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13 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
14 **FOR THE COUNTY OF SAN FRANCISCO**

15 ADRIANA HAYTER, LARINE SHIELDS,  
16 and TAYLOR EVANS; individually, and on  
17 behalf of all other similarly situated persons;  
and ROES 1-100,

18 Plaintiffs,

19 vs.

20 EWALD & WASSERMAN RESEARCH  
21 CONSULTANTS, LLC, a California limited  
22 liability corporation; KATRIN EWALD, an  
23 individual; LISA WASSERMAN, and  
individual; and DOES 1-20,

24 Defendants.  
25  
26

Case No.: CGC-19-577753

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

**Date:** November 10, 2021

**Time:** 9:15 a.m.

**Dept.:** 304

**Judge:** Hon. Anne-Christine Massullo

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1 **I. INTRODUCTION**

2 This motion seeks final approval of a class action settlement in the amount of one hundred  
3 forty-four thousand dollars and zero cents (\$144,000.00), inclusive of attorneys’ fees and costs,  
4 for all claims and causes of action brought by Named Plaintiffs ADRIANA HAYTER, LARINE  
5 SHIELDS, and TAYLOR EVANS (“Plaintiffs” or “Named Plaintiffs”) on behalf of themselves  
6 and all others similar situated, against Defendants EWALD & WASSERMAN, LLC (“E&W”),  
7 KATRIN EWALD and LISA WASSERMAN (collectively, “Defendants”) according to a JOINT  
8 AMENDED STIPULATION AND SETTLEMENT AGREEMENT BETWEEN PLAINTIFFS  
9 AND DEFENDANTS that was fully executed on July 7, 2021 (the “Settlement Agreement”).

10 On July 19, 2021, the Court granted preliminary approval of the Settlement Agreement.  
11 In accordance with that order, the parties provided the Settlement Administrator, Simpluris, Inc.  
12 (“Simpluris”) with the Notice to Class Members for distribution to the Class Members along with  
13 their mailing addresses. Simpluris mailed the Notice to each Class Member on August 12, 2021.  
14 By the end of the notice period, *none of the 54 Class Members objected or requested to be*  
15 *excluded from the Settlement Agreement.* Additionally, none of the Class Members disputed the  
16 number of work weeks included in their individual Notice in accordance with Defendants’  
17 records. Nine (9) of the Notices to Class Members were initially returned, with seven (7) of those  
18 successfully remained so that ultimately only two (2) Notices to Class Members were  
19 undeliverable.

20 Accordingly, under California Rule of Court 3.769, Plaintiffs respectfully request that the  
21 Court grant final approval of the Settlement Agreement and authorize distribution of payments  
22 pursuant to the terms of the Settlement Agreement.

23 **II. SUMMARY OF THE CASE**

24 **A. Plaintiffs’ Claims for Unpaid Wages, Meal & Rest Period Violations and**  
25 **Unpaid Sick Leave**

26 Defendants are a social science survey research organization that employs part-time  
27 telephone interviewers to collect information and data. These part-time telephone interviewers  
28 are the putative class members, and were subject to the same employment practices and policies  
as a group.

First, Plaintiffs contend that as part of Defendants’ effort to reduce labor costs, Defendants  
implemented a practice of generally scheduling its telephone interviewers on shifts of no more  
than 6 hours. [Declaration of Adriana Hayter filed in support of Preliminary Approval (“Hayter

1 Decl.”), ¶ 3.] E&W’s written policy provides that if an employee works a 4 or 5-hour shift, that  
2 employee is entitled to one paid 10-minute rest break; and if an employee works more than 5  
3 hours, that employee is entitled to one paid 10-minute rest break and one 30-minute meal break.  
4 [See Declaration of Yosef Peretz filed in support of Final Approval (“Peretz Decl.”), at Exhibit 2  
5 (E&W policy document).] Employees are told that they do not need to clock-out of E&W’s  
6 timekeeping system when taking a 10-minute rest break, *but they do need to clock-out when taking*  
7 *the optional 30-minute meal break.* [Id.] The limited number of time records produced by  
8 Defendants for the Named Plaintiffs indicate instances in which they reported over 5 hours of  
9 work without taking a meal break. [Peretz Decl., ¶ 16.] These records alone serve as proof for  
10 the one-hour wage-penalties for all of those days. [Id.]

