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9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 FOR THE COUNTY OF SAN BERNARDINO

11
12 JULIE FILAMORE-ANGEL, as an aggrieved
employee pursuant to the Private Attorneys
13 General Act ("PAGA"), on behalf of the State of
California and other aggrieved employees,

14 Plaintiff,

15 vs.

16 VICTOR VALLEY HOSPITAL
17 ACQUISITION, INC., a California corporation;
KPC HEALTHCARE, INC., a Nevada
18 corporation; and DOES 1 through 10, inclusive,

19 Defendants.
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Case No. CIVDS2014298

Assigned to the Hon. David S. Cohn

**NOTICE OF MOTION AND MOTION FOR
COURT APPROVAL OF THE PARTIES'
PAGA SETTLEMENT; MEMORANDUM OF
POINTS AND AUTHORITIES IN SUPPORT**

Date: March 18, 2021

Time: 10:00 a.m.

Place: Department S26

1 **TO THE HONORABLE COURT, ALL PARTIES, AND THEIR ATTORNEYS OF RECORD:**

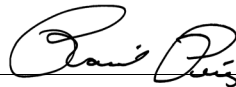
2 **PLEASE TAKE NOTICE** that on March 18, 2021 at 10:00 a.m., or as soon thereafter as
3 counsel may be heard, in Department S26 of the above-captioned court, located at 247 W. Third Street,
4 San Bernardino, California 92415, the Honorable David S. Cohn presiding, Plaintiff Julie Filamore-
5 Angel will, and hereby does, move this Court for entry of an order and judgment approving the Parties'
6 PAGA settlement pursuant to Labor Code section 2699(l)(2).

7 This Motion is based upon: (1) this Notice of Motion and Motion; (2) the Memorandum of
8 Points and Authorities in Support of Motion for Court approval of the PAGA Settlement; (3) the
9 Declaration of Raul Perez, which attaches the PAGA Settlement Agreement; (4) the Declaration of Julie
10 Filamore-Angel; (5) the [Proposed] Order Approving the PAGA Settlement Agreement and Judgment;
11 (6) the records, pleadings, and papers filed in this action; and (7) upon such other documentary and oral
12 evidence or argument as may be presented to the Court at or prior to the hearing of this Motion.

13
14 Dated: March 2, 2021

Respectfully submitted,

Capstone Law APC

15
16 By: 

17 Raul Perez
18 Mark A. Ozzello
19 Brandon Brouillette
Joseph Hakakian

20 Attorneys for Plaintiff Julie Filamore-Angel
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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Pursuant to the Labor Code Private Attorneys General Act of 2004 (Lab. Code. §§ 2698, *et seq.*, “PAGA”), Plaintiff Julie Filamore-Angel (“Plaintiff”) seeks Court approval of the settlement of her claim for PAGA civil penalties with Defendants Victor Valley Hospital Acquisition, Inc. and KPC Healthcare, Inc. (“Defendants” or “VV”) (collectively with Plaintiff, the “Parties”). The total amount of the settlement for this hard-fought litigation is \$500,000.

The PAGA provides that “[t]he superior court shall review and approve any settlement of any civil action filed pursuant to this part.” Lab. Code § 2699(l)(2). The statute does not require the two-step process utilized in class actions. *See Salazar v. Sysco Central Cal.*, No. 15-01758-DAD, 2017 WL 1135801, *2 (E.D. Cal. Feb. 2, 2017) (rejecting the application of class action settlement rules and procedures for PAGA settlement approval). The California Labor Workforce and Development Agency (“LWDA”) has explained that when trial courts review PAGA settlements, they should consider whether “the relief provided for under the PAGA [is] genuine and meaningful, consistent with the underlying purpose of the statute to benefit the public.” *O’Connor v. Uber Techs., Inc.*, No. 13-03826-EMC, 201 F. Supp. 3d 1110, 1133 (N.D. Cal. Aug. 18, 2016). Nothing in the PAGA changes the strong judicial preference in support approving settlements.

The principal terms of the PAGA Settlement Agreement¹ are as follows:

- (1) The creation of a PAGA Penalties Fund of approximately \$272,500, which will be paid to aggrieved employees and the LWDA in full satisfaction of all claims Settled Claims (“PAGA Penalties Fund”).
 - (a) Seventy-five percent of the PAGA Penalties Fund, or approximately \$204,375, will be paid to the LWDA pursuant to Labor Code section 2699(i).
 - (b) Twenty-five percent of the PAGA Penalties Fund, or approximately \$68,125, will be paid to all persons who were employed by Defendants in hourly, non-exempt positions in the State of California during the period from April 8, 2019 through March 7, 2021 (“Aggrieved Employees”). There are approximately 1,100 Aggrieved Employees.
- (2) A \$10,000 payment to Plaintiff as consideration for her service on behalf of the State of

¹ Unless indicated otherwise, all capitalized terms used herein have the same meaning as those defined by the PAGA Settlement Agreement, which is attached as Exhibit 1 to the Declaration of Raul Perez filed in conjunction with this motion.

California and Aggrieved Employees, and for a general release of all claims she may have against Defendant arising out of her employment.

- (3) Reasonable attorneys' fees and costs under Labor Code section 2699(g) for Plaintiff's Counsel's successful prosecution and resolution of this action. Plaintiff requests \$200,000 in attorneys' fees and \$10,000 in costs for her counsel, Capstone Law APC ("Plaintiff's Counsel").
- (4) Settlement Administration Costs of approximately \$7,500 to Simpluris, Inc. ("Simpluris")

The civil penalties secured by the settlement represent a fair compromise of Plaintiff's PAGA claim in view of the risks of continued litigation and the hotly contested issues of law and fact relating to PAGA claims. The Settlement accomplishes PAGA's objectives by imposing sufficient civil penalties "to punish and deter" Defendants from committing any of the Labor Code violations alleged, while also ensuring that the penalties are not "unjust, arbitrary and oppressive, or confiscatory." Cal. Lab. Code § 2699(e)(2); *Iskanian v. CLS Transp. Los Angeles, LLC*, 59 Cal. 4th 348, 384 (2014).

For these reasons, Plaintiff respectfully requests that the Court approve the Settlement and enter the proposed Order Approving the PAGA Settlement Agreement and Judgment.

II. FACTS AND PROCEDURE

A. Brief Overview of the Litigation

Victor Valley Community Hospital was founded in 1967. VV operates a 101-bed acute care facility that also offers outpatient and 24-hour emergency care services to the High Desert community. VV is one of seven hospitals in the KPC Healthcare network. Plaintiff Julie Filamore-Angel worked as a non-exempt, hourly-paid Registered Nurse ("RN") for VV in its 24-hour Emergency Services Department from approximately February 2019 to March 20, 2020.

Plaintiff submitted her initial PAGA letter to Defendants and the LWDA on April 8, 2020. Upon expiration of the requisite notice period, on June 26, 2020, Plaintiff filed her Complaint in San Bernardino Superior Court. On October 16, 2020, Plaintiff submitted an amended PAGA letter to add allegations related to Defendants' failure to properly establish an alternative workweek schedule in compliance with Wage Order No. 5. On November 17, 2020, Plaintiff filed a First Amended Complaint adding this additional claim. (Declaration of Raul Perez ["Perez Decl."] ¶ 2.)

B. Plaintiff's Counsel Conducted a Thorough Investigation of the Factual and Legal Issues and Were Thus Able to Objectively Assess the Settlement's Reasonableness

Plaintiff's Counsel conducted a thorough investigation into the factual and legal issues implicated by Plaintiff's claims, and were able to objectively assess the settlement's reasonableness. For example, prior to filing the action, Plaintiff contacted Plaintiff's Counsel to discuss the factual bases for pursuing an action against Defendants for Labor Code violations. Over the course of multiple interviews, Plaintiff knowledgeably summarized those policies and practices to Plaintiff's Counsel, and provided valuable insight into how they gave rise to the alleged Labor Code violations. Based on these interviews with Plaintiff, Plaintiff's Counsel determined that there were legally sufficient grounds for pursuing an action against Defendants. (Perez Decl. ¶ 5.)

Plaintiff's Counsel also prepared a detailed letter (16.5 pages, single-spaced) to notify the LWDA of Plaintiff's intent to seek civil penalties and other available relief recoverable under PAGA for Labor Code violations. Significant research and effort were expended to prepare a PAGA notice that was consistent with the developing legal requirements so as to withstand any challenge from Defendants regarding the notice's sufficiency. And in preparation for drafting the complaint, Plaintiff's Counsel conducted their own preliminary investigation into the factual bases for Plaintiff's claims, which entailed, *inter alia*, a careful examination of Plaintiff's personnel file and associated records. (Perez Decl. ¶ 6.)

