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Electronically Filed 3/27/2024 6:02 PM Steven D. Grierson CLERK OF THE COURT

DISTRICT COURT CLARK COUNTY, NEVADA

MARIAH MARTIN, on behalf of herself and all others similarly situated,

Plaintiff,

VS.

DED OPS NV LLC d/b/a and a/k/a WALLFLOWER also d/b/a and a/k/a WALLFLOWER CANNABIS HOUSE: H & H MANAGEMENT LLC; DOES 1 through 50; inclusive,

Defendants.

Case No.: A-22-863216-C Dept. No.: 1

HEARING NOT REQUESTED (Hearing already set)

JOINT MOTION FOR FINAL APPROVAL OF CLASS **ACTION SETTLEMENT**

Hearing Date: April 3, 2024 Hearing Time: 9:30 AM

JOINT MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT

Plaintiff Mariah Martin ("Plaintiff" or "Martin"), on behalf of herself and all others

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similarly situated and Defendant DED Ops NV LLC d/b/a and a/k/a Wallflower also d/b/a and a/k/a Wallflower Cannabis House ("Wallflower") and Defendant H & H Management LLC ("H&H") (together "Defendants") (collectively Plaintiff and Defendants may be referred to throughout this Motion as the "Parties"), by and through their counsel of record, hereby submit this Joint Motion for Final Approval of Class Action Settlement.¹

This Joint Motion for Final Approval is based upon the memorandum and points of authorities in support hereof, the declarations filed in support of this motion and all accompanying exhibits, pleading papers and records on file herein, all matters upon which judicial notice may be taken, any oral argument that may be presented, and upon such other matters the Court deems just and necessary.

Dated: March 27, 2024

GABROY | MESSER

SUTTON | HAGUE

/s/ Christian Gabroy
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Counsel for Defendant H & H Management LLC

LAXALT LAW GROUP, LTD.

/s/ Steve E. Guinn

Steve E. Guinn, Esq. 9790 Gateway Drive Suite 200 Reno, Nevada 89521

Counsel for Defendant DED Ops NV LLC d/b/a and a/k/a Wallflower also d/b/a and a/k/a Wallflower Cannabis House

¹ Defendants joins in this Motion only to the extent noted herein and their request for approval of the Settlement analyzed herein.

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

On December 13, 2023, the Court entered an order granting preliminary approval of class action settlement of the above-captioned case (the "Preliminary Order"). See December 13 Preliminary Order. In addition to approving the overall settlement (the "Settlement"), the Preliminary Order conditionally certified a settlement class, appointed a class representative and class counsel, approved a notice of preliminary approval to class members ("Class Members"), scheduled the final approval hearing, and confirmed the selection of Phoenix Class Action Administration Solutions ("Phoenix") as the claims administrator. *Id.*

The class administration procedures ordered by the Court have been completed as summarized in the declaration prepared by Jarrod Salinas of Phoenix. See Declaration of Jarrod Salinas Regarding Settlement Notice Administration, hereinafter "Salinas Dec." or "Salinas Declaration," attached hereto as Exhibit I. The Notice and all related materials ("Notice Packets") were distributed to 212 Class Members, and deadlines for those Class Members to submit claim forms, opt out of, or object to the Settlement have passed. See Salinas Dec. at ¶ 6. No objections were received and no Class Members requested exclusion from the Settlement. See id. at ¶¶ 11, 12.

II. SUMMARY OF THE NOTICE AND CLAIMS PROCESS

A summary of the litigation, terms of the Parties' settlement agreement (the "Settlement Agreement"), and fairness and adequacy of the Settlement are set forth in the Parties' Joint Motion for Preliminary Approval and the Declaration of Christian Gabroy in support thereof, filed on November 8, 2023, which the Parties incorporate by reference. On December 29, 2023, Defendants' counsel provided with the last known addresses of 212 settlement class members (the "Class List"). See Salinas Dec. at ¶ 4. On November 1, 2023, Phoenix conducted a National Change of Address ("NCOA") search in an attempt to update the class list of addresses as accurately as possible as a search of this database provides updated addresses for any individual who has moved

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in the previous four (4) years and notified the U.S. Postal Service of their change of address. Id. at ¶ 5. Accordingly, on January 9, 2024, Phoenix mailed Notice Packets to 212 class members in the form approved by the Court (the "Notice Packet"). Id. at ¶ 6. The Notice Packet provided that class members had until February 21, 2024 to submit claims or written exclusions or objections to the settlement. See Exhibit A to the Salinas Dec. Ultimately, none of the Notice Packets were deemed undeliverable. *Id.* at 7.

To date, Phoenix has received no requests for exclusion. *Id.* at ¶ 11. No objections to the Settlement were received by Phoenix or counsel. *Id.* at ¶ 12; see also Declaration of Christian Gabroy, Esq. attached hereto as Exhibit II ("Gabroy Dec.") at ¶ 11. The largest settlement share is approximately \$2,458.86, and the average settlement share is \$846.26. See Salinas Dec. at ¶ 15. Thus, Class Members stand to receive approximately 44.21% of the net settlement fund of \$124,417.29. *Id.* at ¶ 13, 14.

ARGUMENT III.

Α. The Court Should Grant The Parties' Request For Final Approval Of The Settlement

1. Standard for final approval of a class action settlement.

Nevada Rule of Civil Procedure 23 provides that "a class action must not be dismissed or compromised without the approval of the court, and notice of the proposed dismissal or compromise must be given to all members of the class is such manner as the court directs." Nev. R. Civ. P. 23(f). Such approval typically involves a two-step process: (1) preliminary approval of the class settlement and notice to all class members and (2) a final fairness hearing to determine whether the settlement is fair, reasonable. and adequate. Sobel v. Hertz Corp., No. 3:06-CV-00545-LRH-RAM, 2011 WL 2559565, at *5 (D. Nev. June 27, 2011). A court should approve a class settlement under Rule 23 if it "is fundamentally fair, adequate and reasonable." See e.g., Torrisi v. Tucson Elec. Power Co., 8 F.3d 1370, 1375 (9th Cir. 1993) (internal quotation marks omitted); accord In re Mega Fin. Corp. Sec. Litig., 213 F.3d 454, 458 (9th Cir. 2000) (citation omitted).

The Court has plenary authority to approve or reject settlements proposed by the

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parties. In re Mega Fin. Corp. Sec. Litig., 213 F.3d at 458 (citation omitted). Ninth Circuit courts consider the following eight factors to assess whether final approval of a class settlement is warranted: (1) the strength of plaintiffs' case; (2) the risk, expense, complexity, and likely duration of further litigation; (3) risk of maintaining class action status through trial; (4) amount offered in settlement; (5) extent of discovery completed and state of the proceedings; (6) experience and views of counsel; (7) whether there is a governmental participant; and (8) reaction of class members to the proposed settlement. See e.g., Churchill Village v. Gen. Elec., 361 F.3d 566, 575 (9th Cir. 2004); Hanlon v. Chrysler Corp, 150 F.3d 1011, 1026 (9th Cir. 1998).² Ninth Circuit courts also consider whether the settlement is a product of fraud or collusion. Rodriguez v. West Publ'g Corp., 563 F.3d 948, 965 (9th Cir. 2009).

In considering these factors, courts recognize a strong judicial policy favoring settlements, particularly in the context of complex class litigation. In re Syncor ERISA Litig., 516 F.3d 1095, 1101 (9th Cir. 2008). Courts are not required to assess whether the settlement is ideal or the best outcome, but only whether the settlement is fair, free of collusion, and consistent with Plaintiff's fiduciary obligations to the class. Hanlon, 150 F.3d at 1027 (overruled on other grounds).

2. Application of the relevant criteria.

a. Relative strength of plaintiff's claims.

In considering the relative strength of plaintiff's claims, courts typically consider decisions relating to the merits of the plaintiff's claims and whether settlement occurs before any substantive motions are decided. See e.g., Pierce v. Rosetta Stone, Ltd., No. C-11-01283 SBA, 2013 WL 5402120, at *3 (N.D. Cal. Sept. 26, 2013); Odrick v. Union

² The Nevada Supreme Court has cited the analogous "federal counterpart" of Federal Rule of Civil Procedure 23 and its related case law when making determinations under Nevada Rule of Civil Procedure 23. Beazer Homes Holding Corp. v. Eighth Judicial Dist. Court of Nev., 128 Nev. Adv. Rep. 66, 291 P.3d 128, 136 n. 4 (2012) citing generally Wal-Mart Stores, Inc. v. Dukes, 564 U.S. 338, 131 S. Ct. 2541, 2558, 180 L. Ed. 2d 374 (2011); Shuette v. Beazer Homes Holdings Corp., 121 Nev. 837, 847-851 (2005) (citing Rule 23 case law from the Second, Third, Fifth, Sixth, Seventh and Eleventh Circuits). Similarly, this Court may evaluate settlement and class certification under Nevada Rule of Civil Procedure 23 with analogous federal law.

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Bancal Corp., No. C 10-5565 SBA, 2012 WL 6019495, at *3 (N.D. Cal. Dec. 3, 2012).

Plaintiff sent Defendants her pre-suit NRS § 608.140 demand with enclosed confidential draft complaint on December 23, 2022. Plaintiff then filed her complaint against Defendants in the Eighth Judicial District Court for the State of Nevada in and for the County of Clark on December 29, 2022. Plaintiff alleges that Defendants failed to: (1) pay all overtime in violation of NRS §§ 608.140 and 608.018 and (2) timely pay all wages due and owing in violation of NRS §§ 608.140 and 608.020-050. Plaintiff also seeks injunctive relief. Plaintiff's legal claims stem from her allegation that Defendants maintained an unlawful practice of not paying all daily overtime to Plaintiff and all other similarly situated nonexempt employees who earned less than one and one-half times the applicable minimum wage. Defendants dispute Plaintiff's factual and legal allegations.

Following the filing of the Complaint, the Parties agreed to explore the possibility of potential early resolution. To that end, the Parties then engaged in informal discovery. Defendants' counsel provided Plaintiff's counsel with voluminous and detailed class data. The Parties then engaged in extensive discussions regarding their respective positions and the information and data provided to properly evaluate the merits of the claims alleged. Following the exchange of informal discovery, the parties engaged in a formal mediation session before Hon. Gene T. Porter (Ret.).

Following such extensive discussions regarding the strengths of their respective positions and with the assistance of the mediator, the Parties reached a proposed class action settlement through arm's-length negotiations. See Exhibit I to the parties' Joint Motion for Preliminary Approval.

Plaintiff believes her claims are strong but understands that success is far from guaranteed. Plaintiff is cognizant of such factors as the risk that a class might not be certified or might be significantly smaller than proposed, the uncertainty on some of the legal issues, as well as the time, expense, and complexity of further litigation, including the possibility of appellate proceedings. Defendants maintain that they properly paid all

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wages mandated by Nevada law and deny that they had any policy of denying such overtime to employees.

