLA, individually, and on behalf of themselves and on behalf of all persons similarly situated, Plaintiffs, v. THE SERVICE COMPANIES, INC. dba TSC STAFF, a Florida corporation; and DOES 1-50, Inclusive, Defendants.	*Lead* Case No: 24STCV01889 Case No.: 23STCV24991 **MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT** Date: August 11, 2026 Time: 9:00 a.m. Judge: Hon. Lauren A. Seigle Dept.: 17

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I. INTRODUCTION

Plaintiffs Oscar Almanza ("Plaintiff Almanza") and Fred Amezola ("Plaintiff Amezola") (collectively, "Plaintiffs") seek preliminary approval of the Class Action and PAGA Settlement Agreement ("Agreement"),[1] which if approved, would provide valuable monetary relief for approximately 1,412 Class Members and approximately 830 Aggrieved Employees. The basic terms of the Agreement provide for the following:

1. The **"Class"** means all current and former non-exempt employees who worked for Defendant The Service Companies, Inc. ("Defendant") at any of the following locations in California at any time during the Class Period: Glendale Adventist Hospital; Nowsta SoFi Stadium; and the Los Angeles Coliseum. Agreement at § 1.3. The Class is comprised of approximately 1,412 individuals who collectively worked 1,512 Workweeks[2] during the Class Period as estimated by Defendant. Agreement at § 4.1.

2. **"Class Period"** means the period from October 12, 2019, through and including March 15, 2026. Agreement at § 1.10.

3. A **"Participating Class Member"** means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement. Agreement at § 1.34.

4. The **"Aggrieved Employees"** are defined as all current and former non-exempt employees who worked for Defendant at any of the following locations in California at any time during the PAGA Period: Glendale Adventist Hospital; Nowsta SoFi Stadium; and the Los Angeles Coliseum. Agreement at §§ 1.2, 1.33. The "PAGA Period" means the period from June 5, 2022, through and including March 15, 2026. Agreement at § 1.33. Aggrieved Employees do not have the ability to opt out of the PAGA portion of the Settlement. Agreement at § 7.5.4. Defendant estimates there are approximately 830 Aggrieved Employees who worked approximately 1,200 PAGA Pay Periods during the PAGA Period. Agreement at § 4.1.

5. The "**Gross Settlement Amount**" is Three Hundred Forty-Five Thousand Dollars and

[1] The Agreement is attached as Ex "1" to the Declaration of Shani O. Zakay ("SOZ Dec.") at ¶ 4. All citations to the Agreement incorporate by this reference a citation to the SOZ Dec., ¶ 4. Further, unless indicated otherwise, capitalized terms used herein have the same meaning as those defined by the Agreement.

[2] The Agreement estimates that the Class worked approximately 2,000 workweeks. Defendant has already sent the Class Data to the Administrator, which confirmed that only 1,512 workweeks were worked by the Class. Accordingly, the escalator provision in the Agreement was **not** triggered. SOZ Dec., ¶ 45.

Zero Cents ($345,000.00). Agreement at § 1.20. The Gross Settlement Amount is non-reversionary and includes the following:

a. "**Service Awards**" of not more than Ten Thousand Dollars and Zero Cents ($10,000.00) to each Plaintiff in recognition of their efforts and risks in assisting with the prosecution of the Action. Agreement at § 3.2.1.

b. A "**Class Counsel Award**" consisting of attorneys' fees not to exceed one-third of the Gross Settlement Amount, currently estimated at One Hundred Fifteen Thousand Dollars and Zero Cents ($115,000.00), plus reimbursement of litigation costs of up to Forty Thousand Dollars and Zero Cents ($40,000.00). Agreement at §§ 1.5, 3.2.2.

c. A "**PAGA Payment**" in the amount of Twenty Thousand Dollars and Zero Cents ($20,000.00), which is the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees ($5,000.00) and 75% to the LWDA ($15,000.00) in settlement of PAGA claims. Agreement at §§ 1.31, 3.2.5; and

d. "**Settlement Administration Costs**" not to exceed Twenty Thousand Dollars and Zero Cents $20,000.00 payable to the Settlement Administrator for, *inter alia*, the administration of the Class Notice and costs associated with administration of the Settlement, including certified Spanish translation of the Class Notice. Agreement at §§ 1.9, 1.45, 3.2.3.

6. The "**Net Settlement Amount**" of approximately One Hundred Thirty Thousand Dollars and Zero Cents ($130,000.00) (Gross Settlement Amount less the PAGA Payment, Service Awards, Class Counsel Award, and Settlement Administration Costs) which will be allocated to all Participating Class Members on a pro-rata basis according to the number of Workweeks each Participating Class Member worked during the Class Period. Agreement at § 1.26. The entire Net Settlement Amount will be paid to all Participating Class Members who do not opt out of the Settlement resulting in an average Individual Class Payment of approximately ***$92.07***. SOZ Dec., ¶ 8.