11 Second, Plaintiffs contend that Defendants have a policy and practice of not providing  
12 meal or rest breaks to their employees. E&W’s policy states that if an employee worked a 4 or  
13 5-hour shift, that employee was entitled to one paid 10-minute rest break; and if an employee  
14 worked more than 5 hours, that employee would be entitled to one paid 10-minute rest break and  
15 one 30-minute meal break. [Peretz Decl., Exhibit 2.] In practice, Plaintiffs contend Defendants  
16 routinely forced Plaintiffs to work through their meal and rest breaks. [See Hayter Decl., ¶¶ 5-7,  
17 Declaration of Larine Shields filed in support of Preliminary Approval (“Shields Decl.”), ¶¶ 5-7  
18 and Declaration of Taylor Evans filed in support of Preliminary Approval (“Evans Decl.”), ¶¶ 5-  
19 7.] Plaintiffs contend that to date, Defendants have not compensated their employees for  
20 unprovided meal or rest periods. [Hayter Decl., ¶ 14, Shields Decl., ¶ 9 and Evans Decl., ¶ 11.]

21 Third, Plaintiffs contend that Defendants also implemented a practice of illegally altering  
22 employees’ timekeeping records without their authorization, consent or knowledge. [Hayter  
23 Decl., ¶¶ 15-21, Shields Decl., ¶¶ 10-16, Evans Decl., ¶¶ 12-19.] It is also Plaintiffs’ contention  
24 that Defendants manipulated its timekeeping records to reflect that its employees worked less  
25 time than they actually did, taking away several hours of work from each employee in each pay  
26 period. [Id.] Even the limited time records produced by Defendants before mediation show post-  
27 hoc changes highlighted in red. [Peretz Decl., ¶ 17.] Over one three-week period, Hayter’s time  
28 records show that the “in” and “out” time was edited *every single day.* [Id.]

As a result of Defendants’ policy and practice, Plaintiffs allege that they were not  
compensated for all of the time spent working for Defendants. Plaintiffs contend they were  
working and subject to Defendants’ control during the entirety of their shifts, and therefore

1 Defendants were obligated to pay them for this time. Despite this, Plaintiffs allege that  
2 Defendants engaged in a practice of “shorting” and manipulating Plaintiffs’ timekeeping records  
3 in order to pay them less wages than they had actually earned.

4 Finally, it is Plaintiffs’ contention that Defendants also maintain a policy and practice of  
5 denying paid sick leave to its employees. [Hayter Decl., ¶¶ 11-13, Shields Decl., ¶¶ 8-9, Evans  
6 Decl., ¶ 9.] Defendants’ policy provides that each employee may accrue up to three sick days per  
7 year. However, Plaintiffs take the position that Defendants maintain a practice of denying paid  
8 sick leave to their employees. Plaintiffs contend they were continually denied requests to take  
9 paid sick leave while working at E&W. [Hayter Decl., ¶¶ 11-13, Shields Decl., ¶¶ 8-9, Evans  
10 Decl., ¶ 9.] For example, when Hayter tried to call in sick, Ewald or another employee of E&W  
11 would tell Hayter that she needed to have a doctor’s note if she wanted to “call out.” [Hayter  
12 Decl., ¶ 12.] Shields was told by Ewald that E&W provided zero sick time. [Shields Decl., ¶ 8.]  
13 As a result, Plaintiffs were forced to either take days off while sick and not be paid for that time  
14 off or come to work while sick.

#### 14 **B. Litigation of Claims and Settlement**

15 This putative class action was filed on July 18, 2019. [Peretz Decl., ¶ 3.] Plaintiffs served  
16 extensive written discovery requests on Defendants shortly thereafter on August 15, 2019. [*Id.* at  
17 ¶ 3.] Plaintiffs filed the operative First Amended Complaint on September 16, 2019. [*Id.*] The  
18 parties then met and conferred and agreed to attend private mediation with John Hyland, Esq. of  
19 Rukin Hyland & Riggin LLP. [Peretz Decl., ¶ 4.] As part of the agreement to mediate, Defendants  
20 provided Plaintiffs with certain key payroll and timekeeping documents and further agreed to  
21 provide Plaintiffs with the putative class list. [*Id.*]