Furthermore, while Class Counsel believe that Plaintiff's claims are meritorious, they are experienced class action litigators and understand that the outcome of class certification, trial, and any attendant appeals are inherently uncertain, as well as likely to consume many more months, even years. Having reviewed relevant compensation data and employment information, counsel for the Parties—all experienced class action litigators well versed in wage and hour law—arrived at a reasonable resolution through a protracted, arm's-length, negotiation process with the assistance of an experienced mediator, which continued into all details of the Settlement Agreement and ancillary documents.

b. Risk, expense, and complexity of further litigation.

Settlement is preferable to lengthy and expensive litigation with uncertain results. Harris v. U.S. Physical Therapy, Inc., 2012 WL 6900931, at *7 (D. Nev. Dec. 26, 2012) report and recommendation adopted, 2013 WL 211085 (D. Nev. Jan. 18, 2013). Here, without settlement, the Parties would be forced to engage in lengthy discovery and motion practice. There would be briefing on class certification issues and summary judgment. Trial would involve extensive testimony from numerous witnesses. And, any final judgment would likely be appealed, thereby extending the duration of the litigation.

Settlement avoids further expense and delay and guarantees a recovery to class members as touched on in factor (a) directly above. Therefore, the risks associated with further litigation weigh in favor of final approval, consistent with the established policy preferring settlement over further time-consuming litigation. *Harris*, 2012 WL 6900931, at *7.

C. Risk of maintaining class status.

As discussed in section III.A.2.a, supra, Plaintiff faces risk of not obtaining or maintaining Rule 23 class action status if this litigation proceeds. Thus, this factor, too, favors final approval of settlement.

d. Benefits conferred by the settlement.

A settlement may be fair and reasonable even if it provides only a fraction of what could have been obtained at trial. See e.g., Linney v. Cellular Alaska P'ship, 151 F.3d 1234, 1242 (9th Cir. 1998) (compromise is essence of settlement); City of Detroit v. Grinnell Corp., 495 F.2d 448, 455 & n.2 (2d Cir. 1974) abrogated on other grounds (that proposed settlement may amount to only a fraction of potential recovery does not mean the proposed settlement is inadequate and should be disapproved).

Here, the gross settlement fund amount of \$230,000.00 is reasonable when balanced against the possible outcome of further litigation and potential appeals. The largest settlement share is approximately \$2,458.86, and the average settlement share is approximately \$846.26. See Salinas Dec. at ¶ 15. An estimated 44.21% of the settlement class fund will be made in settlement payments to currently employed and formerly employed class members, which represents a reasonable recovery for the class, even without accounting for the risks that class treatment would be denied or that Defendants would prevail on the merits. *Id.* at ¶ 13; *Villegas v. JP Morgan Chase & Co.*, No. CV 09-00261 SBA (EMC), 2012 WL 5878390, at *6 (N.D. Cal. Nov. 21, 2012) *citing In re Mego Fin. Corp. Secs. Litig.*, 213 F.3d 454, 459 (9th Cir. 2000) ("It is well-settled law that a cash settlement amounting to only a fraction of the potential recovery does not *per se* render the settlement inadequate or unfair.")).

e. Extent of discovery completed and stage of the proceedings.

This Settlement, following sufficient informal discovery and genuine arm's-length negotiation, is presumed fair. See City P'ship Co. v. Atlantic Acquisition Ltd. P'ship, 100 F.3d 1041, 1043 (1st Cir.1996). As discussed in the Joint Motion for Preliminary Approval, the Parties engaged in extensive discussions and informal discovery of the claims and defenses, including reviewing timekeeping and class member data and analyzing the relevant facts and authority. By the time a settlement was reached, the Parties were well versed in the facts and law applicable to the issues and had evaluated the merits of their claims and defenses. See Tijero v. Aaron Bros., Inc., 301 F.R.D. 314,

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324 (N.D. Cal. 2013). Accordingly, at the time the settlement was reached, the Parties "ha[d] a clear view of the strengths and weaknesses of their cases." *In re Warner* Commc'ns Sec. Litig., 618 F. Supp. 735, 745 (S.D.N.Y. 1985). Accordingly, this factor weighs in favor of final approval.

f. Experience and views of Plaintiff's Counsel.

Because they are closely acquainted with the underlying litigation, significant "weight is accorded to the recommendation of counsel." Nat'l Rural, 221 F.R.D. at 528 (quoting In re Paine Webber Ltd. P'ships Litig., 171 F.R.D. 104, 125 (S.D.N.Y. 1997)). Plaintiff is represented by counsel with broad experience in complex employment litigation. See Gabroy Dec. at ¶ 3. Plaintiff's counsel recommends that the Settlement be approved because they believe it is fair, reasonable, and adequate to the proposed class and because it reflects a reasoned compromise that takes into consideration the inherent risks in all employment class litigation and in particular this action. See Gabroy Dec. at \P 8, 10, 16. Given the experience of the attorneys involved in this litigation, the Court should credit counsels' view that the settlement is fair, reasonable, and adequate. Rodriguez, 563 F.3d at 967 (parties represented by capable counsel better positioned than courts to produce a settlement that fairly reflects each party's expected outcome). Accordingly, this factor weighs in favor of final approval as well.

Presence of a governmental participant

There is no governmental participant in this action. As a result, this factor favors approval of the settlement.

Reaction of the class. h.

The absence of any objections to a proposed class action settlement raises a strong presumption that the terms of a proposed settlement are favorable to the class members. Nat'l Rural, 221 F.R.D. at 529; Williams v. Costco Wholesale Corp., No. 02cv-2003 IEG (AJB), 2010 WL 2721452, at *5 (S.D. Cal. July 7, 2010). Here, 100% of the Notice Packets were successfully mailed. See Salinas Dec. at ¶ 8. No objections to the settlement were received and no class members requested exclusion. See id. at ¶¶ 11,

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12. Out of the 65 Class Members who filed valid claim forms, approximately 44.21% of the net settlement amount was claimed. See id. at ¶13; see also Lee V. Enterprise leasing Co.-West, 2015 WL 2345540, *7 (D. Nev. 2015) (noting 11% rate does not indicate proposed settlement is not fair, reasonable, and adequate given the lack of objections and small number of opt-outs, "does not cast doubt on what appears to be a beneficial settlement for the class members.").

These facts suggest approval of the settlement by the entire class. Therefore, this factor also favors final approval of the settlement. See Bolton v. U.S. Nursing Corp., No. C-12-4466 LB, 2013 WL 5700403, at *2, *4 (N.D. Cal. Oct. 18, 2013) (approving settlement where no objections were filed and two of 1,250 class members requested exclusion from settlement).

> i. The negotiation process was free from fraud and collusion.

The Court's inquiry into what is otherwise a private consensual agreement is limited to the extent necessary to reach a reasoned judgment that the agreement is not the product of fraud or collusion between the negotiating parties and that the settlement, taken as a whole, is fair, reasonable, and adequate to all concerned. FDIC v. Alshuler, 92 F.3d 1503, 1506 & n.5 (9th Cir. 1996). Here, the Court preliminarily concluded that the settlement was "fair, adequate and reasonable" as to all potential settlement class members. Preliminary Order at ¶ 1. Nothing has changed to alter that conclusion. The Parties began settlement negotiations only after informally sharing documents and information, analyzing the records, researching the relevant legal issues, analyzing the potential recovery, and ultimately negotiating the settlement. Gabroy Dec. at ¶ 6. The Parties acknowledged the risks on the merits and class issues and determined that settlement was sensible to avoid these risks and the time and expense required for further litigation and potential appeals. Gabroy Dec. at ¶ 5-7. Because the Parties were fully informed and engaged in arm's-length negotiations, the agreement is free from fraud and collusion.

In short, under the applicable standards for approval of a class action settlement

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under Nev. R. Civ. P. 23(f), the Settlement meets the standards for final approval.

B. The Claims Administration Expenses Are Reasonable And Should Be Approved.

As described in the Salinas Declaration, the Parties, through their settlement administrator, successfully implemented the notice procedure approved by the Court. See generally Salinas Dec. In total, the Claims Administrator has incurred and will incur \$8,000.00 in costs in furtherance of the administration of the Settlement which is less than the amount originally approved (\$15,000.00). See Salinas Dec. at ¶ 17. This \$8,000.00 amount is reasonable and should be approved.

C. The Class Representative Enhancement Award Should Be Approved.

The named plaintiff had requested \$15,000.00 as class representative enhancement for services she rendered to the class, which is separate from any other amount the named plaintiff is entitled to receive under the settlement as a member of the settlement class. Such enhancements are routinely awarded to compensate named plaintiffs for the services they provide in prosecuting a class action. See, e.g., Ingram v. Coca-Cola Co., 200 F.R.D. 685, 694 (N.D. Ga. 2001) (enhancement awards of \$30,000 to each named plaintiff for services provided to class), Van Vranken v. Atl. Richfield Co., 901 F. Supp. 294, 300 (N.D. Cal. 1995) (approving \$50,000.00 participation award).

The enhancement award of \$15,000.00 is reasonable in light of the assistance the named plaintiff provided. See In Lo Re v. Chase Manhattan Corp., No. 76 Civ. 154 (MJL), 1979 WL 236, at *6 (S.D.N.Y. May 25, 1979). Specifically, the named plaintiff provided relevant documents to counsel, frequently communicated with counsel by telephone and email, reviewed numerous documents including settlement documents, participated in the negotiation process, provided invaluable assistance to Plaintiff's counsel in explaining Defendants' alleged compensation policies and procedures, provided information to assist in the settlement negotiations, and provided information to potential class members about the litigation and settlement administration process. See e.g., Gabroy Dec. at ¶ 12. Plaintiff also understood that she had an obligation to place

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the interests of the class as a whole above her own personal interests in an effort to advance the case to a favorable outcome on their behalf. In addition, if the Plaintiff did not prevail, as Class Representative she could have been liable for Defendants' costs.

Furthermore, the Settlement Class Members were notified of the requested enhancement of \$15,000.00 for the named plaintiff and none objected. See In Lo Re, 1979 WL 236, at *6 (no class member objections indicates approval of enhancement awards). In sum, because of the named plaintiff, this litigation has resulted in a valuable benefit to the settlement class. Thus, the enhancement should be approved.

Class Counsel's Attorneys' Fees And Costs Should Be Approved. D.