An objective evaluation of the Settlement confirms that the relief negotiated on behalf of the Class is fair, reasonable, and adequate. The Settlement was negotiated by the Parties at arm's length. The Settlement confers substantial benefits to the Class Members. The relief offered by the Settlement is particularly impressive when viewed against the difficulties encountered by plaintiffs pursuing wage and hour cases (*see infra*). Indeed, by settling now rather than proceeding to trial, Class Members will not have to wait (possibly years) for relief, nor will they have to bear the risk of class certification being denied or of Defendant prevailing at trial. SOZ Dec., ¶ 8.

As discussed below, the proposed Settlement satisfies all criteria for preliminary settlement approval and falls within the range of reasonableness. The average Individual Class Payment to the Participating Class Members meets awards in similar wage and hour class actions. Moreover, the proposed Class is appropriate for provisional certification. Accordingly, Plaintiffs respectfully request the Court grant preliminary approval of the Settlement. SOZ Dec., ¶ 9.

II. FACTS AND PROCEDURE

A. Overview of the Litigation

Defendant operates a staffing company that provides non-exempt employees for food service and catering operations at various California locations. Plaintiff Almanza was employed by Defendant from approximately May 2023 to October 2023 as a non-exempt, hourly-paid employee. Plaintiff Amezola was employed by Defendant from approximately December 2019 through November 2022 as a non-exempt, temporary food service and catering worker. SOZ Dec., ¶ 10; Declaration of Fred Amezola at ¶ 5; Declaration of Oscar Almanza at ¶ 5.

Generally, Plaintiffs claim that Defendant failed to pay for all hours worked, failed to provide compliant meal and rest periods, failed to pay wages when due upon termination, and failed to furnish accurate itemized wage statements. Defendant denies liability for each of Plaintiffs' claims. Further, Defendant asserts that it fully complied with all applicable employment laws and raised several other significant defenses to Plaintiffs' claims. SOZ Dec., ¶ 11.

The *Amezola* Action

On June 5, 2023, Plaintiff Amezola gave timely written notice to Defendant and the LWDA by sending his PAGA Notice, pursuant to Labor Code section 2699.3, subdivision (a). Agreement at § 2.1.

On October 12, 2023, Plaintiff Amezola commenced a class action by filing a complaint in Los Angeles Superior Court, Case No. 23STCV24991 (the "*Amezola* Action"), alleging causes of action against Defendant for: (1) Failure to Pay Wages; (2) Failure to Provide Rest Breaks or Compensation in Lieu Thereof; (3) Failure to Provide Meal Periods or Compensation in Lieu Thereof; (4) Failure to

Pay Overtime; (5) Wage Statement Violations; (6) Unfair Business Practices in violation of Bus. & Prof. Code sections 17200 *et seq.*; (7) Failure to Reimburse Business Expenses; (8) Failure to Pay Final Wages; and (9) Violation of the Private Attorneys General Act in violation of Cal. Labor Code § 2698 *et seq.* Agreement at § 2.2.

On March 1, 2024, Plaintiff Amezola filed a First Amended Class Action Complaint in Case No. 23STCV24991, reasserting all nine causes of action and incorporating additional factual allegations regarding Defendant's employment practices at multiple California locations. Agreement at § 2.5.

The *Almanza* Action

On January 24, 2024, Plaintiff Almanza gave timely written notice to Defendant and the LWDA by sending his PAGA Notice, pursuant to Labor Code section 2699.3, subdivision (a). Agreement at § 2.3. On January 24, 2024, Plaintiff Almanza commenced a class action by filing a complaint in Los Angeles Superior Court, Case No. 24STCV01889 (the "*Almanza* Action"), alleging causes of action against Defendant for: (1) Unfair Competition in Violation of Bus. & Prof. Code sections 17200 *et seq.*; (2) Failure to Pay Minimum Wages in violation of California Labor Code sections 1194, 1197 and 1197.1; (3) Failure to Pay Overtime Wages in violation of California Labor Code sections 510 *et seq.*; (4) Failure to Provide Required Meal Periods in violation of California Labor Code sections 226.7 and 512 and the applicable IWC Wage Order; (5) Failure to Provide Required Rest Periods in violation of California Labor Code sections 226.7 and 512 and the applicable IWC Wage Order; (6) Failure to Provide Wages When Due in violation of California Labor Code sections 201, 202 and 203; (7) Failure to Provide Accurate Itemized Statements in violation of California Labor Code section 226; and (8) Failure to Reimburse Employees for Required Expenses in violation of California Labor Code section 2802. Agreement at § 2.4.

On April 2, 2024, Plaintiff Almanza filed a First Amended Complaint in the Almanza Action, adding a ninth cause of action for Violation of the Private Attorneys General Act in violation of Cal. Labor Code § 2698 *et seq.* Agreement at § 2.6.

On May 17, 2024, the Court found that the Almanza Action and the Amezola Action are related within the meaning of California Rules of Court, rule 3.300(a). Agreement at § 2.7.

On August 28, 2024, Plaintiff Amezola filed a Second Amended Class Action Complaint in Case

No. 23STCV24991 (filed with the Court on October 2, 2024), expanding the action and asserting the same nine causes of action on behalf of location-based subclasses of non-exempt catering and food service workers. Agreement at § 2.8.

On January 14, 2026, the Parties participated in an all-day mediation presided over by Doug Leach, Esq. of McKelvey Resolution. The Parties did not resolve the matter at mediation but did so soon after by accepting a Mediator's Proposal. Agreement at § 2.9.

