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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

EVELYN THREETS, GARY WHITE, and STEVE VILLALOBOS, on behalf of themselves and all others similarly situated, and the general public,

Plaintiff,

v.

URBAN ALCHEMY, a California corporation; and DOES 1 through 50, inclusive,

Defendants.

Case No.: 24STCV08943

[*Assigned for all purposes to the Hon. Theresa M. Traber, Dept. 1*]

PLAINTIFFS' NOTICE OF MOTION AND MOTION FOR FINAL APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE; MEMORANDUM OF POINTS AND AUTHORITIES

Date: July 27, 2026
Time: 10:30 a.m.
Dept.: 1

Complaint Filed: April 9, 2024
FAC Filed: June 13, 2024
Trial Date: None Set

TO THE HONORABLE COURT, ALL INTERESTED PARTIES, AND THEIR RESPECTIVE COUNSEL OF RECORD:

PLEASE TAKE NOTICE that on July 27, 2026, at 10:30 a.m. in Department 1 of the Los Angeles County Superior Court located at 312 North Spring Street, Los Angeles, CA 90012, Plaintiffs Evelyn Threets, Gary White, and Steve Villalobos ("Plaintiffs"), on behalf of themselves and all persons similarly situated, will and hereby do move this Court pursuant to California Code of Civil Procedure § 382 and California Rule of Court, Rule 3.769 for an order of final approval of the class action settlement, which will accomplish the following: certify the Class for settlement purposes only; approve the class action settlement embodied in the Parties' Class Action and PAGA Settlement Agreement; confirm Plaintiffs as Class Representatives; approve the Class Representative Service Payments to each named Class Representative; confirm the appointment of Class Counsel; approve Class Counsel's application for attorney's fees and litigation costs; and enter judgment approving the class action settlement.

Pursuant to Labor Code § 2699.3(b)(4), the Parties also seek approval of the proposed Settlement's allocation of funds to claims made under the Private Attorneys General Act of 2004 ("PAGA").

The grounds for this Motion, as set forth in the attached memorandum of points and authorities and supporting declarations, are that this is a fair and reasonable Settlement that benefits the Class and was the product of informed, non-collusive negotiations by Parties who were represented by experienced and able counsel. *See Dunk v. Ford Motor Co.*, 48 Cal. App. 4th 1794, 1802 (1996); Manual for Complex Litigation, (Second), § 30.44 (1985).

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Plaintiffs base this Motion on this Notice and the accompanying Memorandum of Points and Authorities, the Declarations of David Arakelyan, Stacey Shim, the three Plaintiffs, the complete pleadings, records and files in the case, and such other further oral and documentary evidence which may be submitted at or before the hearing on this Motion.

DATED: July 14, 2026

D.LAW, INC.

By: ______________________

David Keledjian
David Arakelyan
Attorneys for Plaintiffs Evelyn Threets, Gary White, and Steve Villalobos, and the putative class

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

On March 18, 2026, this Court entered an Order Granting Preliminary Approval of the Parties' Class Action and PAGA Settlement Agreement, entered into by Plaintiffs EVELYN THREETS, GARY WHITE, and STEVE VILLALOBOS ("Plaintiffs") on behalf of all non-exempt hourly individuals employed by Defendant URBAN ALCHEMY ("Defendant") (collectively, "the Parties"), in California during the Class Period, which is July 2, 2022, through July 31, 2025 ("Class Members" or "the Class"). Under the terms of the Parties' Class Action and PAGA Settlement Agreement (the "Settlement Agreement" or "Settlement"), the wage and hour claims of 2,493 participating Class Members and 1,985 Aggrieved Employees will be resolved for a net amount of $595,390.67 (see Declaration of Stacey Shim ("Shim Decl."), ¶¶ 14 – 15, 17.)

Notice of the Settlement was distributed in accordance with the Court's Preliminary Approval Order, and the response was excellent. **Zero Class Members objected** to the Settlement, **zero disputed** the number of Qualified Workweeks, and **two opted out** of the Settlement. (Declaration of David Arakelyan ("Arakelyan Decl."), ¶ 11; Declaration of Stacey Shim ("Shim Decl."), ¶ 11-13.) The fact that there was a 99.93% participation rate indicates that the persons most affected by Defendant's alleged practices and who stand to benefit most from the Settlement agree that this is an outstanding result and a strong indication that the Settlement is fair and adequate. (Arakelyan Decl., ¶ 12.) The average Individual Settlement Payment is estimated to be approximately **$202.31 per Settlement Class Member**, the highest payment is estimated to be approximately **$790.96**, and the lowest payment is estimated to be approximately **$4.82**. (Shim Decl., ¶ 16.) In the opinion and experience of Class Counsel, the Settlement is fair, adequate, and reasonable and will convey a substantial benefit to all Class Members. (Arakelyan Decl., ¶ 8.)

The proposed Settlement satisfies the criteria for final settlement approval under California law. Consequently, Plaintiff moves this Court for an order: (1) certifying this lawsuit as a class action for settlement purposes only; (2) approving the class action Settlement

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embodied in the Parties' Settlement Agreement;[1] (3) confirming Plaintiffs as Class Representatives; (4) confirming the appointment of David Yeremian, David Keledjian, and David Arakelyan of D. Law, Inc, as Class Counsel; (5) approving Class Counsel's application for attorneys' fees of $383,333.33 ("Class Counsel Fees") and reasonably incurred litigation costs of $17,286.00 ("Class Counsel Litigation Expenses"); (6) approving the service award to each Plaintiff ("Class Representative Service Payments"); (7) approving the payment of the Settlement Administrator's invoice for costs of administration in the amount of $23,990.00 ("Settlement Administration Costs"); and (8) approving PAGA Penalties of $100,000.00, with 75% or $75,000.00 allocated to the California Labor and Workforce Development Agency ("LWDA"), and 25% or $25,000.00 allocated to the Aggrieved Employees and distributed on a *pro rata* basis. (Arakelyan Decl., ¶ 7.)