1. Class Counsel's fee award is properly calculated as a percentage of the total Settlement Fund.

Nevada Courts may authorize an award of reasonable attorneys' fees and costs in a certified class action pursuant to the parties' agreement or to the extent otherwise authorized by law. See NRS § 608.1403. Here, class counsel's fee request is 1/3 of the potential gross settlement fund. The requested amount is within the range of the market rate of 40 to 50 percent in other types of contingency cases. Newberg on Class Actions, (4th Ed. 2002) section 14.6. Therefore, the requested amount is presumptively fair, reasonable, and appropriate.

> Determination of class counsel fee award in the wage and a. hour class action context.

"Where a settlement produces a common fund for the benefit of the entire class, courts have discretion to employ either the lodestar method or the percentage-ofrecovery method." In re Bluetooth Headset Prod. Liab. Litig., 654 F.3d 935, 942 (9th Cir. 2011). However, courts have observed that the percentage-of-recovery method is preferable to the lodestar method in common fund cases because: (1) it aligns the interests of Class Counsel and the class; (2) it encourages efficient resolution of the litigation by providing an incentive for early, yet reasonable, settlement; and (3) it

³ NRS § 608.140 provides for an award of reasonable attorneys' fees and costs to employee-plaintiffs who sue to recover wages.

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reduces the demands on judicial resources. In Re Activision Securities Litigation, 723 F.Supp. 1373, 1378-79 (N.D. Cal. 1989) (Patel, J.); see also Third Circuit Task Force Report: Court Awarded Attorney Fees, 108 F.R.D. 237, 255-58 (recommending that the lodestar method be abandoned in all common fund cases). Similarly, as the Ninth Circuit observed in *Bluetooth*, "[b]ecause the benefit to the class is easily quantified in common-fund settlements, we have allowed courts to award attorneys a percentage of the common fund in lieu of the often more time-consuming task of calculating the lodestar." In re Bluetooth, 654 F.3d at 942. Under the "common fund" doctrine, "a litigant or a lawyer who recovers a common fund for the benefit of persons other than himself or his client is entitled to a reasonable attorney's fee from the fund as a whole." Boeing Co. v. Van Gemert, 444 U.S. 472, 478 (1980). The purpose of the common fund approach is to "spread litigation costs proportionally among all the beneficiaries so that the active beneficiary does not bear the entire burden alone." Vincent v. Hughes Air West, Inc., 557 F.2d 759, 769 (9th Cir. 1977).

There are several reasons why the percentage-of-recovery method makes sense from an economic perspective. First, contingency fee lawyers work on a mix of cases, and a profit in one case is often necessary to offset a loss in another. See, generally, Risks, Reputations and Rewards: Contingency Fee Legal Practice in the United States by Herbert M Kritzer (Stanford Law and Politics 2004). "Once one accepts that contingency lawyers are providing a risk sharing service, it becomes paramount to incorporate into the analysis of contingency fee practice frameworks that explicitly consider this element of risk sharing." Id. at 16. Not only is the probability for recovery a variable at the time the case is initiated, but the maximum amount of recovery itself is also often unknown. "While much of the literature speaks of going rates and what cases are worth, evidence suggests that case worth is very slippery; it is not even clear that, given complete case files, experts agree to an order of magnitude on what a given case is worth." Id. at 17. In addition, "another element of uncertainty concerns the size of the investment the lawyer will make. With certain very specific exceptions, a lawyer can

Historically, attorneys' fee awards have ranged from 20% to 50% of the common fund, depending on the circumstances of the case. *Newberg on Class Actions*, (4th Ed. 2002) section 14.6, *supra*. Furthermore, in *Boeing*, the Supreme Court specifically addressed "whether a proportionate share of the fees awarded to lawyers who represented the successful class may be assessed against the unclaimed portion of the fund." *Boeing*, 444 U.S. at 473. The Supreme Court found the total amount of the fund the proper denominator, approving fees of approximately \$2,000,000.00 on a settlement valued at \$7,000,000.00 where claims totaled \$706,600 of \$1,544,300 in unconverted debentures at issue, or 47% of the total. Additionally, the court found that any latent reversionary right the defendant possessed contingent on the failure of absentee class members to exercise their present rights of possession did not defeat each class member's equitable obligation to share the expenses of the litigation. *Id.* at 481-82. The reversionary aspect is also present in the instant case.

b. Plaintiff's fee request is in line with fees awards in wage-hour class actions.

Under these principles, a percentage of the common fund fee award is properly based on the total settlement value of \$230,000.00 in this case. Class counsel's request for 1/3 of this amount (\$76,666.67) is fair compensation for undertaking complex, risky, expensive, and prolonged litigation solely on a contingency basis. See Gabroy Dec. at ¶¶ 13, 14. The request is in line with attorneys' fees awards in other wage-and-hour class actions. Newberg on Class Actions, (4th Ed. 2002) section 14.6, supra. Moreover, the notice of preliminary approval provided to class members plainly disclosed that \$76,666.67 of the settlement would be allocated to pay attorneys' fees. No class member objected to the settlement in general or the attorneys' fees specifically. This is an overwhelming indication that the attorneys' fees and litigation costs sought are fair,

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reasonable, and appropriate. Accordingly, class counsel's attorneys' fee award should be approved.

2. Nevada law and the Brunzell Factors support Class Counsel's Fee Request.

The Supreme Court of Nevada has recognized that in determining the amount of fees to award, a court's "analysis may begin with any method rationally designed to calculate a reasonable amount, including those based on a 'lodestar' amount or a contingency fee." See Schuette v. Beazer Homes Holdings Corp., 124 P. 3d 530, 549 (2005). Courts consider four factors to determine whether the requested attorney fee is reasonable: (i) the qualities of the advocate: his ability, his training, education, experience, professional standing and skill; (ii) the character of the work to be done: its difficulty, its intricacy, its importance, time and skill required, the responsibility imposed and the prominence and character of the parties where they affect the importance of the litigation; (iii) the work actually performed by the lawyer: the skill, time and attention given to the work; (iv) the result: whether the attorney was successful and what benefits were derived. Schuette, 124 p.3d at 549, n. 100, citing Brunzell v. Golden Gate National Bank, 85 Nev. 345, 349, 455 P.2d 31, 33 (1969).

i. The qualities of the advocate.

Plaintiff's counsel has extensive litigation practice and wage-and-hour practice experience. Mr. Gabroy has been certified as class counsel in various cases as outlined in his Declaration in support of the Joint Motion for Preliminary Approval. Thus, the quality of the attorneys involved in this case, their abilities, training, education, experience, professional standing, and skill support Plaintiff's fees request.

ii. The character of the work to be done.

The class action process provides for important public policy goals that have long been recognized by the judiciary. United States Supreme Court Justice Douglas reasoned, "The class action is one of the few legal remedies the small claimant has against those who command the status quo." Eisen v. Carlisle & Jacquelin, 417 U.S.

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156, 186, 94 S. Ct. 2140, 2156, 40 L. Ed. 2d 732 (1974) (Douglas, J, dissenting). This sentiment holds true here, and is comparable to that of the Las Vegas Sands' former casino employees who sought damages for failure to provide a statutorily required 60day notice before closure:

> This case involves multiple claims, some for relatively small individual sums. Counsel for the would-be class estimated that, under the most optimistic scenario, each class member would recover about \$1,330. If plaintiffs cannot proceed as a class, some - perhaps most - will be unable to proceed as individuals because of the disparity between their litigation costs and what they hope to achieve.

Local Joint Executive Bd. of Culinary/Bartender Trust Fund v. Las Vegas Sands, Inc., 244 F.3d 1152, 1163 (9th Cir), cert. denied, 534 U.S. 973,122 S. Ct. 395 (2001) ("Local Joint Executive Bd.") ("Class actions ... may permit the plaintiffs to pool claims which would be uneconomical to litigate individually.") (citing *Phillips Petroleum Co. v. Shutts*, 472 U.S. 797, 809 (1985)).

Cases such as this rely heavily on the intricate analysis of time and clock data. employee testimony, and actual pay records. Indeed, for low-wage workers, such as Plaintiff and the fellow employees she represents, each fraction of hour or fraction of hourly wage can represent the very real possibility of having to choose between paying the rent on time or going grocery shopping. Furthermore, litigation is time consuming, stressful, usually expensive, and one of the most serious of matters to both plaintiffs and defendants. Here, Plaintiff asserted that she was not paid the proper wages according to Nevada law. This has a very real effect on Plaintiff and the workers she represents and their ability to support themselves. Thus, the character of the work done, its difficulty, intricacy, importance, and effect on the Parties in this litigation support Plaintiff's fees request.

The work actually performed and the results iii. achieved.

Plaintiff's Counsel's knowledge of wage and hour law allowed Counsel to calculate the potential damages in this case through an intricate review of the time clock and pay records in an effort to provide both Parties with a realistic assessment of the

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value of Plaintiff's claims which was the impetus for resolution of this case. Given that the Settlement provides recovery for the wages potentially owed, the basis for recovery is a percentage share of the total fund based upon the number of hours worked by each class member in comparison to the total number of hours worked by the entire class during the class period, only releases participating class members' wage and hour claims, not other potential employment claims, and in exchange for the benefit of a quick and certain payout, this factor supports Plaintiff's fees request. Gabroy Dec. at ¶¶ 5, 7, 14, 16.

Additionally, given these excellent results obtained, no Lodestar crosscheck is necessary. See In re Hyundai & Kia Fuel Econ. Litig., 926 F.3d 539, 571 (9th Cir. 2019) (no Lodestar crosscheck necessary when the benefit to the class is easily quantified): In re Bluetooth Headset Prod. Liab. Litig., 654 F.3d 935, 942 (9th Cir. 2011). Further, under the percentage-of-recovery method, the Ninth Circuit has held that "(thirty-three percent) for attorneys' fees is justified because of the complexity of the issues and the risks." In re P. Enterprises Securities Litig., 47 F.3d 373, 379 (9th Cir. 1995). Here, the result remains easily quantified. Specifically, even after subtracting out costs, third party administrator fees, enhancements, and attorneys' fees and costs, the net class fund of approximately \$124,417.29 represents over five times the actual amount of overtime wages allegedly owed. See Gabroy Dec. at ¶ 8.

3. Class Counsel's Costs and Expenses Should Be Approved.

In the course of this litigation, class counsel has incurred and expects in incur outof-pocket costs and expenses of approximately \$5,916.04, which is less than the 10,000.00 agreed upon in the Settlement. See Gabroy Dec. at 10.000notice plainly disclosed that up to \$10,000.00 would be allocated to pay litigation costs advanced by class counsel, and that there were no objections to the settlement, the Court should approve Plaintiff's costs and expenses. To be clear, Plaintiff only requests costs of such \$5,916.04 amount.