In response to Plaintiff's evidentiary requests, Plaintiff's Counsel received a considerable amount of documents and data, including employee demographic data, a sample of time and pay records, and Defendants' labor policies and procedures manuals which covered a broad range of topics including, *inter alia*, employee clock-in policies and procedures, attendance policies, meal periods/rest periods, overtime & premium pay, etc. The document and data exchanges allowed Plaintiff's Counsel to fully assess the nature and magnitude of the claims being settled, as well as the impediments to recovery, and ultimately enabled Plaintiff's Counsel so as to make an independent assessment of the reasonableness of the settlement's terms. (Perez Decl. ¶ 7.)

In summary, Plaintiff's Counsel performed a thorough investigation into the claims at issue, which included: (1) determining Plaintiff's suitability as a private attorney general through interviews, background investigations, and analyses of her employment files and related records; (2) evaluating all

1 of Plaintiff's potential representative claims; (3) researching similar wage and hour actions as to the
2 claims brought, the nature of the positions, and the type of employer; (4) analyzing a sample of
3 employees' time and wage records; (5) reviewing Defendants' employment policies and practices and
4 historical alternative workweek election results; (6) researching settlements in similar cases; (7)
5 evaluating Plaintiff's claims and estimating Defendants' liability for purposes of settlement; (8) drafting
6 the mediation brief; and (9) participating in the mediation. (Perez Decl. ¶ 8.)

7 By engaging in such a thorough investigation and evaluation of Plaintiff's claims, Plaintiff's
8 Counsel can opine that the Settlement, for the consideration and on the terms set forth in the Settlement
9 Agreement, is fair, reasonable, an adequate, and is in the best interests of the LWDA and Aggrieved
10 Employees in light of all known facts and circumstances, including the risk of significant delay and
11 uncertainty associated with litigation, and various defenses asserted by Defendants. (Perez Decl. ¶ 9.)

12 **C. The Parties Settled After Mediation**

13 On December 3, 2020, the Parties participated in full-day mediation with Ms. Lynn Frank, an
14 experienced mediator of wage and hour class and PAGA actions. Ms. Frank helped to manage the
15 Parties' expectations and provided a useful, neutral analysis of the issues and risks to both sides. In
16 addition to assisting the Parties in analyzing the strengths and weaknesses of Plaintiff's claims, Ms.
17 Frank cautioned that Defendants' ability to pay a more substantial settlement would be compromised by
18 Defendants' current financial condition, which has suffered due to the COVID-19 pandemic.
19 Defendants, as one of the few health service providers serving communities in the high desert area, saw a
20 decline in non-emergency medical procedures while simultaneously incurring additional unforeseen
21 expenses related to establishing COVID-19 safety protocols. With Ms. Frank's guidance, the Parties
22 were eventually able to negotiate a complete settlement of Plaintiff's claims. (Perez Decl. ¶ 3.)

23 The terms of the settlement are now set forth in complete and final form in the PAGA Settlement
24 Agreement. At all times, the Parties' negotiations were adversarial and non-collusive. The Settlement
25 therefore constitutes a fair, adequate, and reasonable compromise of the claims at issue. (Perez Decl. ¶ 4.)

26 **D. The Parties Negotiated a Fair and Reasonable Settlement of Plaintiff's Claims**

27 **1. Terms of the Settlement and Distribution of PAGA Penalties**

28 The Settlement Agreement provides that Defendants will pay a total of \$500,000 to settle this

1 Action. (Settlement Agreement ¶ 5.) From this amount, payments will be made to the LWDA and
2 Aggrieved Employees, to Ms. Julie Filamore-Angel as compensation for her service on behalf of the
3 State and for a general release of claims arising out of her employment with Defendants, to Plaintiff's
4 Counsel for their attorneys' fees and litigation costs, and to the Settlement Administrator (Simpluris) for
5 settlement administration costs. (Settlement Agreement ¶¶ 11-16.)

6 The resulting balance will be distributed to the LWDA and Aggrieved Employees. The LWDA
7 will receive approximately \$204,375. Aggrieved Employees will receive approximately \$68,125. The
8 Aggrieved Employees encompassed by the proposed Settlement are all persons who were employed by
9 Defendants in hourly, non-exempt positions in the State of California during the period from April 8,
10 2019 through either March 7, 2021. (*Id.* at ¶ 2.) There are approximately 1,100 Aggrieved Employees.
11 (*Id.* at ¶ 16.)

12 **2. Allocations to the LWDA and Aggrieved Employees**

13 Payments to Aggrieved Employees will be made from the PAGA Penalties Fund. The individual
14 allocations will be calculated on a pro-rata basis using the number of pay periods worked by each
15 employee. Defendants will provide the total number of pay periods worked by each Aggrieved
16 Employee and the total number of pay periods worked by all Aggrieved Employees during the
17 Settlement Period. (Settlement Agreement ¶ 13.) The Settlement Administrator will calculate each
18 Aggrieved Employee's payment using the proportional number of pay periods during which the
19 employee worked. Thus, the Settlement Administrator will perform the following calculation to calculate
20 individual payments: Settlement Payment = (25% of PAGA Penalties Fund) × (pay periods worked by
21 individual Aggrieved Employee during the Settlement Period ÷ total pay periods worked by all
22 Aggrieved Employees during the Settlement Period). (*Id.*) This is a fair and equitable means of allocating
23 the penalties. Aggrieved Employees who worked for a longer duration during the Settlement Period will
24 receive proportionally larger payments than those employees who worked for shorter durations.

25 **3. The Settled PAGA Claims**

26 Upon entry of the Order and Judgment, the LWDA and Plaintiff, on behalf of herself and the
27 Aggrieved Employees to the fullest extent allowed by law, will be deemed to have fully, finally, and
28 forever released, relinquished, and discharged the Defendants from any and all any and all claims for

1 PAGA civil penalties under the California Labor Code, Wage Orders, regulations, and/or other
2 provisions of law alleged or that could have been alleged to have been violated in the Action with respect
3 to Aggrieved Employees based on the facts alleged in the Action, as well as the PAGA notices submitted
4 by Plaintiff, during the Settlement Period. (Settlement Agreement ¶¶ 9, 21.)

5 Additionally, Ms. Julie Filamore-Angel has agreed to a broader general release of all claims of
6 any kind against Defendants. (Settlement Agreement ¶ 15.)

7 **III. ARGUMENT**

8 **A. The PAGA Penalties Secured by the Settlement Are Genuine and Meaningful, and** 9 **Fulfill PAGA’s Underlying Purpose To Benefit the Public**

10 The California legislature enacted PAGA to “augment the limited enforcement capability of the
11 [LWDA] by empowering employees to enforce the Labor Code as representatives of the Agency.”
12 *Iskanian*, 59 Cal. 4th at 383. This statute authorizes an employee to bring an action for “civil penalties on
13 behalf of the state against his or her employer for Labor Code violations committed against the employee
14 and fellow employees” *Id.* at 360. The goal of a PAGA enforcement action is to impose civil
15 penalties for Labor Code violations “significant enough to deter violations.” *Id.* at 379.

16 Fundamentally, “a PAGA action is a statutory action in which the penalties available are
17 measured by the number of Labor Code violations committed by the employer.” *Sakkab v. Luxottica*
18 *Retail N. Am., Inc.*, 803 F.3d 425, 435 (9th Cir. 2015). Under the general provisions of the PAGA
19 scheme, 75% of the civil penalties recovered goes to the state while the remaining amount is given to the
20 aggrieved employees. Lab. Code § 2699(i). Although PAGA penalties are mandatory and must be
21 awarded by a court if a violation is found, the court “may award a lesser amount than the maximum civil
22 penalty amount specified by this part if, based on the facts and circumstances of the particular case, to do
23 otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory.” Cal. Lab.
24 Code § 2699(e)(2); *see also Amaral v. Cintas Corp. No. 2*, 163 Cal. App. 4th 1157, 1213 (2008).

25 Moreover, the PAGA statute distinguishes and preserves the right of employees to separately (or
26 concurrently) pursue their own causes of action against their employers and to recover other available
27 federal and state remedies. Cal. Lab. Code § 2699(g)(1); *see Baumann v. Chase Inv. Servs. Corp.*, 747
28 F.3d 1117, 1123 (9th Cir. 2014) (explaining the differences between the finality in class action

1 judgments and the limited res judicata effect of PAGA judgments). “Unlike a class action seeking
2 damages or injunctive relief for injured employees, the purpose of PAGA is to incentivize private parties
3 to recover civil penalties for the government that otherwise may not have been assessed and collected by
4 overburdened state enforcement agencies.” *McKenzie v. Federal Express Corp.*, 765 F. Supp. 2d 1222,
5 1233 (C.D. Cal. 2011).

6 The LWDA has advised that courts should evaluate settlements of PAGA claims based on
7 whether “the relief provided for under the PAGA [is] genuine and meaningful, consistent with the
8 underlying purpose of the statute to benefit the public.” *O’Connor*, 201 F. Supp. 3d at 1133; *see also*,
9 *Salazar*, 2017 WL 1135801, *2 (quoting the above passage). As courts defer to the agency’s
10 interpretation of a statute where authority has been delegated to that agency (*see New Cingular Wireless*
11 *PCS, LLC v. Pub. Utilities Comm’n*, 246 Cal. App. 4th 784, 807 (2016)), the Court should analyze the
12 PAGA settlement by focusing on whether the amount of civil penalties obtained is “genuine and
13 meaningful” in light of PAGA’s statutory purpose.