<u>The Consolidated Actions</u>

On April 27, 2026, Plaintiffs filed a Second Amended Complaint in the *Almanza* Action and (1) added Plaintiff Amezola as a named Plaintiff and the *Amezola* Action alongside Plaintiff Almanza; (2) incorporated the allegations and claims asserted in the *Amezola* Action; (3) defined the Settlement Class consistent with the class release contemplated by the Settlement; and (4) defined the PAGA claims consistent with the PAGA release contemplated by the Settlement. Agreement at § 2.11. The Second Amended Complaint in the *Almanza* Action that consolidates the *Almanza* Action and the *Amezola* Action is referred to as the "Operative Complaint".

B. Class Counsel Thoroughly Investigated the Factual and Legal Issues

Before filing the actions, Class Counsel began pre-filing investigations into Plaintiffs' complaints. This investigation started with several lengthy interviews with each Plaintiff. As part of the interview process, Plaintiffs provided documents related to their employment. Class Counsel determined that Plaintiffs' complaints justified further inquiry. SOZ Dec., ¶ 12.

Following the filing of the complaints, the Parties engaged in formal discovery. Plaintiffs served Special Interrogatories, Requests for Production, Form Interrogatories, and Requests for Admissions. Defendant produced payroll and timekeeping records for the Class Members as well as applicable handbooks, policies, and agreements. In response, Defendant produced thousands of pages of documents. SOZ Dec., ¶ 13.

Class Counsel retained the statisticians and economists at Berger Consulting Group ("BCG") to evaluate the Class Members' payroll and time data. BCG provides data analysis and damage modeling consulting services, specializing in wage and hour class actions. BCG's team of financial and data analysts are credentialed and experienced experts in their fields and have provided their expertise on thousands of cases. SOZ Dec., ¶ 14.

BCG analyzed Defendant's time and payroll data from 803 employees (approximately 57% of the Class) to assist in the development of various damage models. Among other things, BCG estimated the number of missed, late, or truncated meal and rest periods, the amount of unpaid and off-the-clock wages, and the potential liability for derivative claims including waiting time penalties and wage statement violations. These damage models informed and guided Class Counsel during the mediated settlement discussions. SOZ Dec., ¶ 15.

Overall, Class Counsel thoroughly investigated the claims at issue, including: (1) determining Plaintiffs' suitability as putative class representatives through interviews, background investigations, and analysis of their employment files; (2) evaluating all of Plaintiffs' potential claims; (3) researching similar wage and hour class actions as to the claims brought, the nature of the positions, and the type of employer; (4) analyzing a statistically significant sampling[3] of Class Members' time and payroll records; (5) analyzing Defendant's labor policies and practices; (6) researching settlements in similar cases as well as outstanding issues which could affect settlement approval; (7) evaluating Plaintiffs' claims and estimating Defendant's liability for purposes of settlement; (8) drafting the mediation brief; and (9) participating in the mediation. This investigation allowed Class Counsel to fully assess the nature and magnitude of the claims being settled, as well as the impediments to recovery, such as to make an independent assessment of the reasonableness of the terms to which the Parties have agreed. SOZ Dec., ¶ 16.

Class Counsel only agreed to enter the Settlement following this 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 and uncertainty associated with litigation, and the various defenses asserted by Defendant, 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. SOZ Dec., ¶ 17.

[3] As noted above, Defendant provided time and pay records for 803 Class Members, approximately 57% of the total Class. Plaintiffs' statistician found this to be sufficient to develop a meaningful damages model. Additionally, the 57% sample is statistically reliable, resulting in an approximate confidence level of 95% with a margin of error of 2.2%. SOZ Dec., ¶ 18.

C. The Parties Settled Following Mediation

On January 14, 2026, the Parties participated in an all-day mediation with Doug Leach, Esq. a skilled and respected neutral experienced in the resolution of complex wage and hour disputes. Agreement at § 2.9. The Parties made substantial progress with Mr. Leach's assistance, exchanging information regarding their respective claims and defenses, including their respective evaluations of damages. The mediation involved extensive, arm's-length negotiations. The Parties did not resolve the matter at mediation but subsequently accepted a Mediator's Proposal, which was memorialized in a Memorandum of Understanding and ultimately the final Agreement now before the Court. Class Counsel submits that the Settlement, incorporated herein in full, constitutes a fair, adequate, and reasonable compromise of the claims at issue. SOZ Dec., ¶ 19.

D. The Proposed Settlement Fully Resolves Plaintiffs' Claims

1. The Composition of the Participating Class Members

The proposed Class consists of all current and former non-exempt employees who worked for Defendant at any of the following locations in California at any time during the period beginning on October 12, 2019, through and including March 15, 2026: Glendale Adventist Hospital; Nowsta SoFi Stadium; and the Los Angeles Coliseum. Agreement at §§ 1.3, 1.10. The Settlement excludes any person who submits a timely and valid request for exclusion. Agreement at § 1.34. Defendant estimates that the Class is comprised of approximately 1,412 individuals who collectively worked approximately 2,000 Workweeks during the Class Period. Agreement at § 4.1.