22 In order to provide Plaintiffs with the class list, including contact information for class  
23 members, the parties stipulated to a form opt-out notice pursuant to *Belaire-West Landscape, Inc.*  
24 *v. Superior Court* (2007) 149 Cal.App.4th 554 (“*Belaire-West*”). [Peretz Decl., ¶ 5.] This  
25 stipulation was approved by the Court on December 30, 2019. [*Id.*] The *Belaire-West* notices  
26 were mailed to putative class members on January 14, 2020 with an opt-out deadline of February  
27 4, 2020. [*Id.*] Ultimately, three (3) of the fifty-six (56) notices mailed out were returned as  
28 undeliverable, and no members opted out of providing their contact information to Plaintiffs’  
counsel. [*Id.*]

1 The parties then held a full-day session of mediation with Mr. Hyland on February 19,  
2 2020. [Peretz Decl., ¶ 6.] However, the parties were unable to reach a settlement at that time. [*Id.*]  
3 The parties continued to informally discuss settlement throughout the spring and summer of 2020,  
4 while simultaneously exchanging further written discovery requests, responses and production of  
5 documents. [*Id.*]

6 At a Case Management Conference on September 14, 2020, the Court ordered the parties  
7 to attend a Mandatory Settlement Conference before the Honorable Mary E. Wiss. [Peretz Decl.,  
8 ¶ 7.] The parties agreed to convert the conference into a judicial mediation, which took place  
9 with Judge Wiss during a full-day session on November 6, 2020. [*Id.*] With the help of Judge  
10 Wiss, the parties were able to reach a class action and PAGA settlement in this matter, which was  
11 formalized into the Settlement Agreement currently before the Court for preliminary approval.  
12 [*Id.*] As part of the settlement, the parties also agreed to allow Plaintiffs' counsel to file a Second  
13 Amended Complaint to allege a PAGA claim, and provide notice to the California Labor and  
14 Workforce Development Agency (hereinafter "LWDA") pursuant to Cal. Lab. Code § 2699.3(a)  
15 (hereinafter the "PAGA Notice"). [Peretz Decl., ¶ 8.]

16 On January 14, 2021, the parties filed a joint stipulation to file a Second Amended  
17 Complaint that included the PAGA claims. [*Id.*] On February 1, 2021, the Court ordered  
18 Defendants to file their responsive pleading to Plaintiff's Second Amended Complaint, and on  
19 February 23, 2021, the parties jointly stipulated to stay Defendants' responsive pleading deadline  
20 pending the Court's ruling on final approval of the settlement between the Parties. [*Id.*]

### 21 **III. SETTLEMENT TERMS AND NOTICE PROCESS**

22 The details of the proposed class action and PAGA settlement are contained in the  
23 Settlement Agreement attached as **Exhibit 1** to the Peretz Declaration. As set forth below, the  
24 terms of the proposed settlement are fair and reasonable in light of the size of the putative class  
25 and litigation risks.

#### 26 **A. The Class and Named Plaintiffs**

27 The "Class" "Class Members," "Settlement Class," or "Settlement Class Members," are  
28 defined as "all persons employed by any of the Defendants or Released Parties in a Class Position,  
at any time during the Class Period."<sup>1</sup>

---

<sup>1</sup> The term "Released Parties", means Defendants Lisa Wasserman, Katrin Ewald, Ewald and Wasserman Research Consultants, LLC, their parents, subsidiaries, affiliates, insurers, related

1 The “Class Period” is defined as “the time period from August 1, 2015 through the date  
2 of the Court’s entry of judgment granting Preliminary Approval of the Settlement.”

3 The “Class Position” is defined as “all persons who worked for Defendants as a non-  
4 exempt Part-Time Telephone Interviewer, or other similar positions, classified as an hourly, non-  
5 exempt employee by the State of California during the Class Period.”

6 “Eligible Class Member” include all members of the Class who do not opt-out from this  
7 settlement.

8 **B. Notice Process and Claims Rate**

9 On July 19, 2021, the Court granted preliminary approval of the Settlement Agreement.  
10 In accordance with that order, the parties provided the Settlement Administrator, Simpluris, with  
11 the Notice to Class Members for distribution to the Class Members along with their mailing  
12 addresses. [Declaration of Zachary Cooley on behalf of Simpluris (“Simpluris Decl.”), ¶ 5.]  
13 Simpluris mailed the Notice to each Class Member on August 12, 2021. [*Id.* at ¶ 7.] By the end  
14 of the notice period, *none of the 54 Class Members objected or requested to be excluded from the*  
15 *Settlement Agreement.* [*Id.* at ¶¶ 9-12 & Exhibit B.] Additionally, none of the Class Members  
16 disputed the number of work weeks included in their individual Notice in accordance with  
17 Defendants’ records. [*Id.*] Nine of the Notices to Class Members were initially returned, with  
18 seven of those successfully remailed so that ultimately only two Notices to Class Members were  
19 undeliverable. [*Id.* at ¶ 8.]