GABROY | MESSER 170 S. Green Valley Pkwy., Suite 280 Henderson, Nevada 89012 (702) 259-7777 FAX: (702) 259-7704

IV. CONCLUSION

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Based on the information and reasons provided above, the Parties respectfully request that the Court enter an order granting final approval of the class action settlement.

Respectfully submitted,

Date: March 27, 2024 GABROY | MESSER

/s/ Christian Gabroy Christian Gabroy, Esq. Kaine Messer, Esq.

Mark R. Thierman, Esq. Joshua D. Buck, Esq. Leah L. Jones, Esq. THIERMAN BUCK LLP

Counsel for Plaintiff

Date: March 27, 2024 Sutton | Hague

<u>/s/ Jared Hague</u> Jared Hague, Esq.

Counsel for Defendant H & H Management LLC

Date: March 27, 2024 LAXALT LAW GROUP, LTD.

/s/ Steve E. Guinn Steve E. Guinn, Esq.

Counsel for Defendant DED Ops NV LLC d/b/a and a/k/a Wallflower also d/b/a and a/k/a Wallflower Cannabis House

EXHIBIT I

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1	Christian Gabroy
2	Nev. Bar No. 8805 Kaine Messer
3	Nev. Bar No. 14240 GABROY MESSER
4	The District at Green Valley Ranch 170 South Green Valley Parkway
5	Suite 280 Henderson, Nevada 89012
6	Tel: (702) 259-7777 Fax: (702) 259-7704
7	christian@gabroy.com kmesser@gabroy.com
8	Mark R. Thierman
9	Nev. Bar No. 8285 Joshua D. Buck
10	Nev. Bar No. 12187 Leah L. Jones
11	Nev. Bar No. 13161 THIERMAN BUCK LLP
12	325 West Liberty Street Reno, NV 89501
13	Tel: (775) 284-1500 Fax: (775) 703-5027
14	mark@thiermanbuck.com josh@thiermanbuck.com
15	leah@thiermanbuck.com
16	Attorneys for Plaintiff
17	CLAR

DISTRICT COURT CLARK COUNTY, NEVADA

MARIAH MARTIN, on behalf of herself and all others similarly situated,

Plaintiff,

VS.

DED OPS NV LLC d/b/a and a/k/a WALLFLOWER also d/b/a and a/k/a WALLFLOWER CANNABIS HOUSE; H & H MANAGEMENT LLC; DOES 1 through 50; inclusive,

Defendants.

Case No.: A-22-863216-C

Dept. No.: 1

DECLARATION OF JARROD SALINAS REGARDING SETTLEMENT NOTICE ADMINISTRATION

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DECLARATION OF JARROD SALINAS

I, Jarrod Salinas, declare as follows:

- 1. I am a Case Manager at Phoenix Settlement Administrators ("Phoenix"), the Court-appointed Class Action Settlement Administrator for *Martin v. DED Ops NV LLP* (the "Action"). I have personal knowledge of the facts stated herein and, if called upon to testify, I could and would testify competently to such facts.
- 2. Phoenix was selected by the Parties to provide notice of the Settlement and perform class administration duties in this Action. Pursuant to the Joint Stipulation of Settlement and Release ("Settlement Agreement" or "Settlement") for this matter, Phoenix was responsible for: (i) preparing, printing, and mailing the Notice of Class Action Settlement ("Notice"); (ii) responding to inquiries from Class Members; (iii) calculating the number of hours each Class Member worked during the period from December 29, 2019, until December 14, 2023 ("Class Period; (iv) determining the validity of letters indicating a request to be excluded from the Class Settlement ("Requests for Exclusion"), written objections to the Class Settlement ("Objections"), and/or dispute regarding the number of Hours submitted by Class Members; (v) calculating the Net Settlement Amount and the Individual Settlement Shares to Class Members; (vi) calculating and issuing the Individual Settlement Payments and distributing them to Settlement Class Members; (vii) issuing the payment to Class Counsel for attorneys' fees and costs, the Enhancement Payment to Plaintiff, and the employer/employee payroll taxes to the appropriate taxing authorities; and (viii) such other tasks as set forth in the Settlement Agreement or as the Parties mutually agree or as the Court orders.
- 3. A toll-free telephone number was included in the Notice and Claim Form (collectively, known as the "Notice Packet") for the purpose of allowing the Class Members to call Phoenix and to make inquiries regarding the Settlement. The system is accessible twenty-four (24) hours a day, seven (7) days a week, and will remain in operation throughout the settlement process. Callers have the option to speak with a live

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call center representative in during normal business hours or to leave a message and receive a return call during non-business hours. The toll-free telephone number included in the Notice Packet was (800) 523-5773.

NOTIFICATION TO THE CLASS

- 4. On December 29, 2023, Phoenix received a data file from Defense Counsel that contained names, last known mailing addresses, Social Security numbers, and hours worked for each Class Member ("Class List") during the Class Period. The final mailing list contained two hundred twelve (212) individuals identified as Class Members.
- 5. On November 1, 2022, Phoenix conducted a National Change of Address ("NCOA") search in an attempt to update the class list of addresses as accurately as possible. A search of this database provides updated addresses for any individual who has moved in the previous four (4) years and notified the U.S. Postal Service of their change of address.
- 6. On January 9, 2024, Phoenix mailed the Notice via U.S. first class mail to two hundred twelve (212) Class Members on the Class List. A true and correct copy of the mailed Notice is attached hereto as Exhibit A.
- 7. As of the date of this declaration, zero Notices have been returned to Phoenix.
- 8. As of the date of this declaration, all Notice Packets are considered deliverable.

CLAIM, DISPUTES, REQUESTS FOR EXCLUSIONS, AND NOTICES OF OBJECTION

- 9. Phoenix was responsible for receipt of all Claim Forms. As of the date of this signed declaration, Phoenix has received sixty-five (65) valid Claim Forms from Class Members. The sixty-five (65) Claim Forms represent approximately 30.5% of the two hundred twelve (212) Class Members identified.
- 10. As of the date of this declaration, there are no outstanding disputes from Class Members. The deadline for submitting a dispute was February 21, 2024.

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- 11. As of the date of this declaration, Phoenix has received zero (0) Requests for Exclusion from Class Members. The deadline to request exclusion from the Class Settlement was February 21, 2024.
- 12. As of the date of this declaration, Phoenix has received zero (0) Notices of Objection from Class Members. The deadline for objecting to the Class Settlement was February 21, 2024.

BREAKDOWN OF THE NET SETTLEMENT AMOUNT

- 13. As of the date of this signed declaration, there are sixty-five (65) Class Members who submitted timely and valid Claim Forms for participation in the Class Action Settlement ("Claimants") who will be paid their portion of the Net Settlement Amount. These sixty-five (65) Forms received account for approximately 44.21% of the Net Settlement Amount or \$55,006.60.
 - 14. The Net Settlement Amount available to pay Claimants was determined as follows:

\$230,000.00 **Maximum Settlement Amount:** Less Attorneys' Fees (Requested) -\$76,666.67 Less Attorneys' Costs (Requested) -\$5,916.04 Less Class Representative Enhancement Payment (Requested) -\$15,000.00 Less Claims Administration Costs: -\$8,000.00 **NET SETTLEMENT AMOUNT** \$124,417.29

- 15. As of the date of this signed declaration, the average Individual Settlement Payment is approximately \$846.26, and the *highest* Individual Settlement Payment is about \$2,458.86 prior to the deduction of taxes. These amounts are subject to the approval of the deductions from the Maximum Settlement Amount.
- 16. As of the date of this signed declaration, Defendant's portion of employerside payroll taxes as the Class Members' current or former employer that will be paid separate from the Maximum Settlement Amount is approximately \$1,608.95.

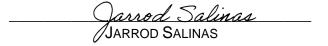
GABROY | MESSER

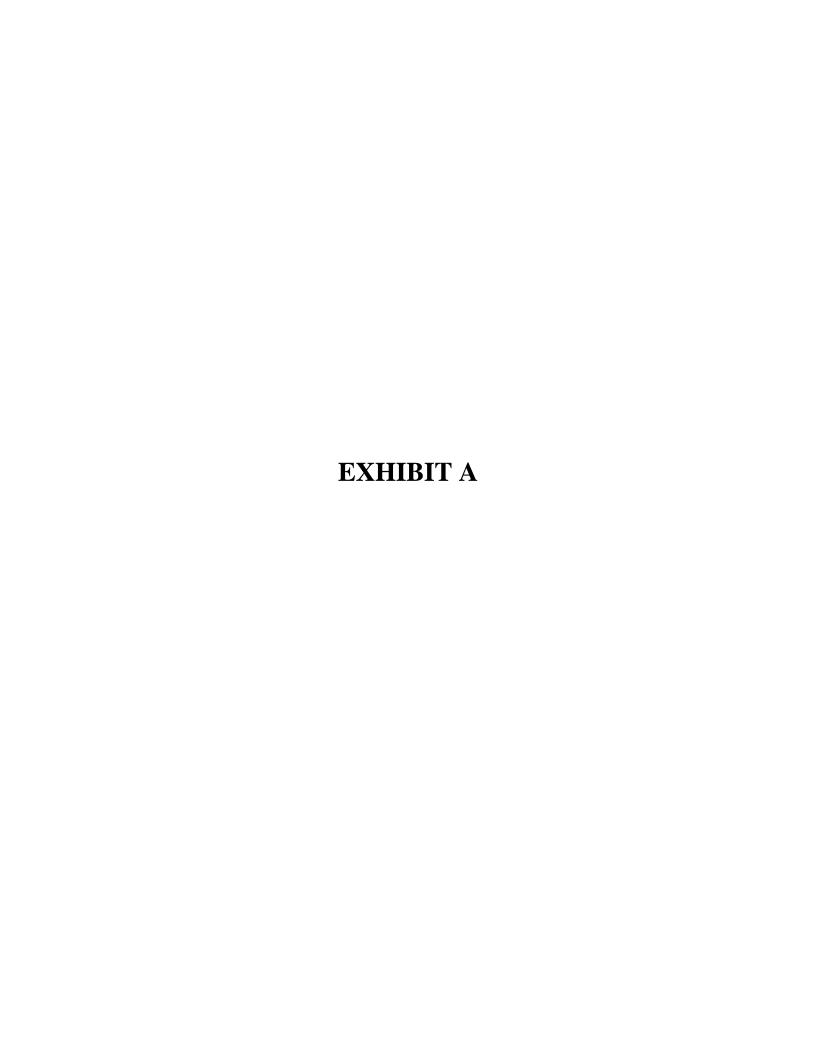
(702) 259-7777 FAX: (702) 259-7704

CLAIMS ADMINISTRATION COSTS

17. Phoenix's total costs for services in connection with the administration of this Settlement, including fees incurred and anticipated future costs for completion of the administration, are \$8,000.00. Phoenix's work in connection with this matter will continue with the calculation of the settlement checks, issuance, and mailing of those settlement checks, etc., and to do the necessary tax reporting on such payments. Attached as Exhibit B is a true and correct copy of the invoice stating the Claims Administration Costs.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 27th day of March, 2024, in Orange, California.