2. The Settlement Consideration

The Parties agreed to settle the underlying claims in exchange for the Gross Settlement Amount of $345,000.00. The Gross Settlement Amount includes: (1) Individual Class Payments to Participating Class Members; (2) Service Awards of not more than $10,000.00 to each Plaintiff for their services on behalf of the Class; (3) a PAGA Payment in the amount of $20,000.00; (4) Settlement Administration Costs not to exceed $20,000.00; and (5) a Class Counsel Award comprised of attorneys' fees of not more than one-third of the Gross Settlement Amount (estimated at $115,000.00) and reimbursement of up to $40,000.00 for litigation expenses. See generally Agreement at § 3.

Subject to the Court approving these deductions, the Net Settlement Amount will be distributed to each Participating Class Member. Agreement at § 1.26. There is no reversion to Defendant, and Defendant must separately pay for its share of employer-side payroll taxes. Agreement at § 3.1.

3. The Funding Date

Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Settlement Administrator in two equal installments. The first installment of $172,500.00 shall be due thirty (30) calendar days after the Court enters the Final Approval Order or on October 1, 2026, whichever is later. The second and final installment of $172,500.00 shall be due three (3) months after the first installment is due. Agreement at § 4.2.

4. Formula for Calculating Individual Class Payments

Participating Class Members will receive an Individual Class Payment. The Individual Class Payment will be proportional to the number of Workweeks each Class Member worked for Defendant in California during the Class Period. Agreement at § 3.2.4. The Class Data provided by Defendant to the Settlement Administrator includes information necessary to allow the Administrator to calculate the number of Workweeks for each Class Member and the number of PAGA Pay Periods worked during the relevant periods. Agreement at § 1.6. The Administrator will calculate each Class Member's final Individual Class Payment by dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and multiplying the result by each Participating Class Member's Workweeks worked during the Class Period. Agreement at § 3.2.4. Each Individual Class Payment will be reduced by any legally mandated employee tax withholdings. Agreement at § 3.2.4.1. Individual Class Payments for Non-Participating Class Members will be redistributed to Participating Class Members on a pro rata basis. Agreement at § 3.2.4.2. Given that there are approximately 1,412 Class Members, ***the average gross recovery is approximately $92.07*** (Net Settlement Amount divided by Class Members). SOZ Dec., ¶ 8.

5. Release by Participating Class Members

Effective on the Funding Date, all Participating Class Members will release the Released Parties, as defined in the Settlement Agreement, from all class claims alleged, or that reasonably could have been alleged based on the facts alleged, in the Operative Complaint in the *Almanza* Action, to the extent such claims arise from or relate to work performed for Defendant at Glendale Adventist Hospital, Nowsta SoFi Stadium, and Los Angeles Coliseum locations during the Class Period. This release expressly excludes all other claims, including but not limited to claims based on work performed at any other locations, claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and any class claims outside of the Class Period. Agreement at § 5.2.

6. PAGA Release by the State of California on behalf of the Aggrieved Employees

Effective on the Funding Date, all Aggrieved Employees will release the Released Parties, as defined in the Settlement Agreement, from all PAGA claims alleged in the Operative Complaint in the *Almanza* Action and in Plaintiffs' PAGA Notices to the LWDA, to the extent such claims arise from or relate to work performed for Defendant at Glendale Adventist Hospital, Nowsta SoFi Stadium, and Los Angeles Coliseum locations during the PAGA Period. This release expressly excludes all other claims, including claims under PAGA based on work performed at any other locations, claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and any PAGA claims outside of the PAGA Period. Agreement at § 5.3.

III. ARGUMENT

A. The Court Should Preliminarily Approve the Proposed Class Action Settlement

The proposed Settlement, including a Gross Settlement Amount of $345,000.00, meets the standards for preliminary approval. Pre-trial settlement of complex class actions is a judicially favored remedy. (*Officers for Justice v. Civil Serv. Comm'n* (9th Cir. 1982) 688 F.2d 615, 625 ("Voluntary conciliation and settlement are the preferred means of dispute resolution.").) Class action settlement approval requires an early "preliminary" review by the trial court and a subsequent "final" review after notice of the settlement has been distributed to class members for their comments and objections. (C.R.C. 3.769(c)-(g); *Cellphone Termination Fee Cases,* 180 Cal. App. 4th 1110, 1118 (2010) (the court first "preliminarily approves the settlement" and later "conducts a final approval hearing to inquire into the fairness of the proposed settlement").)

Although Rule of Court 3.769 does not provide detail as to the scope of review of the proposed settlement, preliminary approval is warranted if the settlement falls within a "reasonable range." (*See North County Contractor's Assn., Inc. v. Touchstone Ins. Services* (1994) 27 Cal.App.4th

1085, 1089-90; Conte & Newberg, *Newberg on Class Actions,* §§ 11.26 (4th ed. 2002).) Reasonableness and fairness are presumed where: (1) the settlement is reached through "arms-length bargaining;" (2) investigation and discovery are "sufficient to allow counsel and the court to act intelligently;" (3) counsel is "experienced in similar litigation. . . . ." (*Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1802.) The presumption of fairness is consistent with California's public policy 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. <u>The Parties Reached the Settlement Through Arm's-Length Bargaining Led by Experienced Counsel.</u>

"[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.)