A. PROCEDURAL HISTORY

1. Plaintiff's Claims

On April 9, 2024, Plaintiffs commenced a class action by filing a Complaint in Los Angeles Superior Court alleging seven causes of action against Defendant for: (1) Failure to Provide Meal Periods (Lab. Code §§ 204, 223, 226.7, 512 and 1198); (2) Failure to Provide Rest Periods (Lab. Code §§ 204, 223, 226.7 and 1198); (3) Failure to Pay Hourly Wages and Overtime (Lab. Code §§ 223, 510, 1194, 1194.2, 1197, 1197.1 and 1198); (4) Failure to Provide Accurate Written Wage Statements (Lab. Code §§ 226(a)); (5) Failure to Timely Pay All Final Wages (Lab. Code §§ 201, 202 and 203); (6) Failure to Indemnify (Lab Code § 2802); and (7) Unfair Competition (Bus. & Prof. Code §§ 17200 et seq.) (Arakelyan Decl., ¶ 4.)

Pursuant to Labor Code section 2699.3, subd. (a), Plaintiffs also gave timely written notice to Defendant and California's Labor and Workforce Development Agency ("LWDA") by sending a PAGA Notice Letter on April 9, 2024 (LWDA-CM-LWDA-CM-1021356-24). (*Id.*) On June 13, 2024, after the 65-day statutory period had passed, Plaintiffs filed their First Amended Complaint,

[1] To the extent any capitalized term is not defined in this motion, Plaintiffs intend for the definition in the Parties' Settlement Agreement to be used. To the extent there are any conflict between the definitions in the parties' Settlement Agreement and this motion, the definition in the Settlement Agreement controls.

which added a cause of action for penalties under PAGA, Labor Code § 2698 ("Operative Complaint"). (*Id.*)

After exchanging and reviewing informal discovery and participating in mediation, the Parties reached a settlement. (Arakelyan Decl., ¶ 5.) On March 18, 2026, this Court entered a Preliminary Approval Order. (*Id.*) On March 18, 2026, Defendant provided the Class List to the Settlement Administrator, and the Administrator confirmed that the escalator clause was not triggered. (Arakelyan Decl., ¶ 5., Shim Decl., ¶¶ 5, 15.)

2. <u>Plaintiffs' Investigation</u>[2]

Before filing the lawsuit, Class Counsel investigated and researched the facts and circumstances underlying the pertinent issues and the law applicable thereto. This required thorough discussions and interviews between Class Counsel and Plaintiffs, as well as preliminary research into the various legal issues involved in the case. (Declaration of David Arakelyan filed in support of Plaintiff's Motion for Preliminary Approval of the Parties' Class and PAGA Settlement Agreement on December 5, 2025 ("Arakelyan PA Decl.,") ¶ 22.)

Class Counsel conducted a thorough investigation of the facts and claims giving rise to the action, including (1) conducting informal and formal discovery and meeting and conferring with defense counsel about the same; (2) reviewing and analyzing a sampling of time and pay records as well as employment handbooks, Plaintiffs' personnel files, relevant policies and other documentation; (3) researching the applicable law and potential defenses; (4) constructing damage models based on interpretations of California law; and (5) reviewing information provided by Defendant at mediation. (Arakelyan PA Decl., ¶ 23.)

B. MEDIATION

On June 16, 2025, the parties attended mediation with Lonnie Giamela Esq., a respected and highly experienced mediator in wage and hour class actions. (*Id.* at ¶ 26.) As a result of the mediation, the Parties agreed to settle the lawsuit according to the terms set forth in the Settlement Agreement. (*Id.*) The Settlement is the product of extensive arm's-length negotiations between

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[2] For a full discussion, *see* the Declaration of David Arakelyan in support of Plaintiffs' Motion for Preliminary Approval of the Parties' Class and PAGA Settlement Agreement ("Arakelyan PA Decl."), previously filed herein.

attorneys with substantial experience litigating class actions and wage and hour cases. (Arakelyan PA Decl., ¶¶ 27; Arakelyan Decl., ¶ 31.)

C. THE TERMS OF THE SETTLEMENT

The amount available for distribution to Class Members who do not opt out of the Settlement is the Gross Settlement Amount of $1,150,000.00 less the following deductions: (1) a Class Counsel Fees award of $383,333.33 to Class Counsel for attorneys' fees; (2) a Class Counsel Litigation Expenses award of $17,286.00 for reimbursement of actual costs incurred (which is lower than the not to exceed amount of $25,000.00 Class Counsel estimated for the Settlement Agreement); (3) up to $10,000.00 to each Class Representative for an enhancement award, totaling $30,000.00 ("Class Representative Service Payments"); (4) $23,990.00 for the settlement administration ("Settlement Administrator Costs"); and (5) PAGA Penalties of $100,000.00, with 75% or $75,000.00 allocated to the LWDA, and 25% or $25,000.00 allocated to the Aggrieved Employees and distributed on a *pro rata* basis. (Arakelyan Decl., ¶ 7.)