DISTRICT COURT CLARK COUNTY, NEVADA

MARIAH MARTIN, on behalf of)	A-22-863216-C
herself and all others similarly)	Department 1
situated,)	
)	NOTICE OF CLASS ACTION
V.)	SETTLEMENT
)	
DED OPS NV LLC d/b/a and)	
a/k/a WALLFLOWER also d/b/a)	
and a/k/a WALLFLOWER)	
CANNABIS HOUSE; H & H)	
MANAGEMENT LLC.)	
)	

TO: All hourly paid non-overtime exempt persons employed by Defendants in the state of Nevada who earned less than 1½ times the applicable minimum wage and who worked over eight (8) hours a twenty-four (24) hour period and were not paid overtime properly in accordance with Nevada law at any time from December 29, 2019, until December 14, 2023.

THIS NOTICE AFFECTS YOUR RIGHTS. PLEASE READ IT CAREFULLY.

- 1. YOU ARE HEREBY NOTIFIED that a proposed settlement ("Settlement") of the above-captioned class action Lawsuit ("Lawsuit") pending in the Eighth Judicial District Court, Clark County, Nevada (the "Court"), has been reached by the Parties and granted preliminary approval by the Court supervising the Lawsuit.
- 2. The purpose of this Notice is to describe the Lawsuit, to inform you of the terms of the proposed Settlement, and to inform you of your rights and options in connection with the proposed Settlement. The proposed Settlement will resolve all claims in this Lawsuit. A final fairness hearing will be held on **April 3**, **2024**, **at 9:30 a.m.**, **in Department 1** to determine whether the Settlement should be granted final approval.
- 3. **Because your rights may be affected, it is extremely important that you read this Notice carefully.** To participate in the Settlement and receive a monetary Settlement Award, you must complete and return a Claim Form **by February 21, 2024.** Unless you choose to exclude yourself ("opt out") of the Settlement, you will be bound by the Settlement if it is approved by the Court and by any order entered by the Court subject to the conditions in the Parties' Joint Stipulation of Settlement and Release.

SUMMARY OF THE LAWSUIT

- 4. On December 29, 2022, Plaintiff Mariah Martin, on behalf of herself and all others similarly situated, filed a Lawsuit against Defendants in the Eighth Judicial District Court, Clark County, Nevada, Case No. A-22-863216-C. In the Complaint, Plaintiff alleged that Defendants failed to pay full overtime in violation of NRS § 608.018 and failed to pay all wages due and owing in violation of NRS § 608.020 through NRS 608.050 and NRS § 608.140. Defendants deny all allegations asserted in the Lawsuit and further deny that they have violated the law in any respect.
- 5. After extensive exchange of relevant information and negotiations, the Parties reached a Settlement in good faith that is memorialized in the Joint Stipulation of Settlement and Release ("Agreement"). The terms of the Settlement and the Agreement are generally summarized in this Notice.
- 6. You have received this Notice because Defendants' records show you may be a Class Member (as defined in Paragraph 14 herein) whose rights may be affected by this Settlement.

POSITIONS OF THE PARTIES

- 7. Defendants deny liability for all claims that were or could have been brought in the Lawsuit. Defendants have denied that they have violated any wage and hour, overtime, or other law under any federal or state constitution, statute or regulation. Defendants contend that all their employees have been compensated in compliance with the law, the Nevada Constitution, and the Nevada Revised Statutes. Defendants have asserted and continue to assert defenses to the claims in the Lawsuit and have expressly denied and continue to deny any wrongdoing or legal liability arising out of any of the facts or conduct alleged in the Lawsuit. Defendants' entry into this Settlement and the consummation of this Settlement is not an admission of any liability or wrongdoing by Defendants or any person. Defendants specifically deny any liability, wrongdoing, or culpability of any kind whatsoever for the claims alleged and released in the Lawsuit, and further deny that, for any purpose other than settling, the Lawsuit is appropriate for class treatment.
- 8. Counsel for the Plaintiff ("Plaintiff's Counsel" or "Class Counsel") has extensively investigated and researched the facts and circumstances underlying the issues raised in the Lawsuit, and the law applicable thereto.
- 9. Plaintiff and Plaintiff's Counsel recognize the expense and length of continued proceedings necessary to continue the Lawsuit against Defendants through trial and through any possible appeals. Plaintiff's Counsel has also taken into account the uncertainty of the outcome of further litigation, including the risk that the class might not be finally certified under the court rules as well as the difficulties and delays generally inherent in such lawsuits.

- 10. Plaintiff and Plaintiff's Counsel are also aware of the burdens of proof necessary to establish liability for the claims, of Defendants' defenses thereto, and of the difficulties in establishing damages for the Class Members (as defined in Paragraph 14 herein). Based on the foregoing, Plaintiff's Counsel believes the proposed Settlement is fair, adequate, reasonable, and in the best interests of the Class Members.
- 11. Although Defendants believe they have meritorious defenses to the Lawsuit, Defendants have concluded that the continued litigation of Plaintiff's claims and defense of this Lawsuit would be lengthy and expensive for all Parties. This Settlement is not an admission of any liability or wrongdoing by any Defendant, Released Parties (as defined in Paragraph 27 herein), or person, which have agreed to settle this Lawsuit and settle this case solely to avoid the uncertainties and costs of litigation and so they can buy their peace.
- 12. The Court has made no ruling on the merits of the claims and has determined only that certification of the Class for settlement purposes is appropriate under Nevada law.

PRELIMINARY APPROVAL OF THE SETTLEMENT

- 13. *Class Counsel*. On **December 14, 2023**, the Court appointed the following attorneys as Plaintiff's Counsel to represent the Class in this Lawsuit: Gabroy | Messer, 170 South Green Valley Parkway, Suite 280, Henderson, Nevada 89012 and Thierman Buck LLP, 7287 Lakeside Drive, Reno Nevada, 89511.
- 14. *Class Definition*. On **December 14, 2023,** for purposes of the proposed Settlement, the Eighth Judicial District Court, Clark County, Nevada, preliminarily certified a Class consisting of all hourly paid non-exempt persons employed by Defendants in the state of Nevada who earned less than 1 ½ times the applicable minimum wage and who worked over eight (8) hours in a workday at any time from December 29, 2019 until [DATE COURT GRANTS PRELIMINARY APPROVAL] (the "Settlement Class," and each individual within the Settlement Class, a "Class Member").
- 15. The *Class Period* is December 29, 2019, through December 14, 2023.
- 16. *Claims Administrator*. The Court has appointed Phoenix Settlement Administrators as Claims Administrator to notify the Class and coordinate the claims process.
- 17. If you are a member of the Class, you will be bound by the proposed Settlement described below if it is approved, unless you make a written request for exclusion (to "opt out") in the manner described below.

SUMMARY OF SETTLEMENT TERMS

The following is a summary of the proposed Settlement between the Plaintiff, the Class, and Defendants. The specific and complete terms are described in the Joint Stipulation of Settlement and Release (the "Settlement"), a copy of which is available for your review as set forth at the end of this Notice.

- 18. *Conditions of the Settlement*. This Settlement is conditioned upon the Court entering an order at or following the final fairness hearing approving the Settlement, as agreed by Plaintiff and Defendants, as fair, reasonable, adequate, and in the best interests of the Class with such order not being subject to any appeal or modification as provided for in the Settlement.
- 19. *Final Fairness Hearing*. A final fairness hearing will be held in the Eighth Judicial District Court, Clark County Nevada, on **April 3, 2024, at 9:30 a.m.,** in the Regional Justice Center, Courtroom 5C, 200 Lewis Ave, Las Vegas, NV 89101, before the Hon. Bita Yeagar, District Judge. At this hearing, the Court will determine whether the proposed Settlement is fair, adequate, and reasonable, whether it should be approved by the Court, and whether the Lawsuit should be dismissed on the merits with prejudice as a result of the Settlement. The hearing may be adjourned, continued, and/or rescheduled by the Court from time to time as the Court may direct without further notice. You do not need to attend that hearing to participate in the proposed Settlement.
- 20. **Settlement Fund**. The Settlement Agreement provides that Defendant H & H Management LLC will pay a total not to exceed \$230,000.00 (the "Settlement Fund") to fully resolve all issues in the Lawsuit. After the Court finally approves the Settlement and after deduction of the court-approved deductions from the Settlement Fund, as referenced immediately below, monetary Settlement Awards will be distributed to each member of the Class who: (a) does not opt out; and (b) fully completes and timely mails a valid Claim Form ("Participating Class Members").
- 21. *Deductions from the Settlement Fund*. The following deductions will be made from the Settlement Fund:
- a. *Attorneys' Fees and Expense Award.* As part of the Settlement approval process, Class Counsel (Plaintiff's Counsel) will seek approval from the Court of an award of attorneys' fees of \$76,666.67 for all current and future attorneys' fees and up to \$10,000.00 in costs and expenses incurred in the Lawsuit as the "Class Counsel Award." Class Counsel will not be permitted to petition the Court for any additional payments for fees, costs, or interest. You will not be required to pay Plaintiff's Counsel separately for their representation of the Class in the Lawsuit.
- b. *Enhancement Award*. Class Counsel will also seek approval from the Court for the payment of an Enhancement Award to Class Representative Mariah Martin (named Plaintiff) in this Lawsuit, for a total of \$15,000.00, for her prosecution of this case on behalf of the Class. Mariah Martin, as the Class Representative, is the only Class Member eligible for this \$15,000.00 award.
- c. Net Settlement Amount to Be Distributed to Participating Class Members. The sum expected to remain following the above-referenced deductions and the deduction for the costs of claims administration (up to \$15,000.00) is \$113,333.33, also

referenced as "Net Settlement Amount." The Net Settlement Amount will be distributed among those Class Members who do not opt out and who timely mail a valid, fully-completed Claim Form, known as "Participating Class Members."

22. Settlement Awards to Participating Class Members: The Claims Administrator will calculate the Settlement Award for each Participating Class Member by utilizing the following formula: the Net Settlement Amount shall be allocated based on the number of hours worked by each Class Member during the Class Period. Any amounts of the Net Settlement Amount allocated to Class Members who do not become Participating Class Members will be reverted to Defendant H & H Management LLC. Within 30 days after the Effective Date of the Settlement, the Claims Administrator will mail Settlement Award checks to Participating Class Members.