14 The Court’s evaluation of the settlement should therefore not focus on “restitution”—the average
15 recovery per aggrieved employee, as in a class action settlement, but rather take into account PAGA’s
16 statutory purpose in deterring Labor Code violations through the imposition of civil penalties, with
17 special attention on whether the relief is “genuine and meaningful.” *Salazar*, 2017 WL 1135801 at *2.

18 **B. The Settlement Is Reasonable Given the Risks of Further Litigation**

19 In assessing whether the amount of civil penalties is genuine and meaningful, the Court may
20 balance the amount in penalties against the risks of further litigation. Here, Plaintiff obtained a
21 meaningful amount of civil penalties despite facing hurdles had the litigation continued.

22 Unless otherwise provided by the Labor Code,² PAGA civil penalties for Labor Code violations

23
24 ² For example, Labor Code section 558 authorizes the Labor Commissioner to seek civil
25 penalties for overtime and other workday violations at an initial violation rate of \$50 for each underpaid
26 employee for each pay period and a subsequent violation rate of \$100 for each underpaid employee for
27 each pay period. *See* Lab. Code § 558; *see also* *ZB, N.A. v. Super. Ct.*, 8 Cal. 5th 175, 197 (2019)
28 (calculating PAGA penalties for overtime violations according to the Section 558 penalty rates); *Lawson*
v. ZB, N.A., 18 Cal. App. 5th 705, 724 (2017), as modified (Dec. 21, 2017), *aff’d* but criticized sub nom.
ZB, N.A. v. Super. Ct., 8 Cal. 5th 175 (2019) (“we note that with respect to the meal break and rest break
violations . . . section 558 provides either a \$50 or \$100 assessment for each violation during a pay
period”).

are calculated according to Labor Code 2699(f)(2): If, at the time of the alleged violation, the person employs one or more employees, the civil penalty is \$100 for each aggrieved employee per pay period for the initial violation and \$200 for each aggrieved employee per pay period for each subsequent violation (the “subsequent violation penalty”). However, a number of courts have interpreted Labor Code section 2699(f)(2) to impose the enhanced “subsequent violation penalty” only after a court or the Labor Commissioner has found that an employer’s conduct violates the Labor Code. *See Steenhuyse v. UBS Fin. Servs., Inc.*, 317 F. Supp. 3d 1062, 1067 (N.D. Cal. 2018) (“California law is clear that a ‘subsequent violation’ level applies only to violations after the employer is on notice that its continued conduct is unlawful. Until notified that it is violating a Labor Code provision (whether or not the Commissioner or court chooses to impose penalties), the employer cannot be presumed to be aware that its continuing underpayment of employees is a ‘violation’ subject to penalties.”); *Trang v. Turbine Engine Components Technologies Corp.*, No. CV 12–07658 DDP (RZx), 2012 WL 6618854 (C.D. Cal. Dec. 19, 2012) (“courts have held that employers are not subject to heightened penalties for subsequent violations unless and until a court or commissioner notifies the employer that it is in violation of the Labor Code”); *Amalgamated Transit Union Local 1309, AFL-CIO v. Laidlaw Transit Services, Inc.*, No. 05cv1199–IEG–CAB, 2009 WL 2448430 (S.D. Cal. 2009) (“AFL”) (finding that California law imposes the “subsequent violation penalty” only after an employer has been notified its conduct violates the Labor Code); *Willis v. Xerox Bus. Servs., LLC*, No. No. 1:13-cv-01353-LJO-JLT, 2013 WL 6053831, at *6 (E.D. Cal. Nov. 15, 2013) (finding that “[t]he phrase ‘subsequent violation’ is a term of art” and “[f]or a plaintiff to recover for a ‘subsequent violation,’ an employer must have notice that it has violated the Labor Code.”).

Based on the above line of cases, Plaintiff estimates that, if proven, Defendants’ exposure would be calculated as follows:

CLAIM	PAGA PENALTIES
Overtime Claim	\$1,621,750.00
Minimum Wage Claim	\$3,704,150.00
Meal Period Claim	\$1,394,650.00
Rest Period Claim	\$1,621,750.00
Business Expense Claim	\$1,621,750.00
Wage Statement Claim	\$1,621,750.00
Final Pay Claim	\$38,200.00

CLAIM	PAGA PENALTIES
Total	\$11,624,000.00

After calculating Defendants’ maximum exposure under PAGA, Plaintiff then discounted that exposure for settlement purposes to account for the risks of continued litigation, including: (i) the strength of Defendants’ defenses on the merits; (ii) the risk of losing at trial; (iii) the risk that the Court would exercise its discretion under PAGA to significantly reduce the maximum civil penalties available by statute;³ (iv) the chances of a favorable verdict being reversed on appeal; and (v) the difficulties attendant to collecting on a judgment. Taking into account the above contingencies, Plaintiff determined that a settlement for \$500,000 was warranted by the circumstances of the case.

It should be noted that PAGA gives the Court wide latitude to reduce the amount of civil penalties “based on the facts and circumstances of a particular case” when “to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory.” Cal. Lab. Code § 2699(h). In reducing PAGA penalties, courts have considered issues including whether the employees suffered actual injury from the violations, whether the defendant was aware of the violations, and the employer’s willingness to fix the violation. *Carrington v. Starbucks Corp.*, 30 Cal. App. 5th 504, 528 (2018) (awarding PAGA penalties of only 0.2% of the maximum); *see also Cotter v. Lyft, Inc.*, 193 F. Supp. 3d 1030, 1037 (N.D. Cal. 2016); *Fleming v. Covidien Inc.*, No. ED CV 10-01487 RGK (OPX), 2011 WL 7563047, at *4 (C.D. Cal. Aug. 12, 2011).

For example, during the penalty phase of trial in *Carrington*, the plaintiff requested PAGA penalties in the amount of approximately \$70 million. The trial court instead awarded only \$150,000—**or 0.21% of the maximum**—and stated that this reduction was warranted because imposing the maximum penalty would be “unjust, arbitrary, and oppressive” based on Starbucks’s “good faith attempts” to comply with meal period obligations and because the court found the violations were minimal. *Carrington*, 30 Cal. App. 5th at 517. The Court of Appeal affirmed the lower court’s reduced award of a \$150,000 penalty under PAGA. *Id.* at 529. If a similar reduction had been applied here,

³ See Lab. Code § 2699(e) (“In any action by an aggrieved employee seeking recovery of a civil penalty available under subdivision (a) or (f), a court may award a lesser amount than the maximum civil penalty amount specified by this part if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory.”).

1 Plaintiff would have recovered only approximately \$24,410 ($\$11,624,000 \times 0.0021$ reduction).

2 Likewise, in *Covidien*, the court reduced the potential penalties by over 82%, awarding \$500,000
3 instead of maximum penalties of \$2.8 million. *Covidien*, 2011 WL 7563047 at *4; *see also Thurman v.*
4 *Bayshore Transit Mgmt.*, 203 Cal. App. 4th 1112, 1135-36 (2012) (affirming 30% reduction under
5 specified PAGA claim where the employer produced evidence that it took its obligations seriously);
6 *Elder v. Schwan Food Co.*, No. B223911, 2011 WL 1797254, at *5-*7 (Cal. Ct. App. May 12, 2011)
7 (reversing trial court decision denying any civil penalties where violations had been proven, remanding
8 for the trial court to exercise discretion to reduce, but not wholly deny, civil penalties); *Li v. A Perfect*
9 *Day Franchise, Inc.*, No. 5:10-CV-01189-LHK, 2012 WL 2236752, at *17 (N.D. Cal. June 15, 2012)
10 (denying PAGA penalties for violation of California Labor Code section 226 as redundant with recovery
11 on a class basis pursuant to California Labor Code section 226, directly); *Aguirre v. Genesis Logistics*,
12 No. SACV 12-00687 JVS (ANx), 2013 WL 10936035 at *2-*3 (C.D. Cal. Dec. 30, 2013) (reducing
13 penalty for past PAGA violations from \$1.8 million to \$500,000, after rejecting numerous other PAGA
14 claims).

15 Considering the issues, defenses, and the risks of continued litigation, including among them the
16 high probability that any damage award against Defendants would seem oppressive when factoring in
17 Defendants' ability to pay and going hardships caused by COVID-19, a \$500,000 settlement for a
18 limited release of PAGA penalties—no individual wage and hour claims will be extinguished by the
19 Settlement (Settlement Agreement ¶ 21)—is a fair and just result and furthers PAGA's objectives, and is
20 not "unjust, arbitrary, and oppressive."