On January 14, 2026, the Parties participated in a full-day mediation with Doug Leach, Esq. of M Resolution, a skilled and respected neutral experienced in the resolution of complex wage and hour disputes. Agreement at § 2.9. (*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.").) The negotiations were adversarial and non-collusive. The Parties did not resolve the matter at mediation but subsequently accepted a Mediator's Proposal, resulting in a settlement that is the final product of the mediated negotiations. Objectively, the Settlement terms are fair, adequate and represent a reasonable compromise of the claims at issue. SOZ Dec., ¶ 20.

Plaintiffs are represented by Zakay Law Group, APLC, JCL Law Firm, APC, and Hamner Law Offices, APLC. These firms are highly experienced in prosecuting wage and hour class actions and have been appointed as class counsel in numerous similar cases throughout California. Defendant is represented by Benesch, Friedlander, Coplan & Aronoff LLP, a well-regarded firm with significant expertise in defending employers in complex employment litigation. The fact that the Settlement was negotiated by experienced counsel on both sides, with the aid of a neutral mediator, strongly supports the presumption of fairness. SOZ Dec., ¶¶ 7, 21; Declaration of Jean-Claude Lapuyade, Esq. at ¶¶ 3-8; Declaration of Christopher Hamner, Esq.

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

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 formal and 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. SOZ Dec., ¶ 22.

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 Defendant, Class Counsel firmly believe this Agreement to be in the best interests of the Class Members. SOZ Dec., ¶ 23. Because the Settlement's terms are fair, reasonable, and adequate, the Court should preliminarily approve the Settlement.

3. <u>The Settlement Falls Within the Recognized Range of Reasonableness.</u>

The Gross Settlement Amount of $345,000.00 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 "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.[4] 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 F.R.D. 174, 186 (*quoting In re Michael Milken and Assoc. Sec. Litig.* (S.D.N.Y. 1993) 150 F.R.D. 57, 66).)

a. <u>The Gross Settlement Amount Meets the Recognized Range of Reasonableness</u>.

The Gross Settlement Amount of $345,000.00 is fair and reasonable considering the nature and magnitude of the claims being settled and the various potential impediments to recovery. Prior to

[4] 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").

mediation, Class Counsel retained BCG to develop economic damage models measuring Defendant's liability exposure while accounting for the uncertainties of continued litigation. The various models were informed by Class Counsel's investigation, including the analysis of a significant sample of time and payroll data. Class Counsel projected Defendant's liability exposure for *class claims* (excluding PAGA Penalties) would be approximately $1,533,852 successful at trial. Thus, the Gross Settlement Amount represents a recovery of approximately 22.5% of Defendant's class-wide exposure – well within the recognized range of reasonableness. SOZ Dec., ¶ 24. The following summarizes Defendant's liability exposure.

1. <u>Defendant's Estimated Exposure for Failure to Pay for All Hours Worked</u>

Plaintiffs allege that Defendant failed to pay employees for all hours worked. Specifically, Plaintiffs assert that Defendant's improperly rounded time. The data produced by Defendant showed that nearly 40% of all shifts had time entries recorded to quarter-hour intervals, *i.e.*, 7:00am or 7:30am. Moreover, Plaintiffs note that more than a quarter of all shifts recorded were exactly 8 hours, a highly improbable statistic, given that the employees were working in the food service and catering industry that does not lend itself to exact, 8-hour shifts. Defendant denied rounding time, contending that employees were responsible for tracking their own hours, thus to the extent time was rounded, this reflected the time entered by the employee himself or herself. Defendant further argues that any determination of uncompensated time would require highly individualized inquiries not suitable for class treatment. Taking Defendant's defenses into account, Plaintiff estimated Defendant's damages stemming from this claim to be $31,756.50. This number was calculated by assuming each Class Member worked on average 10 minutes off-the-clock per shift. Taking Defendant's defenses into account, Plaintiff then applied a 25% discount. SOZ Dec., ¶ 25.

<u>Defendant's Estimated Exposure for Meal Period Violations</u>

Plaintiffs allege that Defendant improperly rounded meal periods, noting that of all first meal periods recorded, more than 50% were recorded at *exactly* 30 minutes. Plaintiffs also alleged that over 94% of shifts included an automatically deducted meal period. Defendant denies liability for these alleged violations and argues that it maintained facially compliant meal period policies, that its timekeeping system ensured employees had the opportunity to take compliant meal periods, and that any claimed violations would require individualized inquiries not suitable for class treatment. Taking Defendant's defenses into account, Plaintiff estimated Defendant's damages stemming from this claim to be $110,881.10. This number was calculated by assuming that all missed and late meal periods were non-compliant, and that all missed meal periods when a shift was over 6 hours were likewise non-compliant. Plaintiff also assumed that 60% of all meal periods that it flagged as automatically deducted were likewise non-compliant. SOZ Dec., ¶ 26.