23. Tax Matters.

- a. Under the terms of the Settlement, twenty-five percent (25%) of the Settlement Award to each Participating Class Member will be paid as alleged unpaid wages, from which federal withholding taxes will be deducted and for which employer tax payments will be made, and seventy-five percent (75%) of the Settlement Award to each Participating Class Member will be paid as alleged unpaid penalties and interest, from which federal withholding taxes will not be deducted. IRS Forms W-2 and 1099-MISC, respectively, will issue for the Settlement Award as appropriate.
- b. Participating Class Members should consult with their tax advisors concerning any tax consequences of the payments that they receive under the Settlement. Neither the Parties, the Claims Administrator, nor the attorneys for the Parties are providing tax advice.
- 24. *Uncashed Checks.* As approved by the Court, checks issued to Participating Class Members will be valid for 90 days following issuance. If any check mailed to a Participating Class Member is not cashed or deposited within 90 days after issuance, the check will be cancelled, and the amount of that check will be reverted to Defendant H & H Management LLC.

RELEASE OF PARTIES AND CLAIMS

- 25. All payments under this Settlement will be paid specifically in exchange for the release of the Released Parties (as defined in Paragraph 27 herein) from the Class Members' Released Claims and the Class Representative's Released Claims respectively and for the covenant not to sue concerning all Released Claims.
- 26. If the Settlement is approved and if the final fairness hearing dismissing the Lawsuit is entered and the Judgment becomes final, those Class Members who have not validly requested exclusion from the Settlement will be bound by the terms of the proposed Settlement, including releases of parties and the claims set forth at paragraphs 27 and 28 below.
- 27. **Released Parties**. "Released Parties" collectively means (i) Defendants (ii) Defendants' respective past, present, and future parents, subsidiaries, joint ventures, and affiliates; (iii) the past, present, and future shareholders, directors, owners, officers, members, managers, agents, employees, attorneys, accountants, investigators, partners, administrators, assigns, insurers, predecessors, successors, licensors, licensees, subsidiaries, and assigns of any of the foregoing; and (iv) any individual or entity which could be jointly liable with any of the foregoing.

28. Releases of Claims.

- a. "Class Members' Released Claims" means the claims to be released by Class Members who do not timely file a valid request for exclusion, for any and all applicable local, state, and federal law wage-and-hour claims (including, but not necessarily limited to, contractual or common law claims, waiting time penalty claims, claims arising under the Fair Labor Standards Act, claims arising under the Nevada Revised Statutes Chapter 608, Nevada Administrative Code Chapter 608, and the Nevada Constitution Art. 15 § 16) and all wage-and-hour claims asserted in or that could have been asserted in this dispute, whether known or unknown, arising during the Class Period or during any time that could reasonably be considered to be equitably tolled thereto, and which arose out of or could have arisen out of the facts alleged in this action.
- b. There may exist facts and/or damages pertaining to any or all of the Class Members' Released Claims in paragraph 28.a., above, of which Plaintiff and Class Members have no knowledge, reason to know, or suspicion at the time the Parties sign the Agreement, and that a Class Member may later discover facts different from or in addition to those he or she now knows or believes to be true. The Release at paragraph 28.a. shall apply to all such unknown and unanticipated damages and claims, as well as to those now known or disclosed, based on the facts alleged in Complaint, and, further, that the Release remains in full force and effect in all respects notwithstanding any such different or additional facts.

PROCEDURE FOR MONETARY RECOVERY

- 29. **Deadline to Submit Claim Form**. If you want to participate in the Settlement and receive money under the Settlement, you must fully complete, sign, and mail the Claim Form **no later than February 21, 2024,** as set forth in detail below at paragraphs 30-31.
- 30. *Completing a Claim Form:* A Claim Form is attached. You must complete and sign the Claim Form and mail it to the Claims Administrator at the above address. The completed, signed Claim Form must be postmarked and mailed on or before **February 21**, **2024.** Class Members are responsible to maintain a photocopy of the fully completed Claim Form and proof of mailing.
- 31. A Claim Form is timely and valid only if it is fully completed, signed, and postmarked on or before the deadline specified in paragraphs 29 and 30.
- 32. If you are a Class Member and you do not choose to exclude yourself from the Settlement, you will be bound by all the provisions of the Settlement Agreement, including a full release of claims that will prevent you from separately suing the Released Parties for the Class Members' Released Claims settled in this case.

33. ANY CLASS MEMBER WHO DOES NOT SUBMIT A TIMELY, VALID, AND FULLY-COMPLETED CLAIM FORM WILL NOT RECEIVE A SHARE OF THE SETTLEMENT FUND. IF YOU DO NOTHING – THAT IS, IF YOU DO NOT MAIL A TIMELY VALID, AND FULLY-COMPLETED CLAIM FORM, YOU WILL NOT BE ENTITLED TO A SHARE OF THE SETTLEMENT FUND. HOWEVER, YOU WILL BE BOUND BY THE TERMS OF THE SETTLEMENT, INCLUDING THE RELEASE REFERENCED AT PARAGRAPHS 27 AND 28 ABOVE, EVEN THOUGH YOU DID NOT RECEIVE ANY MONEY, UNLESS YOU EXCLUDE YOURSELF IN WRITING FROM THE SETTLEMENT AS PROVIDED IN PARAGRAPHS 34 AND 35 BELOW.

PROCEDURE FOR EXCLUSION FROM THE SETTLEMENT

- 34. **Request for Exclusion.** Any Class Member who does NOT wish to participate in the Settlement may exclude himself or herself (*i.e.*, "opt-out") by sending a request for exclusion to the Claims Administrator stating that the Class Member wants to be excluded from this Settlement. The request for exclusion must be signed, dated and mailed to: Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863.
- 35. **Deadline for Request for Exclusion.** The request for exclusion must be **postmarked no later than February 21, 2024.** If you submit request for exclusion **postmarked after February 21, 2024,** it will be rejected, and you will be bound by the Release and all other Settlement Terms. If you submit a request for exclusion and a Claim Form, your request for exclusion will be rejected and your Claim Form will be accepted.
- 36. Consequences of Submitting Request for Exclusion. Any person who sends a timely request for exclusion shall, upon receipt by the Claims Administrator, no longer be a member of the Settlement Class, shall be barred from participating in any portion of the Settlement, and shall receive no benefits from the Settlement. Any such person, at their own expense, may pursue individually any claims he/she may have against Defendants. If you wish to exclude yourself and wish to pursue individual action, you should be aware there are time limits on your right to file any such individual action.

PROCEDURE FOR OBJECTIONS TO THE PROPOSED SETTLEMENT

37. *Objections to the Settlement*. Any Class Member who wishes to object to the Settlement must file with the Court and serve on counsel for both Parties and the Claims Administrator a written statement objecting to the Settlement. Such written statements must be filed with the Court and served on counsel for the Parties **no later than February 21, 2024.** No Class Member who submits a request for exclusion can object to the Settlement. No other Class Member shall be entitled to be heard at the final fairness hearing (whether individually or through separate counsel) to object to the Settlement, and no written objections or briefs submitted by any Class Member shall be received or considered by the Court at the final fairness hearing, unless copies of any written objections or briefs, shall have been timely filed with the Court and served on the Claims Administrator and counsel for all Parties. Any written objections and briefs must be served via mail on the Claims Administrator and counsel for the Parties at the following addresses:

To Plaintiff and the Settlement Class (Class Counsel):

Christian Gabroy Kaine Messer GABROY | MESSER 170 South Green Valley Parkway Suite 280 Henderson, NV 89012

To Defendants:

Jared Hague SUTTON | HAGUE 6671 South Las Vegas Blvd. Suite 210Las Vegas, NV 89119

Steve Guinn LAXALT LAW GROUP LTD 9790 Gateway Drive Suite 200 Reno, NV 89521

<u>To Claims Administrator</u>: Phoenix Settlement Administrators P.O. Box 7208 Orange, CA 92863

- 38. *Objections Must be Submitted Timely and In Writing*. Any Class Member who does not timely file with the Court and serve on counsel his or her written objections in the manner provided above shall be deemed to have waived such objections and shall be foreclosed from making any objections (by appeal or otherwise) to the proposed Settlement.
- 39. Any Class Member who is satisfied with the proposed Settlement can but need not appear at the final fairness hearing.

CHANGE OF ADDRESS

40. If you move after receiving this Notice, if it was misaddressed, or if for any reason you want your payment or future correspondence concerning this Lawsuit and the Settlement to be sent to a different address, you should supply your current preferred address to the Claims Administrator at the address listed in paragraph 37 above.

EXAMINATION OF THE PAPERS AND ADDITIONAL INQUIRIES

- 41. The foregoing is only a summary of the Lawsuit and the proposed Settlement and does not purport to be comprehensive. For a more detailed statement of the matters involved in the Lawsuit and the proposed Settlement, you may refer to the pleadings, the Settlement Agreement, and other papers filed in the Lawsuit, which may be inspected at the Clerk's Office of the Eighth Judicial District Court, Regional Justice Center, 200 Lewis Avenue, Las Vegas, Nevada 89101, during regular business hours of each court day.
- 42. All inquiries by Class Members regarding this Notice and/or the Settlement that involve requests for information on whether a claim has been received or accepted, requests for additional copies of the Claim Form, information on when Participating Class Members' Settlement Awards will be paid, or the amount of your individual Settlement Award should be directed to the Claims Administrator at Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863. Inquiries involving legal questions about this Notice and/or legal questions about the Settlement or your legal rights should be directed to Class Counsel referenced at paragraph 37 above.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, OR DEFENDANT WITH INQUIRIES.

EIGHTH JUDICIAL DISTRICT OF NEVADA IN AND FOR THE COUNTY OF CLARK MARIAH MARTIN v. DED OPS NV LLC, et al.

CASE NO. A-22-863216-C

CLAIM FORM

List ID: «PSA_ID»
«First_Name» «Last_Name»
«Address_1»
«City», «State» «ZIP_Code»

If your name and address is different from wh	at is
printed to the left, please provide updated info	rmation:
V · A · V	

To receive your share of the Settlement, you must sign and return this Claim Form **postmarked** no later than February 21, 2024. The Claim Form must be mailed or faxed to the Claims Administrator at the below address.

Wallflower adv. Martin Claims Administrator c/o Phoenix Settlement Administrators P.O. Box 7208 Orange, CA 92863 Telephone: (800) 523-5773

Telephone: (800) 523-5773 Facsimile: (949) 209-2503

COMPLETE AND SIGN THIS FORM IF YOU WISH TO PARTICIPATE IN THE SETTLEMENT AND RECEIVE YOUR SHARE OF THE SETTLEMENT FUNDS

Your estimated share of the Settlement is based on the number of hours worked between December 29, 2019, and December 14, 2023, for DED Ops NV LLC d/b/a and a/k/a Wallflower also d/b/a and a/k/a Wallflower Cannabis House and H & H Management LLC ("Defendants") in Nevada as a non-exempt employee. Defendants' records show that, within that period, you worked a total of: «Hours» hours.