20 **C. Settlement Amount and Distribution**

21 Defendants will pay One Hundred Forty-Four Thousand Dollars and Zero Cents  
22 (\$144,000.00) to settle this case (hereinafter the “Gross Settlement Amount”). This Gross  
23 Settlement Amount includes payments to the members of the Class, attorneys’ fees, the LWDA  
24 for PAGA penalties, reasonable litigation expenses, service fees to each class representative, and  
25 costs of administration.

26 If the Court grants final approval of the Settlement, it will be funded by Defendants with  
27 a one-time payment of the full \$144,000 settlement amount as detailed in Section II(13) of the  
28 Settlement Agreement. Simpluris will administer two rounds of payments to the Class Members

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entities and divisions, and its and their respective: (i) predecessors, successors, and assigns, and  
(ii) current and former agents, heirs, executors, administrators, principals, officers, directors,  
shareholders, employees, founders, members, assigns, insurers, attorneys, and all other claiming  
through and by any of them.



1 as described in Section I(21) of the Settlement Agreement. The Eligible Class Member Share  
2 shall encompass the Net Settlement Amount that will be allocated to each Eligible Class Member  
3 as follows: first, dividing the Net Settlement Amount by the total number of Eligible Work Weeks  
4 to arrive at the Eligible Work Week Rate, and then second, by multiplying the resulting Eligible  
5 Work Week Rate by the total number of Eligible Work Weeks for each respective Eligible Class  
6 Member. Payment of Eligible Class Member Shares shall be subject to legally required  
7 withholdings, deductions, and contributions. The second round will take the total unclaimed funds  
8 and pro-rating the amount to each Class Member in the same manner as the first round, so long  
9 as the check is no less than \$25. Any unclaimed funds from the Net Settlement Amount will be  
10 sent by the Class Administrator to the State of California Department of Industrial Relations  
11 Unclaimed Wages Fund in the name of the Eligible Class Member who did not cash his or her  
12 check. The unclaimed funds shall not revert back to the Defendants. As to the Named Plaintiffs,  
13 the amount of their Eligible Class Member Shares is in addition to any Court-approved Named  
14 Plaintiffs Enhancements.

15 **IV. THE SETTLEMENT IS FAIR, REASONABLE AND ADEQUATE, AND SHOULD**  
16 **BE GIVEN FINAL APPROVAL**

17 **A. Standard for Final Approval of a Class Action Settlement**

18 The settlement of a class action requires court approval after hearing. California Rule of  
19 Court 3.769(a). The law favors settlements, particularly in class actions and other complex cases  
20 where substantial resources can be conserved by avoiding the time, cost, and rigors of formal  
21 litigation. *7-Eleven Owners for Fair Franchising v. Southland Corp.* (2000) 85 Cal. App. 4th  
22 1135, 1151; *Class Plaintiffs v. City of Seattle* (9th Cir. 1992) 955 F.2d 1268, 1276. In evaluating  
23 class action settlements, a court has broad discretion to determine whether a proposed settlement  
24 is fair under the circumstances of the case. *In re: Cellphone Fee Termination Cases* (2010)  
25 186 Cal.App.4th 1380, 1389; *Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 234-  
26 35; *see also Mallick v. Superior Ct.* (1979) 89 Cal. App. 3d 434, 438.