3. Defendant's Estimated Exposure for Rest Period Violations

Plaintiffs also allege that Defendant failed to provide compliant rest periods. Specifically, Plaintiffs allege that the same understaffing and workload conditions that prevented Class Members from taking compliant meal periods also prevented them from taking compliant rest periods. Plaintiffs are not aware of any evidence that any rest break premiums were paid during the Class Period. Defendant denied liability for these alleged violations and contends that it maintained legally compliant written policies and actual practices concerning rest periods throughout the Class Period. Defendant further argues that this claim is highly individualized, as it depends on whether managers may have deviated from company policy. See, e.g., *Ordonez v. Radio Shack, Inc.* (C.D. Cal. Jan. 17, 2013) 2013 WL 210223, at *11 ("Because of the competing testimony before the Court, plaintiff's evidence that defendant 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"). Taking Defendant's defenses into account, Plaintiff estimated Defendant's damages stemming from this claim to be $83,160.90. This number was calculated by assuming the rest period non-compliance rate mirrored the meal period non-compliance rate. Plaintiff then applied a 25% discount to account for the defenses raised by Defendant, as outlined above. SOZ Dec., ¶ 27.

4. Defendant's Estimated Exposure for Wage Statement Violations and Waiting Time Penalties

Plaintiffs also allege that Defendant's aforementioned violations resulted in derivative violations of California Labor Code sections 203 and 226(a). Class Counsel considered the arguable presence of various penalties and weighed the potential recoveries against probable defenses, including potential obstacles in proving the "willful" prong needed to obtain waiting time penalties under Labor Code section 203, showing that Class Members suffered an "injury" because of wage statement violations, as required by Labor Code section 226, or that meal and rest period violations may not entitle employees like Plaintiffs and the Class Members to pursue the derivative waiting time and itemized wage statement penalties. (*See Naranjo v. Spectrum Security Services, Inc.*, (2019) 40 Cal. App. 5th 444 (review granted); *Maldonado v. Epsilon Plastics, Inc*. (2018) 22 Cal. App. 5th 1308.) Although the Class arguably could have seen a significant payout for these penalties if Plaintiffs prevailed on every penalty claim, Plaintiff would not recover any derivative penalties if they failed to prove the underlying claims. Moreover, Plaintiff would have to overcome damaging precedent to prove the Class deserved the penalties. *See, e.g., Howard v. CVS Caremark Corp*., 2014 U.S. Dist. LEXIS 172406 (C.D. Cal. Dec. 9, 2014) (denying class certification for the same penalty claims); *Alonzo v. Maximus, Inc*., 832 F. Supp. 2d 1122, 1134-1137 (C.D. Cal. 2011) (finding insufficient evidence of bad faith or actual injury). Plaintiff could not give the penalty claims great weight given that they depended on proving the underlying claims, which according to Defendant, were not supported by the facts. In light of the above, Plaintiff estimated the exposure for waiting time penalties to be approximately $1,234,366 and the estimated exposure for wage statement penalties to be $73,687.50. These numbers were calculated by assuming each separated Class Member and each wage statement were non-compliant. Taking into account the obstacles in establishing these claims as outlined above, Plaintiff then applied a 75% discount to both. SOZ Dec., ¶ 28.

5. <u>Defendant's PAGA Exposure</u>

Class Counsel's damage models also estimated Defendant's exposure for PAGA penalties. At the time of mediation, Plaintiff estimated Defendant's PAGA exposure to be approximately $320,975.00. SOZ Dec., ¶ 29. The proposed PAGA allocation of the Gross Settlement Amount is fair, just, and reasonable. *Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, 77. Where settlements "negotiate a good faith amount" for PAGA penalties and "there is no indication that this amount was the result of self-interest at the expense of class members," such amounts are generally considered reasonable. *Hopson v. Hanesbrands Inc.,* No. CV-08-0844 EDL, 2009 WL 928133, at *9 (N.D. Cal.

Apr. 3, 2009). Courts routinely approve amounts for PAGA penalties in the range of zero to two percent of the settlement. *See id.* at *1, 9 (approving a PAGA payment of 0.3%); *Jack v. Hartford Fire Ins. Co.*, No. 09cv1683 MMA (JMA), 2011 WL 4899942, at *6 (S.D. Cal. Oct. 13, 2011) (approving a PAGA payment of 0.25%); *Mckenzie v. Fed. Express Corp.*, No. CV 10-02420 GAF (PLAx), 2012 WL 12882124, at *5 (C.D. Cal. Jan. 23, 2012) (acknowledging that courts approve PAGA claim settlements in the range of zero to two percent of the total settlement).

Here, the Parties negotiated a good faith PAGA Payment in the amount of $20,000.00, which is 5.8% of the Gross Settlement Amount. Seventy-five percent of the PAGA Payment ($15,000.00) will be paid to the LWDA with the remaining twenty-five percent ($5,000.00) distributed to the Aggrieved Employees as Individual PAGA Payments. This amount falls within the range of approved PAGA Payments and should be approved. SOZ Dec., ¶ 30.