D. NOTICE TO THE CLASS MEMBERS

Following the entry of the Preliminary Approval Order, the Parties directed Apex Class Action ("Apex") to send out the court-approved notice form. (*See* Arakelyan Decl., ¶ 9; *see also* Shim Decl., ¶ 4.**)** The notice process occurred according to the Court's Preliminary Approval Order. Apex sent the Notices to the last-known address of each Class Member after performing a National Change of Address search. (Shim Decl., ¶¶ 5-6.) **Of the 2,945 Class Members and Aggrieved Employees who were sent Notices, Apex received 61 returned Notices as undeliverable, and 47 Notices were re-mailed, with 14 Notices deemed undeliverable**. (Shim Decl., ¶¶ 8 – 10.**)** Here, the deadline for submitting a Request for Exclusion from Settlement, disputing the number of Workweeks, and objecting to the Settlement was July 6, 2026, and the extended deadline is July 20, 2026. (Shim Decl., ¶ 10; Arakelyan Decl. ¶ 11.) As of the deadline, **zero Class Members objected** to the Settlement, **zero disputed** their number of Workweeks, **only two opted out** of the Settlement. (*Id.*) Plaintiff's Counsel intends to obtain a supplemental declaration from Apex regarding the objections, opt outs, and disputes after the July 20, 2026, extended deadline, and will submit that to this Court promptly upon receipt and likely prior to the hearing on the Motion for Final Approval.

II. THE COURT SHOULD GRANT FINAL APPROVAL OF THE CLASS ACTION SETTLEMENT

Plaintiff respectfully submits that the Court should grant final approval not only because the settlement is fair but also because public policy favors settlement over continued class-action litigation. *See, e.g., Linder v. Thrifty Oil Co.* (2000) 23 Cal.4th 429, 434 ("Courts have long acknowledged the importance of class actions as a means to prevent a failure of justice in our judicial system."); *State v. Levi Strauss & Co.* (1986) 41 Cal. 3d 460, 471 ("[T]he consumer class action is an essential tool for the protection of consumers against exploitative business practices."); *Class Plaintiffs v. City Of Seattle* (9th Cir. 1992) 955 F.2d 1268, 1276 ("[S]trong judicial policy . . . favors settlements, particularly where complex class action litigation is concerned."); Conte & Newberg, *Newberg on Class Actions* (4th ed. 2002) § 11.41.

A. CRITERIA FOR SETTLEMENT APPROVAL

California Rule of Court 3.769 requires court approval of the settlement of class action lawsuits. Preliminary approval is merely the first of three steps that comprise the approval procedure for settlements of class actions. *See* Manual for Complex Litigation, Second §30.44 (1993); *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801. The second approval step is the dissemination of notice of the settlement to all Class Members. *Id*. The third step is a final settlement approval hearing, at which evidence and argument concerning the fairness, adequacy, and reasonableness of the settlement may be presented and Class Members may be heard. *Id.*

The first two stages have been completed here. Now, at the final approval stage, the decision facing the Court is whether the settlement is fair, adequate, and reasonable. *Wershba v. Apple Computer, Inc.* (2001) 91 Cal. App 4th 224, 235. Among the relevant considerations in reaching this final determination are (1) the strength of plaintiff's case balanced against the benefits of the settlement, and (2) the complexity, expected duration, and expense of further litigation. *Id.; see also Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1802.

In evaluating the fairness of a settlement proposal, courts must give "proper deference to the private consensual decision of the parties," because "the Court's intrusion upon what is otherwise a private consensual agreement negotiated between the parties to a lawsuit 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." *Hanlon v. Chrysler Inc.* (9th Cir. 1998) 150 F. 3d 1011, 1027; *Dunk*, 48 Cal.App.4th, at 1801 ("Due regard should be given to what is otherwise a private consensual agreement between the parties.") Accordingly, the Court should take into account the informed recommendations of counsel and the Parties. *See Kirkorian v. Borelli,* (N.D. Cal.1988) 695 F. Supp. 446, 451 (the recommendation of experienced counsel carries significant weight in the court's determination of the reasonableness of the settlement); *Vulcan So. Of Westchester County, Inc. v. Fire Department of White Plains* (S.D.N.Y. 1981) 505 F.Supp.955, 967 (same). A presumption of fairness exists where (1) the settlement is reached through arm's-length bargaining, (2) investigation and discovery are sufficient to allow counsel and the court to act intelligently, (3) counsel is experienced in similar litigation, and (4) the percentage of objectors is zero. *Dunk, supra,* 48 Cal.App.4th at 1794.

Applying this final approval criterion evidence substantial grounds for granting this Motion.

B. THE SETTLEMENT AGREEMENT FULFILLS ALL FINAL APPROVAL CRITERIA

1. <u>The Settlement Follows Substantial Investigation and Discovery and Is the Product of Serious, Informed, Non-Collusive Negotiations in Which Parties Were Represented by Experienced Counsel.</u>

The Settlement is the result of extensive negotiations, conducted at arm's length, and informed by substantial factual and legal investigations. (Arakelyan PA Decl., ¶ 27.) Throughout this case, Plaintiff, Class Members, and Aggrieved Employees have been represented by experienced counsel. (*Id*. at ¶¶ 3 – 9.)

Class Counsel have devoted a substantial amount of time to this case, including but not limited to researching various legal issues prior to and after filing this Action; drafting and reviewing pleadings; conducting informal discovery; meeting and conferring with defense counsel; preparing for class certification; reviewing and analyzing the documents produced by

Defendant; regularly communicating with Plaintiffs; preparing for and attending mediation; negotiating and finalizing the Settlement Agreement, including several revisions thereof; drafting and revising documents for preliminary and final approval, including documents for the administration of the Settlement; and coordinating and overseeing the administration of the Settlement (Arakelyan Decl., ¶ 37.)