Based on this information, the current estimated value of your settlement benefit is «Est_Set_Amt».

If you disagree with Defendants' records as to the number of applicable hours you worked, you must provide any documentation (such as pay stubs or written information) to support your claim and submit it with this form. If there is still a dispute after you submit your documentation, and the dispute cannot be resolved informally, the dispute will be settled by the Claims Administrator as described in the Notice that accompanies this claim form.

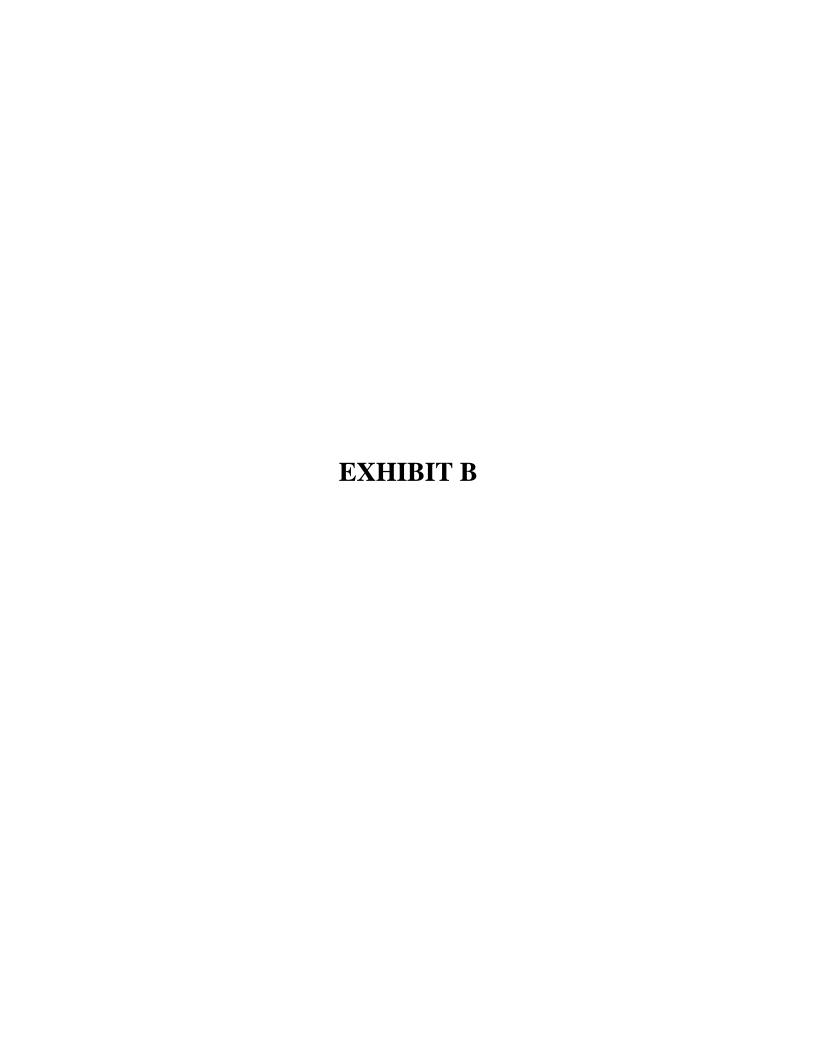
(If you agree with the Defendants' estimate, leave blank.)

My signature below is my consent to be bound by the Settlement and Release as described in the Notice enclosed with this Claim Form.

By signing below, I am making my claim for a share of the Settlement, and I agree to the information above. I declare under penalty of perjury under the laws of the State of Nevada that the foregoing information supplied is true:

I believe that the Defendants' estimate of the number of hours is incorrect and that I worked _____ hours during the class period.

	() -
Printed Name	Daytime Phone Number
	•





CASE ASSUMPTIONS

Class Members 212
Claimes Made 138
Opt Out Rate 1%
Opt Outs Received 2

Subtotal Admin Only \$8,000.00

Not-to-Exceed Total \$8,000.00

For 212 Members

Pricing Good for Scope of Estimate Only

January 8, 2024

Case: Martin v. DED Ops NV, LLC, et al. Claims Made Admin

Phoenix Contact: Jarrod Salinas Requesting Attorney: Kaine Messer

Contact Number: 800-523-5773 Firm: Gabroy Messer

Email: Jarrod@phoenixclassaction.com

Contact Number: 702-259-7777

Email: kmesser@gabroy.com

Assumptions and Estimate are based on information provided by counsel. If class size changes, PHX will need to adjust this Estimate accordingly.

Estimate is based on 212 Class Members. Class data Must be sent in Microsoft Excel or uploaded in the same format. Class Data Must be sent in one spreadsheet, with no additional programming needed. A rate of \$150 per hour will be charged for any additional analysis or programming. Pricing good for 90 days.

Case & Database Setup / Toll Free Setup & Call Center / NCOA (USPS)			
Administrative Tasks:	Rate	Hours/Units	Line Item Estimate
Programming Manager	\$125.00	3	\$375.00
Programming Database & Setup	\$125.00	3	\$375.00
Toll Free Setup*	\$119.87	1	\$119.87
Call Center & Long Distance	\$2.00	4	\$8.48
NCOA (USPS)	\$40.00	2	\$80.00
		Total	\$958.35

^{*} Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Opt-Out Form & Postage / Spanish Translation / Reporting			
Project Action	Rate	Hours/Units	Line Item Estimate
Notice Packet Formatting	\$125.00	3	\$375.00
Data Merge & Duplication Scrub	\$0.50	212	\$106.00
Notice Packet & Opt-Out Form	\$1.75	212	\$371.00
Estimated Postage (up to 2 oz.)*	\$0.87	212	\$184.44
		Total	\$1,036.44

^{*} Prices good for 90 days. Subject to change with the USPS Rate or change in Notice pages or Translation, if any.



CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables				
Project Action:	Rate	Hours/Units	Line Item Estimate	
Case Associate	\$55.00	3	\$165.00	
Skip Tracing Undeliverables	\$1.75	32	\$55.65	
Remail Notice Packets	\$1.75	32	\$55.65	
Estimated Postage	\$0.87	32	\$27.67	
Programming Undeliverables	\$50.00	2	\$100.00	
		Total	\$403.97	

Database Programming / Processing Opt-Outs, Deficiencies or Disputes				
Project Action:	Rate	Hours/Units	Line Item Estimate	
Programming Claims Database	\$135.00	2	\$270.00	
Claims Made Processing	\$135.00	2	\$270.00	
Case Associate	\$55.00	3	\$165.00	
Opt-Outs/Deficiency/Dispute Letters	\$10.00	5	\$53.00	
Case Manager	\$85.00	3	\$255.00	
		Total	\$1,013.00	

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks				
Project Action:	Rate	Hours/Units	Line Item Estimate	
Programming Calculations	\$135.00	3	\$405.00	
Disbursement Review	\$135.00	3	\$405.00	
Programming Manager	\$95.00	3	\$285.00	
QSF Bank Account & EIN	\$100.00	1	\$100.00	
Check Run Setup & Printing	\$125.00	3	\$375.00	
Mail Class Checks *	\$2.00	138	\$275.60	
Estimated Postage	\$0.64	138	\$88.19	
		Total	\$1,933.79	

^{*} Checks are printed on 8.5 x 11 in. sheets with W2/1099 Tax Filing



CLASS ACTION ADMINISTRATION SOLUTIONS

Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations			
Project Action:	Rate	Hours/Units	Line Item Estimate
Case Supervisor	\$125.00	3	\$375.00
Remail Undeliverable Checks	\$2.50	14	\$34.45
(Postage Included)			
Case Associate	\$55.00	4	\$220.00
Reconcile Uncashed Checks	\$75.00	3	\$225.00
Conclusion Reports	\$100.00	2	\$200.00
Case Manager Conclusion	\$75.00	2	\$150.00
Final Reporting & Declarations	\$125.00	2	\$250.00
IRS & QSF Annual Tax Reporting *	\$1,200.00	1	\$1,200.00
(1 State Tax Reporting Included)			
		Total	\$2,654.45

^{*} All applicable California State & Federal taxes, which include SUI, ETT, and SDI, and FUTA filings. Additional taxes are Defendant's responsibilty.

Estimate Total: \$8,000.00



CLASS ACTION ADMINISTRATION SOLUTIONS

TERMS AND CONDITIONS

Provisions: The case estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make any provision for any services or class size not delineated in the request for proposal or stipulations. Proposal rates and amounts are subject to change upon further review, with Counsel/Client, of the Settlement Agreement. Only pre-approved changes will be charged when applicable. No modifications may be made to this estimate without the approval of PSA (Phoenix Settlement Administrators). All notifications are mailed in English language only unless otherwise specified. Additional costs will apply if translation into other language(s) is required. Rates to prepare and file taxes are for Federal and California State taxes only. Additional charges will apply if multiple state tax filing(s) is required. Pricing is good for ninety (90) days.

Data Conversion and Mailing: The proposal assumes that data provided will be in ready-to-use condition and that all data is provided in a single, comprehensive Excel spreadsheet. PSA cannot be liable for any errors or omissions arising due to additional work required for analyzing and processing the original database. A minimum of two (2) business days is required for processing prior to the anticipated mailing date with an additional two (2) business days for a National Change of Address (NCOA) update. Additional time may be required depending on the class size, necessary translation of the documents, or other factors. PSA will keep counsel apprised of the estimated mailing date.

Claims: PSA's general policy is to not accept claims via facsimile. However, in the event that facsimile filing of claims must be accepted, PSA will not be held responsible for any issues and/or errors arising out of said filing. Furthermore, PSA will require disclaimer language regarding facsimile transmissions. PSA will not be responsible for any acts or omissions caused by the USPS. PSA shall not make payments to any claimants without verified, valid Social Security Numbers. All responses and class member information are held in strict confidentiality. Additional class members are \$10.00 per opt-out.

Payment Terms: All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the data and/or notice documents. PSA bills are due upon receipt unless otherwise negotiated and agreed to with PSA by Counsel/Client. In the event the settlement terms provide that PSA is to be paid out of the settlement fund, PSA will request that Counsel/Client endeavor to make alternate payment arrangements for PSA charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the settlement account is funded by Defendant, or no later than the time of disbursement. Amounts not paid within thirty (30) days are subject to a service charge of 1.5% per month or the highest rate permitted by law.