Under PAGA, Courts have considerable discretion to reduce the penalty award. In *Fleming v. Covidien*, 2011 U.S. Dist. LEXIS 154590 (C.D. Cal. 2011), a federal court reduced PAGA penalties from $2,800,000 to $500,000, a reduction of 82.2%, because the court found maximum penalties "unjust" because the employees had suffered no injuries. Some trial courts have actually awarded no civil penalties, even when Labor Code violations are established. *See In re Nordstrom Com. Cases*, 186 Cal.App.4th 576, 589 (2010) (affirming an award of $0 in PAGA penalties in a wage and hour class action); *In re Taco Bell Wage & Hour Actions*, 2016 U.S. Dist. LEXIS 48557, *40-43 (E.D. Cal. Apr. 6, 2016) (PAGA penalties denied after trial).

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

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

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b. Inherent Risks of Continued Litigation Support Preliminary Approval.

"It can be difficult to ascertain with precision the likelihood of success at trial. The Court cannot and need not determine the merits of the contested facts and legal issues at this stage, (See Officers for Justice v. Civil Service Com., 688 F.2d 615, 625 (9th Cir.1982)), and to the extent courts assess this factor, it is to 'determine whether the decision to settle is a good value for a relatively weak case or a sell-out of an extraordinary strong case.'" (*Misra v. Decision One Mortg. Co.* (C.D. Cal. 2009) 2009 WL 4581276, at *7.)

With respect to the most immediate challenge, i.e., class certification, the risks attendant to the certification of similar wage and hour claims are demonstrated by *Magadia v. Wal-Mart Associates, Inc.* (9th Cir. 2021) 999 F.3d 668. There, the Ninth Circuit vacated, reversed, and remanded a $110 million judgement against an employer for, *inter alia*, inaccurately paying overtime, and directed the trial court to enter judgement in favor of the employer. *See also O'Conner v. Uber Technologies, Inc.* (9th Cir. 2018) 904 F.3d 1087 (decertification of wage and hour misclassification action); *see also Duran v. U.S. Bank National Association* (2014) 59 Cal.4th 1, 31 (reversing a trial verdict in favor plaintiffs in a wage and hour class action)); *Tien v. Tenet Healthcare Corp.* (2012) 209 Cal.App.4th 1077, 1088 ("[T]he reason, if any, that employees might not take their breaks were predominantly individualized questions of fact not susceptible to class treatment."); *Ali v. U.S.A. Cab Ltd.* (2009) 176 Cal.App.4th 1333, 1341 (affirming denial of certification because employees' declarations attesting to having taken meal and rest breaks demonstrated that individualized inquiries were required to show harm); *Campbell v. Best Buy Stores, L.P.*, (C.D. Cal. 2013) 2013 WL 5302217 at *11-13 (following *Brinker* and denying certification of proposed off-the-clock and rest and meal break classes due to lack of uniform policy); *Brown v. Fed Express Corp.* (C.D. Cal. 2008) 249 F.R.D. 580, 587-88 (denying certification of driver meal and rest period claims based on the predominance of individual issues). Collectively, the examples cited above illustrate the uncertain nature of class litigation. Consequently, the uncertainty of obtaining certification through a contested motion is a significant risk factor favoring settlement. SOZ Dec., ¶ 31.

"The Settlement eliminates these and other risks of continued litigation, including the very real risk of no recovery after several years of litigation." (*In re Nvidia Derivs. Litig*. (N.D. Cal. 2008) 2008

WL 5382544, at *3.) Indeed, potential appeals aside, litigating a complex case through trial is inherently perilous regardless of the strengths of the merits of the claims:

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

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

Finally, continuing to litigate this action would require continued and extensive resources coupled with significant Court time to proceed through trial and post-trial motions, which can often take years. Furthermore, wage and hour litigation is complex and expensive, as it often necessitates extensive expert testimony, particularly with regards to damages. But even if Plaintiffs are successful at trial, Plaintiffs are acutely aware that a judgment does not end the litigation. Plaintiffs fully expect that Defendant would appeal any favorable judgment. As demonstrated by *Magadia, supra,* 999 F.3d 668, the risk of an appeal and subsequent reversal is real. SOZ Dec., ¶ 32. "Avoiding such a trial and the subsequent appeals in this complex case strongly militates in favor of settlement rather than further protracted and uncertain litigation." (*Nat'l Rural Telecomms. Coop v. DirecTV* (C.D. Cal. 2004) 221 F.R.D. 523, 527.) Thus, "unless the settlement is clearly inadequate, its acceptance and approval are preferable to lengthy and expensive litigation with uncertain results." (*Id*. at 526.)

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

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

Cart v. Super. Ct. (1975) 50 Cal.App.3d 960, 972.)[5]

The Parties jointly drafted the Class Notice which fairly and neutrally informs the Class Members of their rights and remedies. The Settlement Administrator will first verify addresses, then mail the proposed Class Notice to all Class Members in English with certified Spanish translation. The Notice will include information regarding the nature of the lawsuit, a summary of the substance of the Settlement's terms, the class definition, the procedure and time period within which to submit requests for exclusions or objections to the Settlement, the date for the final approval hearing, the formula used to calculate settlement payments, and the terms and scope of the Released Class Claims and Released PAGA Claims. Agreement at § 7. The Parties negotiated this method to ensure delivering the most reasonable method of notice to the Class Members while ensuring cost effective administration of the Settlement. SOZ Dec., ¶ 33.