Among those matters considered during the course of settlement negotiations were the risks, expenses, and length of further litigation, including the appeals process; the present state of the law as it applies to wage and hour class actions; the present value of a settlement versus the long wait occasioned by any potential judgment in favor of the Class; and the burdens of proof necessary to establish liability against Defendant's defenses to the Action. These factors each indicated that the interests of Class Members are best served by a settlement of this Action as set forth in the Settlement Agreement. Moreover, as experienced litigators in employment class action cases, Class Counsel believes that the Settlement is fair and reasonable and serves the best interests of the Class Members. (Arakelyan PA Decl., ¶ 27; Arakelyan Decl., ¶ 6.)

2. <u>The Settlement is Reasonable and Therefore Falls within the Range of Approval by this Court.</u>

Significant in evaluating the foregoing $1,150,000.00 Settlement are the risks at trial (or an appeal), as well as the costs of continuing the litigation. Defendant contends that the Class would not be able to establish its entitlement to relief it is seeking and promised to mount a vigorous defense. (Arakelyan PA Decl., ¶¶ 22 – 27.) On the other hand, Plaintiffs believe that there is ample evidence to support the class allegations. (*Id*.) Under these circumstances, and in light of the risks inherent in further litigation, it was reasonable for Plaintiff and Class Counsel to elect to settle the action. Plaintiffs appreciate that, in addition to the litigation risks of continued proceedings, the proceeding itself would be potentially complicated and expensive, and even if ultimately successful absent the settlement, Class Members might see no recovery until the lengthy appellate process is complete. (Arakelyan PA Decl., ¶ 68 – 71.) In contrast, the Settlement provides immediate benefits to the Class.

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From the evaluation of the benefits offered to the Class by the Settlement, as well as the expense, delay, and risk of going forward to trial, with subsequent appellate proceedings, the Settlement fairly, adequately, and reasonably achieves the goals of Plaintiffs and advance the interests of the Class. In short, the settlement falls within the "the range of reasonableness" necessary for final approval. (*Id.*)

3.Class Members Received the Best Practicable Notice.

California law vests the Court with broad discretion in fashioning an appropriate program to provide the best notice practicable.[3] *See Cartt v. Superior Court*, 50 Cal. App. 3d 960, 973-74 (1975); *In re Cellphone Fee Termination Cases*, 186 Cal.App.4th 1380, 1392 (2010); *Cho v. Seagate Tech. Holdings, Inc.*, 177 Cal.App.4th 734, 745-746 (2009); *Phillips Petroleum Co. v. Shutts*, 472 U.S. 797, 811-12 (1985).[4] The content and method of notice should be designed to apprise the class members of the terms of the proposed settlement and of their rights to participate in, object to, or opt out of the settlement. *See Mullane*, 339 U.S. at 314; *In re Vitamin Cases*, 107 Cal. App. 4th 820, 828 (2003).

The Notice preliminarily approved by the Court met these requirements: it explained the nature of the litigation, the material terms of the Settlement, the amount of the Class Counsel Award and Class Representative Service Award sought, how a Class Member could participate in, object to, or be excluded from the Settlement, and to whom to direct inquiries.

4.Zero Class Members Have Objected to the Settlement and Zero Class Members Have Opted Out of the Settlement.

A presumption of fairness exists where the percentage of objectors and opt-outs is small. *7- Eleven Owners for Franchising v. Southland Corp.* (2000) 85 Cal. App.4th 224, 244; *Hanlon v. Chrysler Corporation* (9th Cir. 1998) 150 F.3d 1011, 1025-1026. Here, the deadline for submitting a Request for Exclusion from Settlement, disputing the number of Qualified Workweeks, and

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[3] The California Supreme Court has authorized California's trial courts to use Federal Rule 23 and cases applying it for guidance in considering class issues. *See Vasquez v. Superior Court*, 4 Cal. 3d 800, 821 (1971); *Green v. Obledo*, 29 Cal. 3d 126, 145-46 (1981). Where appropriate, therefore, the parties cite Federal Rule 23 and federal case law in addition to California law.

[4]*See also Eisen v. Carlisle & Jacquelin*, 417 U.S. 156, 175-75 (1974) (individual notice must be sent to all class members who can be identified through reasonable efforts); *Mullane v. Central Hanover Bank & Trust Company*, 339 U.S. 306, 314 (1950) (best practicable notice is that which is "reasonably calculated, under all the circumstances, to apprise interested parties of the pendency of the action and afford them an opportunity to present their objections").

objecting to the Settlement was July 6, 2026. **(**Shim Decl., ¶ 10; Arakelyan Decl. ¶ 11.) As of the deadline, **zero Class Members objected** to the settlement, **zero disputed** the number of Qualified Workweeks, and **only two opted out** of the Settlement. (*Id.*) As the extended deadline to respond is July 20, 2026, or after the deadline to file this Motion, the Settlement Administrator will provide an additional declaration ahead of the hearing date on July 27, 2026.

5.The Service Award to Plaintiffs Is Reasonable and Fair.