27 “A ‘presumption of fairness exists where: (1) the settlement is reached through arm’s-  
28 length bargaining; (2) investigation and discovery are sufficient to allow counsel and the court to  
act intelligently; (2) counsel is experienced in similar litigation; and (4) the percentage of  
objectors is small.” *In re: Cellphone Fee Termination Cases*, 186 Cal.App.4th at 1389, citing  
*Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 128. Factors to be considered  
include “the strength of the plaintiffs’ case, the risk, expense, complexity and likely duration of

1 further litigation, the risk of maintaining class action status through trial, the amount offered in  
2 settlement, the extent of discovery completed and the stage of the proceedings, the experience  
3 and views of counsel, the presence of a governmental participant, and the reaction of the class  
4 members to the proposed settlement.” *Id.* However, the list of factors is not exclusive, and the  
5 court may engaged in balancing and weighing each factor depending on the circumstances of each  
6 case. *Reed v. United Teachers Los Angeles* (2012) 208 Cal.App.4th 322, 337. “In sum, the trial  
7 court must determine that the settlement was not the product of fraud, overreaching or collusion,  
8 and that the settlement is fair, reasonable and adequate to all concerned.” *Reed*, 208 Cal.App.4th

9 At the final approval stage, the court’s task is to determine whether, in light of the total  
10 circumstances of the action, the settlement is fair, reasonable and adequate. *In re Microsoft Cases*  
11 (2006) 135 Cal.App.4th 706, 723; *Dunk v. Ford Motor Co.* (1996) 48 Cal. App. 4th 1794, 1801-  
12 02; *Wershba*, at 244-45; *accord Manual for Complex Litigation Fourth* (Fed. Judicial Center  
13 2004) § 21.61 at 308 (hereinafter “Manual”) A settlement is fair, adequate, and reasonable, and  
14 therefore merits final approval, when “the interests of the class are better served by the settlement  
15 than by further litigation.” *Manual* § 21.61 at 309. The law favors settlement, particularly in  
16 class actions and other complex cases where substantial resources can be conserved by avoiding  
17 the time, cost, and rigors of formal litigation. *See Neary v. Regents of Univ. of Cal.*, 3 Cal. 4th  
18 273, 277-81 (1992); *Lealao v. Beneficial Cal., Inc.*, 82 Cal. App. 4th 19, 53 (2000); H. Newberg  
19 & A. Conte, *Newberg on Class Actions*, § 11:41 at 87-89 (4th ed. 2002) (and cases cited therein).

20 In the instant case, the Court carefully considered the merits of the Settlement Agreement,  
21 as well as the claims process, in conjunction with the Motion for Preliminary Approval. Not only  
22 did the Court conduct two separate hearings, but the parties also submitted supplemental briefing  
23 on a variety of issues and extensively revised the Notice to Class Members, the claims process,  
24 and the AWS Claim form in order to address concerns raised by the Court. It is beyond dispute  
25 that the Court’s order granting the Motion for Preliminary was done after careful and thorough  
26 deliberation. Accordingly, for the reasons set forth below, the Court should grant the motion for  
27 final approval of this Settlement.

28 ///

///

///

1           **B.       The Proposed Settlement is Fair, Reasonable and Adequate**

2                   **i.       The Parties Reached Settlement Through Non-Collusive Arm's-**  
3                   **Length Bargaining**

4           As detailed in Section IV(A) of the Motion for Preliminary Approval, settlement in this  
5 case came only after extensive litigation of the case and multiple attempts to mediate. The parties  
6 engaged in hotly disputed meet and confer regarding the type and scope of Plaintiffs' alleged  
7 claims. After Plaintiffs amended their complaint, significant discovery was conducted by both  
8 sides, including 24 sets of written discovery. [Peretz Decl., ¶ 6.] There were two full-day  
9 mediation sessions held and ultimately a settlement was reached in an arm's length negotiation  
10 with the help of Judge Wiss. [Peretz Decl., ¶¶ 6-7.] The parties' Settlement Agreement is thus  
11 based on a comprehensive understanding by all parties' counsel of the issues, causes of actions,  
12 and facts to be tried in this case. There has been no suggestion of collusion in this case.

13                   **ii.       Plaintiffs' Conducted Extensive Investigation of the Facts and Claims**  
14                   **at Issue in This Case**

15           As detailed in Section I(A) of Plaintiffs' Supplemental Brief submitted in support of  
16 Preliminary Approval, Plaintiffs' counsel engaged in diligent and extensive pretrial discovery and  
17 negotiation prior to the settlement in this case. In reaching the Settlement, counsel on both sides  
18 relied on their respective substantial litigation experiences in similar employment class actions  
19 and thorough analysis of the legal and factual issues presented in this case. Information gleaned  
20 from investigation and discovery informed both parties' assessment of the strengths and  
21 weaknesses of the case and the benefits of the Settlement. Plaintiffs' counsel's evaluation of the  
22 liability and damages in the case was premised on an extensive evaluation of, among other things,  
23 the number of the putative Class Members, the alleged amounts of unpaid wages owed, the  
24 average hourly rate each class member actually received for his or her work and the penalties that  
25 could be awarded with respect to the alleged violations of law. [Peretz Decl., ¶ 12.] Plaintiffs'  
26 counsel also performed extensive analysis of recovery limits for both civil and statutory penalties.  
27 [Id.] In sum, this case involved a thorough investigation of the facts underlying all of Plaintiffs'  
28 claims prior to settlement.