Tax Reporting Requirements

PSA will file the necessary tax returns under the EIN of the QSF, including federal and state returns. Payroll tax returns will be filed if necessary. Under the California Employment Development Department, all taxes are to be reported under the EIN of the QSF with the exception of the following taxes: Unemployment Insurance (UI) and Employment Training Tax (ETT), employer-side taxes, and State Disability Insurance (SDI), an employee-side tax. These are reported under Defendant's EIN. Therefore, to comply with the EDD payroll tax filing requirements we will need the following information:

- 1. Defendant's California State ID and Federal EIN.
- 2. Defendant's current State Unemployment Insurance (UI) rate and Employment Training Tax (ETT) rate. This information can be found in the current year DE 2088, Notice of Contribution Rates, issued by the EDD.
- 3. Termination dates of the class members, or identification of current employee class members, so we can account for the periods that the wages relate to for each class member.
- 4. An executed Power of Attorney (Form DE 48) from Defendant. This form is needed so that we may report the UI, SDI, and ETT taxes under Defendant's EIN on their behalf. If this form is not provided we will work with the EDD auditors to transfer the tax payments to Defendant's EIN.
- 5. Defendant is responsible for reporting the SDI portion of the settlement payments on the class member's W-2. PSA will file these forms on Defendant's behalf for an additional fee and will issue an additional W-2 for each class member under Defendant's EIN, as SDI is reported under Defendant's EIN rather than the EIN of the QSF. The Power of Attorney (Form DE 48) will be needed in order for PSA to report SDI payments.

EXHIBIT II

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50; inclusive,

1	DECL			
2	Christian Gabroy Nev. Bar No. 8805 Kaine Messer Nev. Bar No. 14240			
3				
4	GABROY MESSER 170 South Green Valley Parkway Suite 280 Henderson, Nevada 89012			
5				
6	Tel: (702) 259-7777 Fax: (702) 259-7704			
7	christian@gabroy.com kmesser@gabroy.com			
8	Mark R. Thierman			
	Nev. Bar No. 8285			
9	Joshua D. Buck Nev. Bar No. 12187 Leah L. Jones Nev. Bar No. 13161			
10				
11	THIERMAN BUCK LLP 325 West Liberty Street			
12	Reno, Nevada 89501 Tel: (775) 284-1500 Fax: (775) 703-5027 mark@thiermanbuck.com josh@thiermanbuck.com leah@thiermanbuck.com			
13				
14				
15				
16	Attorneys for Plaintiff			
17	DISTRICT COURT CLARK COUNTY, NEVADA			
18	MARIAH MARTIN, on behalf of herself	Case No.: A-22-863216-0		
19	and all others similarly situated,	Dept. No.: 1		
20	Plaintiff,	DECLARATION OF CHR GABROY IN SUPPORT (
21	VS.	MOTION FOR FINAL AP OF CLASS ACTION SET		
22	DED OPS NV LLC d/b/a and a/k/a WALLFLOWER also d/b/a and a/k/a			
	WALLFLOWER CANNABIS HOUSE; H &			

ISTIAN OF JOINT PROVAL ITLEMENT

Defendants.

H MANAGEMENT LLC; DOES 1 through

DECLARATION OF CHRISTIAN GABROY IN SUPPORT OF JOINT MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT

I, Christian Gabroy, do hereby declare and state as follows:

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- 2. I am an attorney and founder of Gabroy | Messer and am admitted to practice law in Illinois and Nevada as well as in the United States District Court District of Nevada, the Ninth Circuit Court of Appeals, and the United States Supreme Court.
- I am the attorney of record for Plaintiff along with partner Kaine Messer, 3. Esg. and co-counsel at Thierman Buck LLP. I have extensive litigation practice in the wage-and-hour practice since opening my firm here in Nevada in 2008. I have been certified as class counsel in, inter alia, our federal court in Gaspar, et al. v. Supershuttle Las Vegas, LLC, Case No. 2:15-cv-02149-APG-VCF, Garibay v. Wyndham Vacation Ownership Inc., Case No. 2:21-cv-00439-JAD-NJK, and Walden, et al., v. State of NV, Case No. 3:14-cv-00320-MMD-CSD as well as in Nevada state court in Zeleke v. Ike Gaming, Inc. d/b/a and a/k/a El Cortez Hotel and Casino, Case No. A-18-769220-C, Baltimore v. LTF Club Management Company, LLC, Case No. A-18-782512-C, DiMuzio, et al. v. Blazin Wings, Inc. d/b/a and a/k/a Buffalo Wild Wings, Case No. A-18-771424-C, Greene-Lewis v. Hussong's Las Vegas, LLC, Case No. A-18-771094-C, Aaron v. Wendy's of Las Vegas, Inc. et al, Case No. A-18-774902-C, Boschini v. White House Black Market, Inc., et al., Case No. A-19-803613-C, Barnett v. WBF McDonald's Management LLC, Case No. A-18-777786-C, and Russum v. Lucky Lucy D LLC, et al., Case No. A-19-795009-C, Ramirez v. PR Restaurant Management, LLC, et al., Case No. A-19-801650-C, Valencia v. P & M Holdings, LLC, Case No. A-21-830175-C, Barth v. Henderson NJ TE LLC, Case No. A-20-810439-C, Smith v. Ascenda USA Inc., Case No. A-20-811554-C, Maestas v. Lisa/Carrison LTD., Case No. A-19-797084-C, Noquez v. Towne Park, LLC, Case No. A-20-813315-C. Jara v. MVF LLC, Case No. A-20-822482-C; Loyal v. Lazy Dog Restaurants, LLC, Case No. A-21-834299-C; Kennedy v. Port of Subs, Inc., Case No. A-19-800823-C; Mizhiritsky v. Casino Job Center, Inc., et al., Case No. A-19-800466-C; Dadd v. Sports

4. Attached to the parties' November 8, 2023 Joint Motion For Preliminary Approval Of Class Action Settlement as Exhibit 1 is a true and correct copy of the parties' Joint Stipulation of Settlement and Release (the "Settlement").

Case-Specific Information

- 5. In my opinion, the settlement achieved in this case represents a good result on behalf of the Class. Notwithstanding each party's various legal arguments as to the appropriateness of class-wide relief in this action, and the liability and amount owed to class members, the basis for recovery is based upon the total amount of unpaid overtime premium hours worked during the class period. Furthermore, the proposed settlement would release only participating class members' wage and hour claims, not all potential employment claims, in exchange for the financial benefits they receive.
- 6. The parties have reviewed relevant compensation data and employment and have arrived at a reasonable resolution through a protracted arm's-length negotiation process. The negotiations continued into all details of the settlement agreement and ancillary documents.
- 7. The Settlement represents a significant recovery on behalf of the Class given the risks associated with this case. Plaintiff alleged various causes of action against Defendants for unpaid wages on behalf of herself and all similarly situated individuals under the Nevada Revised Statutes. Specifically, Plaintiff asserted the following claims: (1) Failure to Pay Overtime in Violation of NRS §§ 608.140 and 608.018; (2) Failure to Timely Pay All Wages Due and Owing in Violation of NRS §§ 608.140 and 608.020-050, and (3) Injunctive Relief. Plaintiff's legal claims stem from her allegation that she was not paid daily overtime when she and others similarly situated worked over 24 hours in a workday, as defined by NRS § 608.0126.

- 9. The enhancement payment of \$15,000.00 to the named Plaintiff is fair and reasonable Plaintiff provided significant assistance to counsel through is this process and took the risk of bringing this action on behalf of others who were similarly affected by wage policy. Specifically, Plaintiff could have been held liable for Defendants' costs if she were ultimately unsuccessful in resolving the case and her potential employment opportunities could impacted because of her public participation in this lawsuit.
- 10. Given that the settlement provides to the class for over 196% recovery of the overtime wages potentially owed, and the benefit of a quick and certain payout (compared to the potential of further litigation including the outcome of class certification, dispositive motions, trial, and any attendant appellate proceedings, all of which are inherently uncertain and likely to consume many more months or years of litigation if the case should continue) to Plaintiff and all members of the class who decide to make a claim, it is the opinion of Plaintiff's Counsel, that the proposed settlement is fair and reasonable and represents a better alternative than continued litigation under all the circumstances.

THE NOTICE PROCESS

11. The settlement also provided for all the necessary notice and disclosures to Class Members so that they could make an informed decision about whether to participate, opt-out, or object to the Settlement, and the named-Plaintiff enhancement and attorneys' fee award was prominently displayed on the Notice. Out of 212 Class Members, none chose to exclude themselves and none have objected. Based on my years of experience handling class action cases, this represents overwhelming support for the Settlement from the Class.

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NAMED-PLAINTIFF'S ENHANCEMENT IS WELL DESERVED

12. Named-Plaintiff has taken a substantial risk in deciding to bring this action on her own behalf and a group of other similarly situated employees of Defendants. Specifically, Plaintiff provided relevant information, actively participated in the litigation process, frequently communicated with counsel, and reviewed numerous documents including settlement documents. Plaintiff could have been responsible for Defendants' costs if she were not successful. Given the substantial risks she took in bringing this action, in addition to her dedicated and significant involvement throughout the litigation, the enhancement amount should be finally judged as fair and reasonable.

CLASS COUNSEL'S ATTORNEYS' FEES AND COSTS ARE FAIR AND REASONABLE

- 13. The parties have disclosed the initial agreed-upon attorney fee award, which is based on a percentage of recovery method and is reasonable and consistent with similar cases that I have been involved in.
- 14. The attorneys' fees and costs requested in the case represent a percentage of the common fund type of recovery. The percentage of recovery method protects the class from "churning" the case so as to justify a higher fee and recognizes the time value of money. It makes payment sooner better than payment later even if interest is awarded by the court. The percentage of recovery method also recognizes that the risk of litigation may be increased as time goes on, so it is often better to settle early than to wait until enough fees are built into a case to justify a lodestar recovery formula. Notwithstanding the beneficial nature of a percentage of recovery method, Class Counsel has devoted significant hours to the case to date—e.g., pre-filing investigations, complaint drafting, reviewing data/information pertaining to Plaintiff's settlement discussions, drafting claims. direct settlement documents, communicating with Class Members who called regarding the Settlement. Accordingly, the attorneys' fees and costs amounts should be finally judged as fair and reasonable.

- 15. Class Counsel has incurred and will incur a total of \$5,916.04 in costs during the course of this litigation. This amount is less than the \$10,000.00 listed in the Notice to the Class, to which no Class Members objected.
- 16. In sum, it is my opinion that the Settlement remains fair, reasonable, and adequate; therefore, I respectfully request that the Settlement be given final approval.

I declare under the penalties of NRS § 53.045 under the laws of the United States of America and the State of Nevada that the foregoing is true and correct.

Executed on March 27, 2024 in Henderson, Nevada.

/s/ Christian Gabroy Christian Gabroy, Esq.