Class action settlements typically provide for an incentive or enhancement payment to the named plaintiff for bringing and helping to prosecute the action. Courts routinely approve these supplemental payments. *See Newberg on Class Actions* at § 12.46; *Van Vranken v. Atlantic Richfield Co.* (N.D. Cal. 1995) 901 F. Supp. 294; *Bogosian v. Gulf Oil Corp.* (E.D. Pa. 1985) 621 F. Supp. 27 (award of $20,000.00 each to two class representatives in antitrust case); *Bryan v. Pittsburgh Plate Glass Co. (PPG Industries, Inc.)* (W.D. Pa. 1973) 59 F.R.D. 616, 617, *aff'd* 494 F.2d 799 (3d Cir.), *cert. denied* in *Abate v. Pittsburgh Plate Glass Co.* (1974) 419 U.S. 900. As the *Staton* court noted:

> [N]amed plaintiffs . . . are eligible for reasonable incentive payments. The district court must evaluate their awards individually, using relevant factors includ[ing] the actions the plaintiff has taken to protect the interests of the class, the degree to which the class has benefited from those actions, . . . the amount of time and effort the plaintiff expended in pursuing the litigation . . . and reasonabl[e] fear[s] of workplace retaliation.

Staton v. Boeing (9th Cir. 2003) 327 F.3d 938, 977 (citation omitted).

The retaliation issue identified in *Staton v. Boeing* extends outside the immediate workplace. It is common knowledge that the modern-day workforce is quite mobile, with employees holding several jobs in a career during their lifetime. Few people want to confront their employers, let alone sue them. (Arakelyan Decl., ¶ 49.) By suing their former employer, Plaintiffs contend that they increased the risk of retaliation by prospective employers to which she may apply in the future. (*Id.*)

But Plaintiffs did not allow their fear of the potential repercussions of being a Class Representative deter them from acting for the benefit of Class Members. (Arakelyan Decl., ¶ 50.) They have devoted a substantial amount of time to helping Class Counsel effectively develop and prosecute this Action at every stage of the litigation. (*Id.*; *see also* Declarations of Evelyn Threets, Gary White, and Steve Villalobos filed in support of Motion for Preliminary Approval of the Parties' Class and PAGA Settlement Agreement on December 5, 2025). Plaintiffs conferred with Class Counsel on numerous occasions to discuss every aspect of this case; provided information about Defendant and its wage-and-hour practices; reviewed documents; produced documents; monitored the progress of the litigation; took the time to apprise themselves of the facts, issues, and law regarding the claims at issue, spent time with Class Counsel discussing the terms of the Settlement and reviewing and executing the Settlement Agreement. (Arakelyan Decl., ¶ 50.) In the end, Plaintiffs decided to vindicate not only their own rights but also those of their co-workers. (Arakelyan Decl., ¶ 48.)

Plaintiffs have diligently, adequately, and fairly represented Class Members and have not placed her interests above any member of the putative class. (Arakelyan Decl., ¶ 51.) Class Counsel believes that Plaintiffs are entitled to a Class Representative Service Awards for the time and effort they have devoted to this case. (*Id.*) For purposes of Settlement, Defendant has agreed not to oppose the request. (*Id.*) Such payments to class representatives are a common feature of settlements negotiated by Class Counsel, and trial courts routinely approve them. (*Id.*)

Not only have Plaintiff's efforts been instrumental in generating a substantial benefit for Class Members, but—significantly—not a single Class Member has objected to the requested service award. (Shim Decl., ¶ 12.) Plaintiffs therefore respectfully request the Class Representative Enhancement Award sought in the amount of $10,000.00 to each one of them for their efforts and initiative in bringing and helping prosecute this Action. (Arakelyan Decl., ¶ 53; Threets PA Decl. ¶¶ 1-15; Villalobos PA Decl. ¶¶ 1-15; White PA Decl. ¶¶ 1-15.)

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6. The Payment of Attorneys' Fees Is Reasonable and Therefore Falls within the Range of Approval by the Court.

i. The Requested Award of Attorneys' Fees Is Justified Based on the Percentage-of-the-Benefit Method.

The California Supreme Court held that "when class action litigation establishes a monetary fund for the benefit of the class members, and the trial court in its equitable powers awards class counsel a fee out of that fund, the court may determine the amount of a reasonable fee by choosing an appropriate percentage of the fund created." *Laffitte v. Robert Half Intern. Inc.* (Aug. 11, 2016) 205 Cal.Rptr.3d 555, 573. Indeed, courts may use the "percentage method for its primary calculation of the fee award. The choice of a fee calculation method is generally one within the discretion of the trial court, the goal under either the percentage or lodestar approach being the award of a reasonable fee to compensate counsel for their efforts." *Id.*

The requested Class Counsel Fees award for attorneys' fees in this case consists of one-third of the Gross Settlement Amount. This percentage is **below** Plaintiff's contingency fee agreement.[5] The requested attorneys' fees are fair and reasonable under California's fee-shifting jurisprudence.[6] And it is consistent with the percentage of the common fund awarded to counsel in cases similar in character and geographical location to this one. (*See* Arakelyan Decl., ¶ 41-46.)

An award of attorneys' fees equivalent to one-third of the common fund is also markedly below fees awarded in other wage and hour class action settlements. *See Crandall v. U-Haul* (Los Angeles County Sup.Ct., Case No. BC178775), the Honorable Steven Czuleger awarded a 40% attorney fee request in an overtime-exemption class action; in *Bushnell v. Cremar, Inc.* (Orange County Sup.Ct., Case No. 657778), the Honorable Donald E. Smallwood awarded attorneys' fees in the amount of 38%; in *Abzug v. Kerkorian* CA000981 (Los Angeles County Sup.Ct., November 1990), the Honorable R. William Schoettler awarded a 45% fee; in *Haitz v. Meyer, et al.,* Alameda

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[5] The award of attorneys' fees and costs in this case is intended to reimburse Class Counsel for all of the uncompensated work that they have already performed and for all of the work they will continue to perform in carrying out and overseeing the administration of the Settlement. Plaintiffs in this action signed a contingency-fee agreement stating that Class Counsel could receive a fee under certain scenarios that exceed one-third of the recovery, as much as 40%. (Arakelyan Decl., ¶¶ 41-46.)