21 C. The Requested Recovery In Litigation Expenses Is Reasonable

22 Plaintiff's Counsel are entitled to reimbursement of their discretionary litigation costs. Cal. Lab.
23 Code § 2699(g)(1). Out-of-pocket discretionary expenses are compensable if they would normally be
24 billed to a fee-paying client. *See Beasley v. Wells Fargo Bank*, 235 Cal. App. 3d 1407, 1419 (1991),
25 *overruled in part on other grounds in Olson v. Automobile Club of Southern Calif.*, 42 Cal. 4th 1142
26 (2008). Such discretionary costs may be claimed as part of an attorneys' fees motion when seeking
27 statutory fees under the Labor Code. *See Amaral v. Cintas Corp. No. 2*, 163 Cal. App. 4th 1157, 1218
28 n.27 (2008) (awarding costs that are necessarily incurred). The following chart reflects the costs incurred

by Plaintiff's Counsel:

Cost & Expense Categories	Amount
Copying, Printing & Scanning and Facsimiles	\$30.75
Court Fees, Filings & Service of Process	\$1,289.75
Delivery & Messenger (UPS, FedEx, messenger)	\$61.43
Expert & Consulting Services (Desmond, Marcello, Amster, LLC)	\$3,050.00
Legal Research Services (PACER, Westlaw, etc.)	\$453.52
Mediation Fees	\$7,500.00
Postage & Mailings	\$52.71
Telephone (Long distance, conference calls)	\$4.90
Total	\$12,443.06

As indicated above, Plaintiff's Counsel advanced \$12,443.06 in out-of-pocket costs to the State to prosecute this action. (Perez Decl. ¶ 13.) Because these reasonable costs were necessarily incurred during the case's pendency, these costs are reasonable and should be awarded. *See also* Cal. Civ. Pro. Code § 1033.5(c)(4) ("[i]tems not mentioned in this section and items assessed upon application may be allowed or denied in the court's discretion."); *Hsu v. Semiconductor Sys., Inc.*, 126 Cal. App. 4th 1330, 1341 (2005) ("[W]hile it is reasonable to interpret a general contractual cost provision by reference to an established statutory definition of costs, we do not discern any legislative intent to prevent sophisticated parties from freely choosing a broader standard authorizing recovery of reasonable litigation charges and expenses.").

D. The Parties' Settlement of Attorneys' Fees Is Reasonable In Light of Plaintiff's Counsel's Lodestar

The Settlement provides attorneys' fees in the amount of \$200,000 to Plaintiff's Counsel. Plaintiff's Counsel are entitled to attorneys' fees as a matter of right under California Labor Code section 2699(g)(1), which provides that "[a]ny employee who prevails in any action shall be entitled to an award of reasonable attorneys' fees and costs." *See Gouskos v. Aptos Village Garage, Inc.*, 94 Cal. App. 4th 754, 765 (2001) (holding that attorneys' fees to prevailing party are mandatory when the statute uses the word "shall"). It is undisputed that by obtaining PAGA penalties for the LWDA and Aggrieved Employees, Plaintiff has prevailed. *See Graciano v. Robinson Ford Sales*, 144 Cal. App. 4th 140, 153 (2006) ("[P]laintiffs may be considered 'prevailing parties' for attorney's fee purposes if they succeed on any significant issue in the litigation that achieves some of the benefit the parties sought in bringing suit."

(internal citation omitted)).

In fixing fees under the lodestar method, successful attorneys should recover “all attorney fees reasonably expended, **without limiting the fees to a proportion of [the] actual recovery.**” *Graciano*, 144 Cal. App. 4th at 164 (emphasis added). “[T]here is ‘no mathematical rule requiring proportionality between compensatory damages and attorneys’ fees award.’” *Harman v. City and County of San Francisco*, 158 Cal. App. 4th 407, 421 (2007) (citation omitted). For instance, in *Harman*, the court affirmed a fee award of \$1.1 million on damages of \$33,300 under the Civil Rights Act after determining that it cannot be tied to a proportion of the recovery. *Id.* at 419-22.

The non-proportionality rule applies generally to attorneys prosecuting employment cases. *See, e.g., Taylor v. Nabors Drilling U.S.A.*, 222 Cal. App. 4th 1228 (2014) (affirming \$680,520 in attorneys’ fees on a \$150,000 recovery in an employment discrimination case).⁴ And it applies with equal force to PAGA cases. *See Charles v. JPMorgan Chase Bank*, No. CGC-14-538933 (San Francisco County Superior Court June 18, 2019) (awarding plaintiffs \$2.88 million in attorneys’ fees on PAGA penalties totaling \$2.7 million); *Boseman v. VXi Global Solutions, LLC*, No. BC602442 (Los Angeles County Superior Court Jan. 3, 2019) (awarding plaintiff \$750,000 in attorneys’ fees and costs on general PAGA penalties totaling \$585,000); *Salas v. Hallmark Aviation Services LP*, No. BC586585 (Los Angeles County Superior Court February 17, 2017) (awarding plaintiff \$600,000 in attorneys’ fees on PAGA penalties totaling \$605,000); *Monroe v. Continental Design Co., Inc.*, No. RG16817667 (Alameda

⁴ Plaintiffs who prevail on a private attorney general action are also not limited to a proportion of the damages recovered. *See Building a Better Redondo, Inc. v. City of Redondo Beach*, 203 Cal. App. 4th 852, 870-73 (2012) (awarding fees under the private attorney general statute in an action to compel a city to put a measure on the ballot); *Vo v. Las Virgenes Mun. Water Dist.*, 79 Cal. App. 4th 440, 445 (2000) (affirming a \$470,000 fee award when plaintiff recovered only \$37,500); *Engel v. Washington*, 60 Cal. App. 4th 628, 635 (1997) (a plaintiff who recovered only \$250 “may well be entitled to every penny of the requested [\$80,875] fee award” and that “[t]o deny him the full amount of requested fees would be tantamount to finding that the fees were unreasonable per se, some of his efforts unwarranted, or his goals unworthy”). Outside of common fund recoveries, the rule that fees cannot be tied to proportional recovery applies across the board, to all types of cases involving fee-shifting statutes, in both federal and state courts. *See, e.g., City of Riverside v. Rivera*, 477 U.S. 561, 578-79 (1986) (awarding \$245,000 in attorneys’ fees for damages of \$33,350); *Hasbrouck v. Texaco, Inc.*, 879 F.2d 632, 639 (9th Cir. 1989) (“[T]here is no reason to treat attorney’s fees in antitrust cases under [the Clayton Act] different from attorney’s fees in civil rights cases under section 1988. We have recognized the public benefit of antitrust litigation.”); *Lytle v. Carl*, 382 F.3d 978, 988 (9th Cir. 2004) (fee award more than three times damages); *Fair Housing of Marin v. Combs*, 285 F.3d 899 (9th Cir. 2002) (affirming \$508,606 fee award that was more than five times damages awarded); *Niederer v. Ferreira*, 189 Cal. App. 3d 1485 (1987) (applying the anti-proportionality logic in an action to collect from the guarantor of a note).

1 County Superior Court June 21, 2017) (awarding plaintiff \$110,000 in fees on PAGA penalties totaling
2 \$90,000); *Ramirez v. Benito Valley Farms, LLC*, No. 16-CV-04708-LHK, 2017 WL 3670794, at *6
3 (N.D. Cal. Aug. 25, 2017) (awarding attorneys' fees under the lodestar method with no regard to the
4 proportion of the fees to civil penalties).⁵

5 In determining the reasonableness of statutory fees, the court should apply the lodestar method.
6 *See Ketchum v. Moses*, 24 Cal. 4th 1122, 1136 (2001) (holding that the court should "presume that the
7 Legislature intended courts to use the prevailing lodestar adjustment method" in fixing statutory fees).
8 This method most effectively compensates successful counsel for "all the hours reasonably spent." *Id.* at
9 1133. The base lodestar is produced by multiplying the number of hours reasonably expended by
10 counsel by a reasonable hourly rate. *Id.* at 1134-36. The base lodestar then may be adjusted by a
11 multiplier to account for contingent risk and other factors.

12 For hourly rates, the Court must evaluate whether that rate is "within the range of reasonable
13 rates charged by and judicially awarded comparative attorneys for comparable work." *Children's*
14 *Hospital & Med. Ctr. v. Bontá*, 97 Cal. App. 4th 740, 783 (2002). Determination of a reasonable rate is
15 derived from the community "where the services are rendered." *MBNA Am. Bank v. Gorman*, 147 Cal.
16 App. 4th Supp. 1, 13 (2006). Plaintiff's Counsel's rates reasonable and are within the range of similar
17 attorneys in the Southern California area where the services are rendered and where the action was
18 litigated. In the past few years, numerous courts have approved the exact same rates requested here. As
19 the requested rates are within the range of market rates, they should be approved.