Accordingly, both the method of disseminating the Class Notice and content of the Class Notice satisfy due process. (*See* C.R.C. 3.776(e)-(f); *State of Cal. v. Levi Strauss* (1986) 41 Cal.3d 460, 485 (the class notice must "fairly apprise the class members of the terms of the proposed compromise and of the options open to dissenting class members.").) SOZ Dec., ¶ 34.

C. The Court Should Preliminarily Approve the Class Representative Service Awards

Service awards "are fairly typical in class action cases." (*Cellphone Termination Fee* Cases (2010) 186 Cal.App.4th 1380, 1393 (affirming incentive awards of $10,000); *Rodriguez v. West Publishing Corp.* (9th Cir. 2009) 563 F.3d 948, 958, *citing* 4 Newberg on Class Actions (4th ed. 2002) § 11:38, and Eisenberg & Miller, *Incentive Awards to Class Action Plaintiffs: An Empirical Study,* 53 UCLA L. Rev. 1303 (2006).) Service awards "are intended to compensate class representatives for work done on behalf of the class, to make up for financial or reputational risk undertaken in bringing the action, and, sometimes, to recognize their willingness to act as a private attorney general." (*Rodriguez,* 563 F.3d at 958-59.) "[T]he rationale for making enhancement or incentive awards to named plaintiffs is that they should be compensated for the expense or risk they have incurred in conferring a benefit on other members of the class." (*Clark v. American Residential Services LLC* (2009) 175 Cal.App.4th 785.)

The Settlement provides for Service Awards of not more than $10,000.00 each to Plaintiffs Oscar Almanza and Fred Amezola. The Service Awards are fair and reasonable compensation for Plaintiffs' efforts in bringing the action, assisting Class Counsel with the litigation and settlement, regularly conferring with Class Counsel on the status of their cases and the strategies for prosecuting the claims, reviewing the proposed Settlement to ensure that its terms are fair and provide adequate relief for the Participating Class Members, and agreeing to provide Defendant a general release of all claims arising out of their employment. SOZ Dec., ¶ 35.

Class Counsel on behalf of Plaintiffs will file a formal motion for the negotiated Service Awards once preliminary approval of the Settlement is granted. Plaintiffs respectfully submit that the above showing is sufficient for preliminary approval of the negotiated Service Awards. SOZ Dec., ¶ 36.

D. The Court Should Preliminarily Approve the Requested Class Counsel Award

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

Class Counsel took this matter on a contingency fee basis and invested significant time and expense successfully prosecuting Plaintiffs' claims. As discussed *supra*, the Settlement provides substantial relief to the Participating Class Members. Considering the positive outcome for the Class Members, and in light of the supporting authority, the requested Class Counsel Award is fair and reasonable. SOZ Dec., ¶ 37. The awarded attorneys' fees shall be allocated as follows: 37.5% to Zakay Law Group, APLC; 37.5% to JCL Law Firm, APC; and 25% to Hamner Law Offices, APLC. Plaintiffs have expressly consented to this fee split. Agreement at § 3.2.2.

Plaintiffs will file a formal motion for the negotiated Class Counsel Award once preliminary approval of the Settlement is granted. Plaintiffs respectfully submit that the above showing is sufficient for preliminary approval of the negotiated attorneys' fees and costs. SOZ Dec., ¶ 38.

E. Provisional Certification for Settlement Purposes Is Appropriate

For Settlement purposes, Plaintiffs contend, and Defendant does not dispute, that provisional certification of the Class is appropriate. SOZ Dec., ¶ 39.

1. <u>The Standard for Class Certification</u>

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

2. <u>The Proposed Participating Class Is Ascertainable and There Is a Well-Defined Community of Interest Among the Class Members.</u>

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

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

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

Because all Class Members are Defendant's current and former non-exempt employees, the class is readily ascertainable from Defendant's regular business records, i.e., payroll records. SOZ Dec., ¶ 40.

The statutes relating to each of Plaintiffs' claims apply with equal force and effect to the entire Class. Factually, Defendant's policies and practices apply class-wide and Defendant's 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 Participating Class Members. SOZ Dec., ¶ 41.

Plaintiffs' wage and hour claims are typical of the proposed 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 Class. Plaintiffs allege that they were injured by the same company-wide practices to which the proposed Class Members were subject and seek the same relief. Plaintiffs have already demonstrated their ability to advocate for the interests of the Class Members by initiating this litigation and evaluating the proposed Settlement to assure that it is fair. SOZ Dec., ¶ 42.

Additionally, Plaintiffs are represented by competent Class Counsel who have extensive experience in litigating wage and hour class action cases. Class Counsel 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. SOZ Dec., ¶ 43.

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. SOZ Dec., ¶ 44.

/ / /

IV. CONCLUSION

The Parties have negotiated a fair and reasonable settlement of claims. Having appropriately presented the materials and information necessary for preliminary approval, the Parties request that the Court preliminarily approve the Settlement.

Dated: June 17, 2026

ZAKAY LAW GROUP, APLC

By: ______________________________
Jaclyn Joyce, Esq.

Attorneys for Plaintiffs