[6] Moreover, the Labor Code specifically provides for an award of attorneys' fees and costs for some of employees' claims. *See, e.g.*, Lab. Code § 226. Plaintiff is also entitled to an award of attorneys' fees pursuant to Code of Civil Procedure § 1021.5.

County Sup. Court, 8-20-1990 No. 572968-3, the court awarded a 40% fee; in *Elliott v. Clothestime* (Orange County Sup. Ct., Case No. 01-CC00333) the Honorable Jonathan Cannon awarded a 40% fee in a wage-and-hour class action which had not yet proceeded to the class certification stage; in both *Rippee v. Boston Market Corporation*, Case No.: 05 CV 1359 BTM (JMA) and *Barile v. Boston Market Corporation*, Case No.: 05 CV 1360 BTM (JMA), the Honorable Judge Barry T. Moskowitz awarded a 40% fee to plaintiff's counsel in wage-and-hour class actions that had not proceeded to the class-certification stage. (Arakelyan Decl., ¶ 45.)

The amount requested here will fairly compensate Class Counsel for their successful prosecution of this case, taking into account the quality, nature, and extent of counsel's efforts, the outstanding results achieved, the fact that no one objected to the fee amount and the fact that the amount of fees for which approval is sought is less than legal precedent. Class Counsel has litigated numerous class actions and submits that this settlement was possible owing to Class Counsel's experience with such cases. (Arakelyan PA Decl., ¶¶ 3 – 9.) Class Counsel's diligent, efficient, and creative pursuit of this matter positioned Plaintiffs to settle this action successfully, affording redress to the entire Class and avoiding the inevitable expense and risk attendant to protracted litigation. In sum, it was through the efforts of Plaintiffs and Class Counsel that the considerable benefits of the Settlement were obtained.

In light of the foregoing, the fee request in an amount equal to one-third of the Gross Settlement Amount, as agreed upon in the Settlement, is well within the bounds that have been established by the above-cited authority.

ii. <u>The Requested Award of Attorneys' Fees Is Also Justified Based on the Lodestar Method.</u>

Although *Laffitte* makes it clear that a lodestar cross-check is not necessary, Class Counsel's lodestar calculation nevertheless also supports the requested attorneys' fees. The lodestar calculation typically proceeds in three steps. First, a trial court must determine a baseline guide or "lodestar" figure based on the time spent and reasonable hourly compensation for each attorney involved in the case. *Serrano v. Priest* (1975) 20 Cal.3d 25, 48. The court then sets a reasonable hourly fee to apply to the time expended, with reference to the prevailing rates in the geographical area in which the action is pending. *Bihun v. AT&T Information System* (1993) 13 Cal.App.4th 976, 997. Finally, a "multiplier" is selected with reference to the following factors: (1) the novelty and difficulty of issues involved, (2) the skill displayed in presenting them, (3) the extent to which the nature of the litigation precluded other employment by the attorneys, and (4) the contingent nature of the fee award owing to the uncertainty of prevailing on the merits and of establishing eligibility for the award. *Serrano, supra,* 20 Cal.App.3d at 49.

Moreover, the *Serrano* factors all militate in favor of the requested fee award. (Arakelyan Decl., ¶ 36.) This case raised a number of complex and contested issues, and Class Counsel exhibited skill and creativity in prosecuting and presenting them. (*Id.*) This case was not straightforward. (Arakelyan Decl., ¶ 37) Class Counsel had to spend time researching and analyzing each of these claims and issues in order to adequately assess the liability of Defendant. (*Id.*) Class Counsel then had to develop the evidence necessary through informal discovery to establish Defendant's potential liability. (*Id.*) This was done through carefully sifting through hundreds of pages of documents. (*Id.*)

In sum, Class Counsel had to come up with creative approaches to these issues in litigating the case and, ultimately, negotiating and crafting the Settlement. (Arakelyan Decl., ¶ 38.) To this end, Class Counsel has devoted a tremendous amount of time and energy. (*Id.*) This time commitment was necessary in order to research, construct, and prosecute viable legal claims in the face of stiff opposition, but it has come at a cost. (*Id.*) Class Counsel zealously represented Plaintiffs and the Class and has obtained a favorable result. (*Id.*)

Such is not always the case. Indeed, Class Counsel has invested time and money into numerous other cases, including class actions, which have fizzled out for one reason or another, leaving Class Counsel completely without any compensation for their effort. (Arakelyan Decl., ¶ 39.) Here, Class Counsel has achieved a beneficial settlement for the Class, but this was by no means a foregone conclusion; indeed, their efforts might well have been frustrated by any number of obstacles with which they were presented along the way. (*Id.*) Nor could class certification be guaranteed. (*Id.*) However, Class Counsel was able to navigate the shoals of unpredictability to achieve a desirable result and have done so without receiving any compensation to speak of thus far because they took this case on a contingency fee basis. (*Id.*)