20 In evaluating hours worked, the general principle is that "the attorney who takes [a statutory fee-
21 shifting] case can anticipate receiving full compensation for every hour spent litigating a claim even
22 against the most polemical opponent." *Weeks v. Baker & McKenzie*, 63 Cal. App. 4th 1128, 1175
23 (1998). However, courts should not be "enmeshed in a meticulous analysis of every detailed facet of the
24 professional representation." *Serrano v. Unruh*, 32 Cal. 3d 621, 642 (1982). Rather, "[t]he essential goal
25 in shifting fees (to either party) is to do rough justice, not to achieve auditing perfection." *Fox v. Vice*,

26
27 ⁵ Likewise, the non-proportionality rule applies generally to attorneys prosecuting employment
28 cases. *See, e.g., Taylor*, 222 Cal. App. 4th 1228 (affirming \$680,520 in attorneys' fees on a \$150,000
recovery in an employment discrimination case).

563 U.S. 826, 837 (2011).

In determining the reasonableness of the hours expended, “the court should defer to the winning lawyer’s professional judgment as to how much time he was required to spend on the case; after all, he won, and might not have, had he been more of a slacker.” *Kerkeles v. City of San Jose*, 243 Cal. App. 4th 88, 196 Cal. Rpt. 3d 252, 265 (2015) (quoting *Moreno v. City of Sacramento*, 534 F.3d 1106, 1112 (9th Cir. 2008)). Whether attorneys expended reasonable hours in pursuit of the litigation is the major building block of any fee award. *See Serrano v. Unruh*, 32 Cal. 3d at 632 (“absent facts rendering the award unjust, parties who qualify for a fee should recover for all hours reasonably spent.”). Typically, all time reasonably spent by prevailing attorneys during the course of litigation should be awarded if it is the type of work that would be paid by a fee-paying client. *Hensley v. Eckerhart*, 461 U.S. 424, 431 (1983).

The chart below provides a summary of the hours billed by Plaintiff’s Counsel to the litigation:

Lawyer	Title	CA Bar Yr.	Rate	Hours	Fees
Mark Ozzello	Senior Counsel	1984	\$775	39.1	\$30,302.50
Raul Perez	Partner	1994	\$775	24.8	\$19,220.00
Robert Friedl	Senior Counsel	1988	\$745	43.4	\$32,333.00
Brandon Brouillette	Associate	2010	\$485	67.9	\$32,931.50
Mao Shiokura	Senior Counsel	2009	\$485	23	\$11,155.00
Anthony Castillo	Senior Counsel	2009	\$485	22.2	\$10,767.00
Joseph Hakakian	Associate	2018	\$265	49.2	\$13,038.00
Julian Quattlebaum	Associate	2020	\$250	22.4	\$5,600.00
Total				292.0	\$155,347.00

(Perez Decl. ¶ 10.)

As shown above, multiplying Plaintiff’s Counsel’s hourly rates by hours billed to the litigation to date (not including anticipated additional work on this case, such as supervising the administration of the settlement) yields a lodestar of \$155,347. Applying a modest 1.29 multiplier to that lodestar yields the requested fees. Courts routinely accept multipliers ranging from 2 to 4. *See, e.g., Sutter Health Uninsured Pricing Cases*, 171 Cal. App. 4th 495, 512 (2009) (applying a 2.52 multiplier); *Chavez v. Netflix, Inc.*, 162 Cal. App. 4th 43, 66 (2008) (applying a 2.5 multiplier in a consumer class action); *Willner v. Manpower Inc.*, No. 11-CV-02846-JST, 2015 WL 3863625, at *7 (N.D. Cal. June 22, 2015) (approving a 2.10 multiplier on settlement of California Labor Code violations); *Dyer v. Wells Fargo Bank, N.A.*, 303 F.R.D. 326, 334 (N.D. Cal. 2014) (approving attorneys’ fees that resulted in lodestar

multiplier of 2.83); *Hopkins v. Stryker Sales Corp.*, No. 11-CV-02786-LHK, 2013 WL 496358, at *5 (N.D. Cal. Feb. 6, 2013) (approving a multiplier of 2.76 in settlement of Labor Code violations). The requested multiplier is also reasonable for a PAGA settlement. See, e.g., *Garrido v. J.C. Penney Corp.*, No. 5:18-cv-02051-JVS-SP (C.D. Cal. Jan. 25, 2019) (PAGA-only settlement—“Accordingly, the Court finds that the lodestar cross-check resulting in the application of a 2.5 multiplier confirms that the fee award of one-third of the . . . settlement amount is a reasonable and fair payment.”).

Furthermore, California regularly apply at least a 1.5 multiplier *for the contingent risk alone*. See *Ctr. for Biological Diversity v. Cty. of San Bernardino*, 185 Cal. App. 4th 866, 900 (2010) (affirming a 1.5 risk multiplier in a non-complex statutory case and expressly rejecting the application of other multiplier factors). See also *Amaral v. Cintas Corp. No. 2*, 163 Cal. App. 4th 1157, 1174 (2008) (affirming a 1.65 contingent risk multiplier in a wage and hour class action, explaining that “counsel risked never receiving any compensation *at all*” (emphasis in original)); *Pellegrino v. Robert Half Int’l*, 182 Cal. App. 4th 278, 292 (2010) (affirming a 1.75 multiplier due, in part, to “Plaintiff’s Counsel not being paid for their work in the event that [defendant] prevailed on [an] affirmative defense.”).⁶

The lodestar adjustment is also justified in light of delayed payment. *Missouri v Jenkins*, 491 U.S. 274, 284 (1989) (“an appropriate adjustment for delay in payment” should be factored into the calculation of a fee award); see also *Fischel v. Equitable Life Assur. Soc.*, 307 F.3d 997 (9th Cir. 2002) (in common fund cases, delay in obtaining payment must be compensated). Under federal case law, delay must be considered **separately** from any enhancement for contingency.⁷ See *Pennsylvania v. Delaware Valley Citizens’ Council for Clean Air (Delaware Valley II)*, 483 U.S. 711 (1987).

The Court should also note that Plaintiff’s Counsel took this case on a pure contingency basis, and had no guarantee that they would receive any remuneration for the many hours they spent litigating

⁶ And recently, the Ninth Circuit en banc court acknowledged that, under Ninth Circuit authority, multipliers can range from 2 to 3.65. See *In re Hyundai & Kia Fuel Econ. Litig.*, No. 15-56014, 2019 WL 2376831, at *18 (9th Cir. June 6, 2019), citing *Vizcaino*, 290 F.3d at 1051 (upholding a lodestar multiplier cross-check showing a multiplier of 3.65); *Kelly v. Wengler*, 822 F.3d 1085, 1093, 1105 (9th Cir. 2016) (affirming lodestar multipliers of 2.0 and 1.3).

⁷ As the delay occurring between the time fee eligibility is established or the fee application is filed and the time the fee award is rendered may also be compensated by awarding interest on the fee amount. See, e.g., *In re Continental Ill. Sec. Litig.*, 962 F.2d 566, 571 (7th Cir. 1992); *Jenkins v. Missouri*, 931 F. 2d 1273 (8th Cir. 1991); *Finkelstein v. Bergna*, 804 F. Supp. 1235, 1239 (N.D. Cal. 1992). The court also may compensate later work at higher rates.

1 the claims. By undertaking representation of a large number of affected employees in wage and hour
2 actions, attorneys like Plaintiff's Counsel inevitably must be prepared to make a significant investment of
3 time, energy, and resources. Courts have thus explained that a multiplier is needed because these kinds of
4 high-stakes, publicly-beneficial litigation are "fraught with uncertainty and even the most scrupulous
5 attorney will 'win some and lose some.'" *Horsford v. Bd. of Trustees of California State Univ.*, 132 Cal.
6 App. 4th 359, 400 n. 11 (2005). Thus, "attorneys whose compensation depends on their winning the case
7 must make up in compensation in the cases they win for the lack of compensation in the cases they lose."
8 *Vizcaino v. Microsoft Corp.*, 290 F.3d 1043, 1051 (9th Cir. 2002). *Vizcaino*, 290 F.3d at 1051. Although
9 they achieved a significant victory here, compensation is necessary to make up for cases where
10 Plaintiff's Counsel took on a meritorious case, litigated the case expertly, but did not recover attorneys'
11 fees, either because the defendant was insolvent or due to the pitfalls of litigation.

12 California courts and the Ninth Circuit recognize a need to reward plaintiffs' counsel who accept
13 cases on a pure contingency basis. In *Ketchum v. Moses*, 24 Cal. 4th 1122 (2001), the California
14 Supreme Court instructed courts to upwardly adjust fee compensation to ensure that the fees account for
15 contingency risk:

16 A lawyer who both bears the risk of not being paid and provides legal services is
17 not receiving the fair market value of his work if he is paid only for the second of
18 these functions. If he is paid no more, competent counsel will be reluctant to
accept fee award cases.

19 *Ketchum*, 24 Cal. 4th at 1133.

20 Similarly, in *In re Washington Pub. Power Supply*, the Ninth Circuit underscored the importance
21 of rewarding attorneys who take cases on a contingency basis:

22 It is an established practice in the private legal market to reward attorneys for
23 taking the risk of non-payment by paying them a premium over their normal
24 hourly rates for winning contingency cases. *See* Richard Posner, *Economic*
25 *Analysis of Law* § 21.9, at 534-35 (3d ed. 1986). Contingent fees that may far
26 exceed the market value of the services if rendered on a non-contingent basis are
accepted in the legal profession as a legitimate way of assuring competent
representation for plaintiffs who could not afford to pay on an hourly basis
regardless whether they win or lose.