**iii.       Counsel are experienced in similar litigation**

          Plaintiffs' counsel is skilled and experienced in class action wage and hour litigation.  
[Peretz Decl., ¶ 18.] In reaching settlement, Plaintiffs' counsel not only drew upon this experience  
but undertook a thorough analysis of liability and damages presented by the facts and allegations

1 in this case. [*Id.*] The extensive and expensive discovery described above and a particularly  
2 careful consideration of the novel issues and risks of litigating successor liability under the Labor  
3 Code, together with Plaintiffs’ counsel’s experience and skill, drove the terms of the settlement.

4 **iv. No class members have objected to the settlement**

5 The determination as to whether a settlement is fair includes a consideration of class  
6 member reactions to the proposed Settlement. *Litwin v. iRenew Bio Energy Solutions, LLC* (2014)  
7 226 Cal.App.4th 877, 884. Here, Class Member reactions are overwhelmingly positive.  
8 Following the mailing of the Notice to Class Members, not a single Class Member filed an  
9 objection, submitted a dispute regarding number of work weeks, or opted out of the settlement.  
10 [Simpluris Decl., ¶¶ 9-12 & Exhibit B.] The response of the Class Members clearly shows that the  
11 Class is almost unanimously in favor of the settlement. Since only two Notices to Class Members  
12 were not delivered to Class Members, Plaintiffs’ counsel expects that nearly all settlement checks  
will get cashed by the Class Members.

13 **v. The Substantial Class Recovery Balanced Against the Risks Inherent  
14 in Continued Litigation Favor Final Approval**

15 To assess the fairness, adequacy, and reasonableness of a class action settlement, a trial  
16 court must weigh the immediacy and certainty of substantial settlement proceeds against the risks  
17 inherent in continued litigation. *Dunk v. Ford Motor Co.* (1996) 48 Cal. App. 4th, 1794, 1801  
18 (courts should consider the strength of plaintiffs’ case, the risk of further litigation, including the  
19 risk of maintaining class action status through trial, and the amount offered in settlement); *Manual*  
20 § 21.62 at 316 (this analysis involves consideration of “the advantages of the proposed settlement  
21 versus the probable outcome of a trial, ... the probable time, duration, and cost of trial; ... [and]  
the probability that the class claims, issues, or defenses could be maintained through trial or a  
class basis”).

22 The proposed Settlement provides a reasonable amount of recovery as to the Class and  
23 the Named Plaintiffs. On average, Class Members will receive approximately \$1,300, which will  
24 vary by length of employment, while also avoiding the risks, time, and expense of litigation in  
25 this case. [Peretz Decl., ¶ 13; *see also* Simpluris Decl., ¶ 13 (estimating the average Class Member  
26 payout to be \$1,360.19 if all requested attorneys’ fees, costs, and Named Plaintiff service awards  
27 are granted by the Court).] The Class consists of approximately 56 Class employees. [*Id.*] All of  
28 these employees are wage earning employees who will receive upfront cash payments. This is  
significant for employees who work low wage positions.

1 While the proposed Settlement may be less than the amount that the Class could  
2 potentially recover at trial, it is unlikely that Plaintiffs would receive the full amount to which  
3 they believe they are entitled. First, full recovery could not be achieved unless a jury were to  
4 award the Class Members an amount in excess of the allegedly stolen wages from Defendants,  
5 the amount of which remains in dispute. Second, full recovery could not be achieved unless the  
6 jury were to award all available penalties including multiple penalties for each legal claim asserted  
7 in the litigation. However, whether to award penalties, and the quantum of such penalties, is  
8 within the discretion of the court. *See, e.g., Thurman v. Bayshore Transit Mgmt.* (2012) 203 Cal.  
9 App. 4th 1112, 1135 (affirming trial court's reduction of civil penalties by thirty percent).