From the foregoing analysis, Class Counsel's requested attorneys' fees are fair and reasonable. Class Counsel conservatively estimates that it invested at least 227.9 hours of attorney time in this matter. (Arakelyan Decl., ¶ 33.) Senior Counsel, David Keledjian's current billing rate $1,177.00 (10 years out of law school, Laffey Matrix rate of $902.00), and he spent approximately 39.7 hours on this matter with a lodestar amount of $46,726.90. Managing Attorney David Yeremian's billing rate is $1,552.00 (20 years out of law schools, Laffey Matrix rate of $1,227.00), and he spent 13.8 hours on this matter, with a lodestar amount of $21,417.60. Founder and Managing Attorney Emil Davtyan's billing rate is $1,335.00 (12 years out of law school, Laffey Matrix rate of $1,019.00), and he spent 42.5 hours on this matter, with a lodestar amount of $56,737.50. My current billing rate is $750.00 (6 years out of law school, Laffey Matrix rate of $625.00), and I spent approximately 117.3 hours in this matter with a lodestar amount of $87,975.00.) Former Associate Attorney Hrag Alexanian's billing rate was $750.00 per hour, and he spent 12.4 hours on this matter, with a lodestar amount of $9,300. Former Associate Attorney Pola Bernabe's billing rate was $625.00 per hour, and she spent 1.0 hours on this matter, with a lodestar amount of $625.00. Attorney Vanessa Ruggles' current billing rate is $1,485.00 per hour (19 years out of law school, and she spent 1.2 hours on this matter, with a lodestar amount of $1,782. Therefore, Class Counsel has collectively incurred at least 227.9 hours and $224,574.00 in fees, which requires only a 1.71X multiplier. (Arakelyan Decl., ¶¶ 32 – 34.)

iii. The Requested Costs Award Is Reasonable

The preliminarily approved settlement provided for the reimbursement of up to $25,000.00 for Class Counsel's costs. (Arakelyan Decl., ¶ 47.) As of the date of the filing of this Motion, the actual total costs incurred in litigating this Action for Class Counsel are $17,286.00. (*Id.*) Class Counsel incurred costs including, but not limited to, filing fees (e.g. complaint, stipulation, motions), service of process, mediation fees, and attorney-service costs for court filings, all of which were necessarily and reasonably incurred to prosecute this Action and achieve a settlement that significantly benefits the Class. (*Id.*) Thus, Class Counsel requests a reimbursement of their incurred costs in the amount of $17,286.00. (*Id.*)

III. CERTIFICATION OF THE CLASS FOR SETTLEMENT PURPOSES IS APPROPRIATE

The Class is defined in the Settlement Agreement as: all persons employed by Defendant, collectively, or separately, and/or any staffing agencies and/or any other third parties in hourly or non-exempt positions in California during the Class Period, which is from April 9, 2023, through July 31, 2025. (Settlement Agreement ¶¶ 1.4 – 1.5.)

A. THE LEGAL STANDARD

Section 382 of the Code of Civil Procedure provides that "when the question is one of a common or general interest, of many persons, or when the parties are numerous, and it is impracticable to bring them all before the court, one or more may sue or defend for the benefit of all. Code Civ. Proc. § 382. Class certification under § 382 is appropriate when "(1) [t]here [is] . . . an ascertainable class; and (2) there [is] . . . a well-defined community of interest in the questions of law and fact involved affecting the parties to be represented." *Daar v. Yellow Cab Co.*(1967) 67 Cal. 2d 695, 704 (citations omitted). The community-of-interest requirement itself embodies three factors: "(1) predominant questions of law or fact; (2) class representatives with claims or defenses typical of the class; and (3) class representatives who can adequately represent the class." *Richmond v. Dart Industries, Inc.* (1981) 29 Cal.3d 462, 470.

Any doubt as to the appropriateness of class treatment should be resolved in favor of class certification, subject to later modification if necessary. *Id*. at 473-475. The decision to certify a class is a purely procedural one and should be based on the allegations in the operative complaint and not in the perceived factual or legal merit of the class claims. *Linder v. Thrifty Oil Co*. (2000) 23 Cal.4th 429, 439-441.

B. ALL OF THE CRITERIA FOR CERTIFICATION OF THE SETTLEMENT CLASS ARE SATISFIED.

1. <u>The Class Is Ascertainable.</u>

The class is readily ascertainable because all Class Members worked for Defendant within the relevant class period and have already been identified through Defendant's employee and payroll files. (Arakelyan PA Decl., ¶ 84(b)) *See Rose v. City of Hayward* (1981) 126 Cal.App.3d

926, 932 (finding that "[c]lass members are 'ascertainable' where they may be readily identified without unreasonable expense or time by reference to official records.").

2. The Numerosity Requirement Is Satisfied.

The numerosity requirement is fulfilled simply when the individual joinder of all class members would be impracticable. A proposed class numbering "as few as 40 class members should raise a presumption that joinder is impracticable," thus satisfying the numerosity requirement. *Newberg on Class Actions* § 3.5. Here, there are 2,943 Settlement Class Members. (Arakelyan Decl., ¶ 11., Shim Decl. ¶ 14) Therefore, joinder would be impracticable, and a class-wide proceeding is clearly preferable and appropriate.

3. Common Issues of Law and Fact Predominate over Any Individual Issues.

The court should grant class certification when questions of law and fact common to all Class Members predominate over any questions affecting only individual members. *Hicks v. Kaufman &Broad Home Corp.* (2001) 89 Cal.App.4th 908, 916 ("As a general rule, if the defendant's liability can be determined by facts common to all members of the class, a class will be certified even if the members must individually prove their damages. In order to determine whether common questions of fact predominate, the trial court must examine the issues framed by the pleadings and the law applicable to the causes of action alleged.").