27 *In re Washington Pub. Power Supply Sys. Sec. Litig.*, 19 F.3d 1291, 1299 (9th Cir. 1994) ("in the
28 common fund context, attorneys whose compensation depends on their winning the case, must make up

1 in compensation in the cases they win for the lack of compensation in the cases they lose.”).

2 As reflected in *Ketchum* and *In re Washington*, attorneys accepting contingent fee cases should
3 be compensated in amounts greater than those earned by attorneys who bill and receive payment by the
4 hour. If a contingent-fee attorney were awarded fees at the same level as an hourly-fee attorney, it would
5 be economically irrational for any attorney to accept the risks of contingent-fee case.⁸ Without the
6 application of a multiplier in cases where they prevail, Plaintiff’s Counsel would be barred by financial
7 realities from representing employees and consumers on contingency, which the firm does exclusively.
8 This would undermine California’s strong policy of encouraging attorneys to represent the LWDA and
9 low-income individuals seeking unpaid back wages and other employment-related redress.

10 In summary, because attorneys pursuing claims on contingency will sometimes lose after
11 expending hundreds of hours, and often advancing thousands of dollars in expenses, an enhancement
12 ensures that the risks do not outstrip the incentives to pursue claims on behalf of employees. The high
13 contingent risk borne by Plaintiff’s Counsel thus supports the fee request.

14 **E. The Court Should Approve the Negotiated Service Award Payment**

15 Paragraph 15 of the PAGA Settlement Agreement provides that Defendants will pay Plaintiff the
16 sum of \$10,000 for her service on behalf of the LWDA and Aggrieved Employees, and for a general
17 release of all claims arising out of her employment. This release covers not only the settled PAGA
18 claims but any and all claims arising out of Plaintiff’s employment.

19 Recently in *Starks v. Vortex Industries, Inc.*, No. B288005, 2020 WL 5015248, at *13 (Cal. Ct.
20 App. Aug. 25, 2020), the Court of Appeal affirmed a trial court’s judgment approving a PAGA
21 settlement which provided for a \$10,000 “service award” to the named plaintiff for his service on behalf
22

23 ⁸ See Richard A. Posner, *Economic Analysis of Law* (4th ed. 1992) pp. 534, 567 (“A contingent
24 fee must be higher than a fee for the same legal services paid as they are performed. The contingent fee
25 compensates the lawyer not only for the legal services he renders but for the loan of those services. The
26 implicit interest rate on such a loan is higher because the risk of default (the loss of the case, which
27 cancels the debt of the client to the lawyer) is much higher than that of conventional loans.”); John
28 Leubsdorf, *The Contingency Factor in Attorney Fee Awards*, 90 Yale L.J. 473, 480 (1981) (“A lawyer
who both bears the risk of not being paid and provides legal services is not receiving the fair market
value of his work if he is paid only for the second of these functions. If he is paid no more, competent
counsel will be reluctant to accept fee award cases.”); ABA Model Code Prof. Responsibility, DR 2-
106(B)(8) (recognizing the contingent nature of attorney representation as an appropriate component in
considering whether a fee is reasonable).

1 of the LWDA and aggrieved employees. Like the plaintiff in *Starks*, Plaintiff here seeks a \$10,000
2 Service Award for her service on behalf of the State of California and aggrieved employees, and for a
3 general release of all claims arising out of her employment with Defendant.

4 Other considerations support the \$10,000 payment. First, the additional settlement payment is
5 justified in light of the reputational risk that Plaintiff assumed by litigating claims against a former
6 employer. *See Billingshausen v. Tractor Supply Co.*, 306 F.R.D. 245, 267-68 (N.D. Cal. 2015) (finding
7 “personal detriment” upon testimony that future employers can easily learn that a prospective employee
8 served as a plaintiff through the internet); *see also Guippone v. BH S&B Holdings LLC*, No. 09 Civ.
9 1029, 2011 U.S. Dist. LEXIS 126026, at **4, 20 (S.D.N.Y. Oct. 28, 2011) (“[T]he fact that a plaintiff
10 has filed a federal lawsuit is searchable on the internet and may become known to prospective employers
11 when evaluating the person . . . Even where there is not a record of actual retaliation, notoriety, or
12 personal difficulties, [representative Plaintiffs] merit recognition for assuming the risk of such for the
13 sake of absent [parties.]”).

14 Employers commonly screen employee candidates to determine whether they have ever filed
15 suit, and employee candidates who might be branded “litigious” are likely to be screened out of the
16 process. In fact, an entire industry has developed for providing employers with background information
17 on employee candidates. By bringing this action against an employer, Plaintiff has assumed considerable
18 reputational risk that may impact her ability to find employment in the future. *La Fleur v. Medical*
19 *Management Intern, Inc.*, No. 13-00398-VAP, 2014 WL 2967475, *8 (C.D. Cal. June 25, 2014)
20 (awarding \$15,000 to each named plaintiff in part for attesting to their fear that the lawsuit will harm
21 their future job prospects in the industry).

22 Second, the separate settlement payment is reasonable because Plaintiff “remained fully
23 involved and expended considerable time and energy during the course of the litigation.” *See In re Toys*
24 *‘R’ Us-Del FACTA Litig.*, 295 F.R.D. at 471 (citation omitted). Plaintiff devoted her time and effort
25 toward assisting her attorneys with the prosecution of the claims, and assisted counsel with finalizing the
26 settlement.

27 The separate payment is also appropriate because Plaintiff otherwise “will not gain any benefit
28 beyond that [she] would receive as an ordinary [Aggrieved Employee].” *In re Toys “R” Us FACTA*

1 *Litig.*, 295 F.R.D. at 472; *Van Vranken*, 901 F. Supp. at 299 (holding that a substantial award is
2 appropriate where a [representative’s] claim made up “only a fraction of the common fund.”). Here,
3 absent the separate payment, Plaintiff will recover no more than other Aggrieved Employees, despite
4 undergoing personal sacrifice in bringing this suit on behalf of the State of California and Aggrieved
5 Employees.

6 Lastly, because PAGA is a “type of qui tam action,” it is appropriate for the Plaintiff to receive a
7 modest additional payment from the settlement as a “bounty” for her special effort in vindicating the
8 State’s interests by enforcing its labor laws. *See Iskanian*, 59 Cal. 4th at 382 (“A PAGA representative
9 action is therefore a type of qui tam action.”); *see also People ex rel. Strathmann v. Acacia Research*
10 *Corp.*, 210 Cal. App. 4th 487, 500 (2012) (“The person who brings the qui tam action, called the
11 ‘relator,’ stands in the shoes of the People of the State of California, who are deemed to be the real party
12 in interest . . . The relator in a qui tam action under section 1871.7 does not personally recover damages
13 but, if successful, receives [a portion] of the recovery as a bounty.”) (internal citations omitted).

14 Such a payment incentivizes employees to step forward to enforce the Labor Code. *See MMM*
15 *Holdings, Inc. v. Reich*, 21 Cal. App. 5th 167, 180 (2018) (“The bounty advances the public purpose and
16 benefit by encouraging private qui tam actions; indeed, this prospect of reward may be the only means of
17 inducing such private parties to come forward with their information.”) (internal quotations omitted).
18 This is especially important in this context, as “the lack of government resources to enforce the Labor
19 Code led to a legislative choice to deputize and incentivize employees uniquely positioned to detect and
20 prosecute such violations through the PAGA.” *Iskanian*, 59 Cal. 4th at 390. Absent the incentive
21 payment, fewer employees would be willing to step forward, and PAGA’s primary purpose—
22 enforcement of the Labor Code—would be substantially undermined.

23 **IV. CONCLUSION**

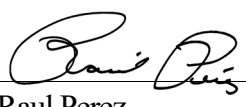
24 The Parties have negotiated a fair and reasonable settlement of Plaintiff’s PAGA claims. Having
25 appropriately presented the materials and information necessary for approval, the Parties request that the
26 Court approve the PAGA Settlement Agreement.

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Dated: March 2, 2021

Respectfully submitted,

Capstone Law APC

By: 

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Mark A. Ozzello
Brandon Brouillette
Joseph Hakakian

Attorneys for Plaintiff Julie Filamore-Angel

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8 Attorneys for Plaintiff Julie Filamore-Angel

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 FOR THE COUNTY OF SAN BERNARDINO

11
12 JULIE FILAMORE-ANGEL, as an aggrieved
employee pursuant to the Private Attorneys
13 General Act ("PAGA"), on behalf of the State of
California and other aggrieved employees,

14 Plaintiff,

15 vs.