10 Moreover, since the COVID-19 pandemic has hit Defendants' business, coupled with the  
11 amount spent litigating this action, Defendants have lost a substantial amount of income both as  
12 a natural result of the pandemic as well as mounting attorneys' fees. Settling this action at this  
13 time would allow the Class to recoup a significant amount of the allegedly unpaid wages from  
14 Defendants while also ensuring that Defendants still have some assets left through which to settle  
15 this action.

16 Absent Settlement, Plaintiffs' counsel would still have to litigate various issues regarding  
17 the scope of class discovery, the scope of the class for purposes of certification, liability, not to  
18 mention the quantum of damages as well as the applicability and appropriate amount of penalties.  
19 Such litigation would be costly and time consuming and would likely take many months, if not  
20 years, to resolve. By contrast, the settlement ensures timely and substantial relief to all Class  
21 Members.

22 **V. THE SETTLEMENT ALLOCATION FOR ATTORNEYS' FEES, COSTS,  
23 ENHANCEMENTS AND ADMINISTRATION IS REASONABLE**

24 Plaintiffs filed a separate motion for attorneys' fees, costs and service awards on  
25 September 2, 2021, and will not repeat those arguments at length here. Briefly, an attorneys' fees  
26 award is justified where the legal action has produced its benefits by way of a voluntary  
27 settlement. *Maria P. v. Riles* (1987) 43 Cal. 3d 1281, 1290-91; *Westside Cmty. for Indep. Living,  
28 Inc. v. Obledo* (1983) 33 Cal. 3d 348, 352-53. Plaintiffs submit that an award of *no more than*  
\$52,000 in attorneys' fees and costs — which is equivalent to less than thirty-eight percent (38%)  
of the Gross Settlement Amount — is justified by both the results in this case, and the time and  
expenses incurred by Plaintiffs' Counsel in obtaining this result. This amount is *less than half of*

1 the time actually expended by Class Counsel, as indicated by the time logs submitted with  
2 Plaintiffs' fee motion.

3 Courts routinely approve incentive awards in order to compensate class representatives  
4 for the services they provide and the risks they incur during class action litigation. *Clark v.*  
5 *American Residential Services LLC* (2009) 175 Cal. App. 4th 785, 806 (approving the rationale  
6 behind awarding participation payments). the Named Plaintiffs have taken on a substantial risk,  
7 as all of the Named Plaintiffs are at or near minimum-wage employees who have had to work  
8 around their current jobs to provide the labor necessary to take on this Action. [Peretz Decl., ¶  
9 11.] Additionally, Shields and Evans both became pregnant during the scope of this Action and  
10 have had to balance their time between their new jobs, new children, and this Action. [*Id.*] Second,  
11 all the Named Plaintiffs were required to respond to extensive written discovery, with significant  
12 hours of work for each Named Plaintiff. [Peretz Decl., ¶ 10.] Third, the Named Plaintiffs spent  
13 many hours participating in multiple full-day mediation sessions and providing information for  
14 additional informal settlement discussions. [*Id.*]

15 In the instant case, the class representatives (Named Plaintiffs Hayter, Evans and Shields)  
16 will receive \$4,000, in addition to the payments they will receive as Class Members. The average  
17 payment for non-named Class Members is likely to be approximately \$1,300. [Peretz Decl., ¶ 13.]  
18 As such, the amount that the Named Plaintiffs will receive as class representatives is reasonable.

19 The Settlement Administrator, Simpluris, has worked extensively with the parties in  
20 preparing the Notice for mailing, mailing them to each Class Member, following up on any  
21 returned packets, and providing weekly reports. [Simpluris Decl., ¶¶ 3-8.] Given the amount of  
22 work performed, and will be performed (determining final pay-outs, processing and mailing  
23 checks, and sending tax forms), a \$4,300 fee is reasonable compensation and the payment to  
24 Simpluris should be approved. [*Id.* at ¶ 14.]

25 **VI. CONCLUSION**

26 For the foregoing reasons, Plaintiffs submit that the settlement is fair, adequate and  
27 reasonable. Plaintiffs' counsel believes that the settlement is in the best interests of the Plaintiffs  
28 and the Class. Under the applicable class and collective action standards, the Parties request that  
the Court grant this motion and grant final approval of the Settlement Agreement.

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Dated: October 19, 2021

PERETZ & ASSOCIATES

By:  \_\_\_\_\_

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