The commonality and predominance requirements are "easily met," because "[when] the defendant has engaged in some course of conduct that affects a group of persons and gives rise to a cause of action, one or more of the elements of that cause of action will be common to all of the persons affected." *Gen'l Tel. Co. of Southwest v. Falcon* (1982) 457 U.S. 147, 155. Further, the fact that "calculation of individual damages may at some point be required does not foreclose the possibility of taking common evidence on [liability issues]." *Sav-on Drug Stores, Inc. v. Superior Court* (2004) 34 Cal.4th 319, 332 (holding that the legal question of whether the plaintiff-employees were nonexempt and therefore entitled to overtime was a common question that predominated over the individual questions of each employee's duties performed and hours worked); *Clothesrigger, Inc. v. GTE Corp.*(1987) 191 Cal. App.3d 605, 617 ("[T]he necessity for class members to prove their own damages does not mean individual fact questions predominate").

The scope of this case is narrowly focused on a specific class of persons employed by Defendant during a specific period of time. The common questions of law and fact in this case all stem from the claims that Class Members were not paid for all hours and did not receive meal and rest periods. Plaintiffs and Class Members were subject to the same policies and practices and all sought the same remedies. These common issues predominate over individual issues because identical evidence establishes liability as to all Class Members. (Arakelyan PA Decl., ¶ 84(e).) Under such circumstances, the commonality and predominance requirements are satisfied. *Stephens v. Montgomery Ward & Co., Inc.* (1987) 193 Cal. App. 3d 411, 421.

4.Plaintiffs' Claims Are Typical.

A class representative's claims are typical of a class when they arise from the same event, practice, or course of conduct that gives rise to the claims of other putative class members, and if their claims rest on the same legal theories. *Classen v. Weller* (1983) 145 Cal.App.3d 27, 47; *B.W.I. Custom Kitchens v. Owens-Illinois, Inc.* (1987) 191 Cal.App.3d 1341, 1347 ("[I]t has never been the law in California that the class representative must have identical interests with the class members."). Here, Plaintiffs' claims are typical of Class Members' claims because they arise from the same factual basis and are based on the same legal theories. (Arakelyan PA Decl., ¶ 84(c).) Accordingly, the typicality requirement is satisfied.

5.Plaintiffs and Class Counsel Adequately Represent the Class.

The adequacy requirement is met by fulfilling two conditions: (1) the class representative must be represented by counsel qualified to conduct the pending litigation, and (2) the class representative's interests cannot be antagonistic to those of the class. *McGhee v. Crocker-Citizens Nat. Bank* (1976) 60 Cal.App.3d 442, 451.

Both conditions are met here. First, Plaintiff and the Class are represented by experienced and competent counsel. Class Counsel is qualified and has served as class counsel in numerous class actions. (Arakelyan PA Decl., ¶¶ 3 – 9, Arakelyan Decl., ¶¶ 19 – 31.) Thus, Class Counsel is "qualified, experienced, and generally able to conduct the proposed litigation." *Miller v. Woods* (1983) 148 Cal.App.3d 862, 875. Second, Plaintiffs have no conflict with the Class, and their interests are aligned with those of the Class. As a result of their effort, Class Members will benefit from the Settlement. Accordingly, the adequacy requirement is satisfied. (Arakelyan PA Decl., ¶ 84(d).)

6. Class Treatment Is Superior to the Alternatives.

Courts have long recognized that the class-action device often provides the sole procedural mechanism by which many individuals harmed by corporate wrongdoing can band together to achieve justice. Absent class treatment, similarly situated persons with relatively small but nevertheless meritorious claims for damages would, as a practical matter, have no means of redress because of the time, effort, and expense required to prosecute individual actions. *See Hanlon, supra,* 150 F.3d at 1023. The United States Supreme Court has stated that "the policy at the very core of the class action mechanism is to overcome the problem that small recoveries do not provide the incentive for any individual to bring a solo action prosecuting his or her rights. The class action solves this problem by aggregating the relatively paltry potential recoveries into something worth someone's (usually an attorney's) labor." *Amchem Prods. v. Windsor* (1997) 521 U.S. 591, 617 (citation and quotation omitted).

Other relevant considerations regarding superiority include the improbability that each class member will come forward to prove his or her separate claim and whether the class approach would serve to deter or redress the alleged wrongdoing. *Linder v. Thrifty Oil Co.* (2000) 23 Cal. 4th 429, 435. In employment cases, concerns such as fear of the employer, lack of representation, size of claim, and the employee's perception about the difficulty of litigation, increase the likelihood that an employer will not be held accountable. Acknowledging these concerns, courts have noted that "[t]he risk entailed in suing one's employer are such that the few hardy souls who come forward should be permitted to speak for others when the vocal ones are otherwise fully qualified." *St. Marie v. Eastern RR Ass'n* (S.D.N.Y. 1976) 72 F.R.D. 443, 449 (overruled as to damages and liability but not as to class certification). Here, the class approach serves to deter and redress the alleged wrongdoing by ensuring that all claims of Class Members are addressed.

Further, where, as here, the individual claims are relatively small and the socio-economic status and sophistication of the class members contrasts with that of the defendants, a class action is particularly appropriate because the size of the individual claims "would prove uneconomic for potential plaintiffs" to pursue individually, as "litigation costs would dwarf potential recovery." *Hanlon, supra,* 150 F. 3d at 1023. These issues, from a practical standpoint, generally lead to the unbalanced situation where the employer is represented by counsel, but the employee who seeks redress is not. Each of the above reasons compels the conclusion that a class action is the preferred method of resolution for this case.

IV. CONCLUSION

For the reasons set forth herein, Plaintiffs respectfully request that this Court grant final approval of this Settlement and enter the companion order.

Dated: July 14, 2026 **D.LAW, INC.**

By ______________________

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David Arakelyan
Attorneys for Plaintiffs and Settlement Class