16 VICTOR VALLEY HOSPITAL
17 ACQUISITION, INC., a California corporation;
KPC HEALTHCARE, INC., a Nevada
18 corporation; and DOES 1 through 10, inclusive,

19 Defendants.
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Case No. CIVDS2014298

Assigned to the Hon. David S. Cohn

**DECLARATION OF RAUL PEREZ IN
SUPPORT OF MOTION FOR COURT
APPROVAL OF THE PARTIES' PAGA
SETTLEMENT**

Date: March 18, 2021

Time: 10:00 a.m.

Place: Department S26

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1 fair, adequate, and reasonable compromise of the claims at issue.

2 5. Plaintiff's Counsel conducted a thorough investigation into the factual and legal issues
3 implicated by Plaintiff's claims, and were able to objectively assess the settlement's reasonableness. For
4 example, prior to filing the action, Plaintiff contacted Plaintiff's Counsel to discuss the factual bases for
5 pursuing an action against Defendants for Labor Code violations. Over the course of multiple interviews,
6 Plaintiff knowledgeably summarized those policies and practices to Plaintiff's Counsel, and provided
7 valuable insight into how they gave rise to the alleged Labor Code violations. Based on these interviews
8 with Plaintiff, Plaintiff's Counsel determined that there were legally sufficient grounds for pursuing an
9 action against Defendants.

10 6. Plaintiff's Counsel also prepared a detailed letter (16.5 pages, single-spaced) to notify
11 the LWDA of Plaintiff's intent to seek civil penalties and other available relief recoverable under PAGA
12 for Labor Code violations. Significant research and effort were expended to prepare a PAGA notice that
13 was consistent with the developing legal requirements so as to withstand any challenge from Defendants
14 regarding the notice's sufficiency. And in preparation for drafting the complaint, Plaintiff's Counsel
15 conducted their own preliminary investigation into the factual bases for Plaintiff's claims, which entailed,
16 *inter alia*, a careful examination of Plaintiff's personnel file and associated records.

17 7. In response to Plaintiff's evidentiary requests, Plaintiff's Counsel received a
18 considerable amount of documents and data, including employee demographic data, a sample of time
19 and pay records, and Defendants' labor policies and procedures manuals which covered a broad range of
20 topics including, *inter alia*, employee clock-in policies and procedures, attendance policies, meal
21 periods/rest periods, overtime & premium pay, etc. The document and data exchanges allowed Plaintiff's
22 Counsel to fully assess the nature and magnitude of the claims being settled, as well as the impediments
23 to recovery, and ultimately enabled Plaintiff's Counsel so as to make an independent assessment of the
24 reasonableness of the settlement's terms.

25 8. In summary, Plaintiff's Counsel performed a thorough investigation into the claims at
26 issue, which included: (1) determining Plaintiff's suitability as a private attorney general through
27 interviews, background investigations, and analyses of her employment files and related records; (2)
28 evaluating all of Plaintiff's potential representative claims; (3) researching similar wage and hour actions

as to the claims brought, the nature of the positions, and the type of employer; (4) analyzing a sample of employees' time and wage records; (5) reviewing Defendants' employment policies and practices and historical alternative workweek election results; (6) researching settlements in similar cases; (7) evaluating Plaintiff's claims and estimating Defendants' liability for purposes of settlement; (8) drafting the mediation brief; and (9) participating in the mediation.

9. By engaging in such a thorough investigation and evaluation of Plaintiff's claims, Plaintiff's Counsel can opine that the Settlement, for the consideration and on the terms set forth in the Settlement Agreement, is fair, reasonable, an adequate, and is in the best interests of the LWDA and Aggrieved Employees in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation, and various defenses asserted by Defendants.

ATTORNEYS' FEES AND COSTS

10. I have reviewed a summary of the billing records for this action, which are maintained during the regular course of business and billed contemporaneously. The bill for attorneys' fees is summarized in the chart below:

Attorney	Title	CA Bar Yr.	Rate	Hours	Fees
Mark Ozzello	Senior Counsel	1984	\$775	39.1	\$30,302.50
Raul Perez	Partner	1994	\$775	24.8	\$19,220.00
Robert Friedl	Senior Counsel	1988	\$745	43.4	\$32,333.00
Brandon Brouillette	Associate	2010	\$485	67.9	\$32,931.50
Mao Shiokura	Senior Counsel	2009	\$485	23	\$11,155.00
Anthony Castillo	Senior Counsel	2009	\$485	22.2	\$10,767.00
Joseph Hakakian	Associate	2018	\$265	49.2	\$13,038.00
Julian Quattlebaum	Associate	2020	\$250	22.4	\$5,600.00
Total				292.0	\$155,347.00

11. While adjusting our rates to track market increases, Capstone's rates have steadily remained reasonable and competitive, and have been consistently approved by many federal and state courts over the past several years. *See, e.g., Martinez v. Stumps Market, Inc.*, No. 37-2018-00035669-CU-OE-CTL (San Diego County Superior Court Dec. 18, 2020) (approving Capstone's rates for Associates (\$295 to \$485) and Senior Counsel/Partners (\$485 to \$775)); *Pride v. Pride Industries*, No. STK-UOE-2017-7110 (San Joaquin County Superior Court Dec. 14, 2020) (approving Capstone's rates for Associates (\$295 to \$485) and Senior Counsel/Partners (\$545 to \$775)); *MV Transportation Wage*

1 *and Hour Cases*, No. JCCP No. 4993 (San Joaquin County Superior Court Oct. 20, 2020) (approving
2 Capstone's rates for Associates (\$485 to \$505) and Senior Counsel/Partners (\$545 to \$775)); *Hayes v.*
3 *Rent-A-Center West, Inc.*, No. 37-2018-00043861 (San Diego County Superior Court Aug. 28, 2020)
4 (approving Capstone's rates for Associates (\$265 to \$485) and Senior Counsel/Partners (\$545 to \$775));
5 *Vega v. JPMorgan Chase Bank, N.A.*, No. BC698750 (Los Angeles County Superior Court Aug. 20,
6 2020) (approving Capstone's rates for Associates (\$265 to \$505) and Senior Counsel/Partners (\$545 to
7 \$775)); *Wertz v. Dawn Food Products, Inc.*, No. CIV DS1811446 (San Bernardino County Superior
8 Court June 29, 2020) (approving Capstone's rates for Associates (\$295 to \$505) and Senior
9 Counsel/Partners (\$545 to \$775)); *Reyes v. Verifi, Inc.*, No. BC707889 (Los Angeles County Superior
10 Court March 16, 2020) (approving Capstone's rates for Associates (\$345 to \$485) and Senior
11 Counsel/Partners (\$545 to \$775)); *Vargas v. Ford Motor Co.*, No. CV12-08388 AB (FFMx) (C.D. Cal.
12 March 5, 2020) (approving Capstone's rates for Associates (\$245 to \$445) and Senior Counsel/Partners
13 (\$495 to \$775)); *Wylie v. Hyundai Motor America*, No. 8:16-cv-02102-DOC-JCG (C.D. Cal. March 2,
14 2020) (approving Capstone's rates for Associates (\$295 to \$445) and Senior Counsel/Partners (\$545 to
15 \$775)); *Campbell v. AEG Management Oakland, LLC*, No. RG17859830 (Alameda County Superior
16 Court Feb. 7, 2020) (approving Capstone's rates for Associates (\$345 to \$485) and Senior
17 Counsel/Partners (\$545 to \$775)); *Scoggins v. Crossmark, Inc.*, No. 56-2017-00492936-CU-OE-VTA
18 (Ventura County Superior Court) (approving Capstone's rates for Associates (\$435) and Senior
19 Counsel/Partners (\$495 to \$725)); *Brown v. Harris v. Mr. C Manager LLC*, No. CIV DS1721484 (San
20 Bernardino County Superior Court Aug. 21, 2019) (approving Capstone's rates for Associates (\$295 to
21 \$434) and Senior Counsel/Partners (\$495 to \$725)); *Black v. T-Mobile USA, Inc.*, No. 4:17-cv-04151-
22 HSG (N.D. Cal. July 24, 2019) (approving Capstone's rates for Associates (\$295 to \$435) and Senior
23 Counsel/Partners (\$495 to \$725)); *Rodas v. Petroleum Sales, Inc.*, No. CIV1703590 (Marin County
24 Superior Court July 19, 2019) (approving Capstone's rates for Associates (\$395 to \$435) and Senior
25 Counsel/Partners (\$495 to \$725)); *Aguilar v. Marriott Int'l, Inc.*, No. BC513197 (Los Angeles County
26 Superior Court Apr. 9, 2019) (approving Capstone's rates for Associates (\$295 to \$435) and Senior
27 Counsel/Partners (\$495 to \$725)); *Garrido v. J. C. Penney Corporation, Inc.*, No. 5:18-cv-02051-JVS-
28 SP (C.D. Cal. Jan. 25, 2019) (approving Capstone's rates for Associates (\$435 to \$455) and Senior

1 Counsel/Partners (\$495 to \$725)); *Boseman v. VXi Global Solutions, LLC*, No. BC602442 (Los Angeles
2 County Superior Court Jan. 3, 2019) (approving Capstone's rates for Associates (\$295 to \$435) and
3 Senior Counsel/Partners (\$495 to \$725)); *Mansilla v. XPO Logistics Worldwide, Inc.*, No. RG17865271
4 (Alameda County Superior Court Nov. 16, 2018) (approving Capstone's rates for Associates (\$295 to
5 \$435) and Senior Counsel/Partners (\$495 to \$725)); *Carbajal v. Tom's Famous Family Restaurants*, No.
6 CIVDS1601821 (San Bernardino County Superior Court July 31, 2018) (approving Capstone's rates for
7 Associates (\$295 to \$395) and Senior Counsel/Partners (\$495 to \$725)); *Williams v. Marshalls of CA,*
8 *LLC*, No. BC503806 (Los Angeles County Superior Court Feb. 15, 2018) (approving Capstone's rates
9 for Associates and Senior Counsel/Partners (\$570 to \$725)); *Grove v. Halston Operating Co.*, No. 37-
10 2016-00029271-CU-OE-CTL (San Diego County Superior Court Feb. 9, 2018) (approving Capstone's
11 rates for Associates and Senior Counsel/Partners (\$470 to \$725)); *Lopez v. Kmart Corp.*, No.
12 CIVMSC15-00134 (Contra Costa County Superior Court Nov. 29, 2017) (approving Capstone's rates
13 for Associates (\$395 to \$470) and Senior Counsel/Partners (\$595 to \$725)); *Chambless v. Islands*
14 *Restaurants, L.P.*, No. BC458426 (Los Angeles County Superior Court Aug. 22, 2017) (approving
15 Capstone's rates for Associates (\$245 to \$470) and Senior Counsel/Partners (\$595 to \$725)); *Linares v.*
16 *Ann Inc.*, No. BC605635 (Los Angeles County Superior Court Aug. 22, 2017) (approving Capstone's
17 rates for Associates (\$245 to \$470) and Senior Counsel/Partners (\$570 to \$725)); *Grillo v. Key Energy*
18 *Services, LLC*, No. 2:14-cv-00881-AB-AGR (C.D. Cal. Oct. 13, 2017) (approving Capstone's rates for
19 Associates (\$245 to \$470) and Senior Counsel/Partners (\$595 to \$725)); *Carter v. GMRI, Inc.*, No.
20 RIC1506085 (Riverside County Superior Court Jan. 10, 2017) (approving Capstone's rates for
21 Associates (\$345 to \$470) and Senior Counsel/Partners (\$570 to \$695)); *Rodriguez v. Swissport North*
22 *America, Inc.*, No. BC441173 (Los Angeles County Superior Court April 17, 2017) (approving
23 Capstone's rates for Associates (\$370 to \$470) and Senior Counsel/Partners (\$520 to \$695)); *Emmons v.*
24 *Quest Diagnostics Clinical Laboratories, Inc.*, No. 1:13-cv-00474-DAD-BAM (E.D. Cal. Feb. 27, 2017)
25 (approving Capstone's rates for Associates (\$370 to \$495) and Senior Counsel/Partners (\$545 to \$695));
26 *Rickerd v. OneWest Resources LLC*, No. BC562538 (Los Angeles County Superior Court Jan. 19, 2017)
27 (approving Capstone's rates for Associates (\$245 to \$470) and Senior Counsel/Partners (\$595 to \$695));
28 *Nunnally v. Dave & Busters, Inc.*, No. 8:16-cv-00855-DOC-KES (C.D. Cal. Jan. 9, 2017) (approving

1 Capstone's rates for Associates (\$395 to \$495) and Senior Counsel/Partners (\$545 to \$695)); *Ford v.*
2 *CEC Entertainment, Inc.*, No. 3:14-cv-01420-RS (N.D. Cal. Nov. 18, 2016) (approving Capstone's rates
3 for Associates (\$420 to \$470) and Senior Counsel/Partners (\$545 to \$695)); *Lutin v. Lerner New York,*
4 *Inc.*, No. BC498443 (L.A. County Super. Ct. Sept. 20, 2016) (approving Capstone's rates for Associates
5 (\$370-470) and Senior Counsel/Partners); *The Children's Place Retail Stores Wage & Hour Cases*, No.
6 JCCP4790 (L.A. County Super. Ct. Sept. 1, 2016) (approving Capstone's rates for Associates (\$245 to
7 \$470) and Senior Counsel/Partners (\$520 to \$695)); *Coffey v. Beverages & More, Inc.*, No. BC477269
8 (L.A. County Super. Ct. July 26, 2016) (L.A. County Super. Ct. Sept. 1, 2016) (approving Capstone's
9 rates for Associates (\$370 to \$470) and Senior Counsel/Partners (\$545 to \$695)); *Guitar Center Stores*
10 *Wage and Hour Cases*, No. JCCP 4818 (San Francisco Superior Court June 7, 2016) (approving
11 Capstone's rates for Associates (\$370 to \$470) and Senior Counsel/Partners (\$545 to \$695)); *Berry v.*
12 *Urban Outfitters Wholesale, Inc.*, No. Case 4:13-cv-02628-JSW (N.D. Cal. April 7, 2016) (approving
13 Capstone's rates for Associates (\$370 to \$470) and Senior Counsel/Partners (\$545 to \$695)

14 12. Capstone's rates are comparable to those judicially approved for other plaintiff's firms,
15 such as Baron & Budd (rates ranging from \$775 for the requested partner to \$390-\$630 for non-
16 partners), Wasserman Comden Casselman & Essensten (rates ranging from \$670-750 for partners and
17 \$300-500 for associates), and Blood Hurst & Reardon (\$510-695 for partners). *See Aarons v. BMW of*
18 *North America*, No. 11-7667-PSG, 2014 U.S. Dist. LEXIS 118442, *40-41 (C.D. Cal. Apr. 29, 2014)
19 (also approving rates of Strategic and Capstone). Other courts have approved hourly rates in this range
20 for plaintiff's side law firms in the Southern California area. *See, e.g., Kearney v. Hyundai Motor Am.*,
21 2013 U.S. Dist. LEXIS 91636, *24 (C.D. Cal. June 28, 2013) (approving hourly rates of \$650-\$800 for
22 senior attorneys in consumer class action); *Parkinson v. Hyundai Motor America*, 796 F. Supp. 2d 1160,
23 1172 (C.D. Cal. 2010) (approving hourly rates between \$445 and \$675); *Faigman v. AT&T Mobility*
24 *LLC*, 2011 U.S. Dist. LEXIS 15825, * 2 (N.D. Cal. Feb. 15, 2011) (approving hourly rates of \$650 an
25 hour for partner services and \$500 an hour for associate attorney services); *Richard v. Ameri-Force*
26 *Mgmt. Servs., Inc.*, No. 37-2008-00096019 (San Diego Super. Ct., Aug. 27, 2010) (\$695 to \$750 an hour
27 for partners; \$495 an hour for associates); *Barrera v. Gamestop Corp.*, No. CV 09-1399 (C.D. Cal. Nov.
28 29, 2010) (\$700 an hour for partners; \$475 an hour for associates); *Anderson v. Nextel Retail Stores*,

LLC, No. CV 07-4480 (C.D. Cal. June 20, 2010) (\$655 to \$750 an hour for partners; \$300 to \$515 an hour for associates); *Luquetta v. Regents of Cal.*, CGC-05-443007 (San Francisco Super. Ct.) (approving 2012 partner rates between \$550 and \$850 per hour); and *Holloway v. Best Buy Co.*, C-05-5056-PJH (MEJ) (N.D. Cal.) (approving 2011 partner rates of \$825 to \$700 an hour, associate rates between \$355 and \$405 per hour).

13. As summarized in the table below, counsel has incurred a total of \$12,443.06 in costs and expenses to date.

Cost & Expense Categories	Amount
Copying, Printing & Scanning and Facsimiles	\$30.75
Court Fees, Filings & Service of Process	\$1,289.75
Delivery & Messenger (UPS, FedEx, messenger)	\$61.43
Expert & Consulting Services (Desmond, Marcello, Amster, LLC)	\$3,050.00
Legal Research Services (PACER, Westlaw, etc.)	\$453.52
Mediation Fees	\$7,500.00
Postage & Mailings	\$52.71
Telephone (Long distance, conference calls)	\$4.90
Total	\$12,443.06

CAPSTONE LAW APC FIRM PROFILE

14. Capstone is one of California's largest plaintiff-only labor and consumer law firms. With over twenty-five seasoned attorneys, Capstone has the experience, resources, and expertise to successfully prosecute complex employment and consumer actions.

15. Since its founding in 2012, Capstone has emerged as a major force in aggregate litigation, making law on cutting-edge issues and obtaining over \$200 million in recovery for employees and consumers. The firm's accomplishments include:

- a. In February 2015, Ryan H. Wu and I were honored with the prestigious California Lawyer of the Year (CLAY) award in labor and employment for our work in the landmark case *Iskanian v. CLS Transportation Los Angeles*, 59 Cal. 4th 348 (2014), which preserved the right of California workers to bring representative actions under the Labor Code Private Attorneys General Act ("PAGA") notwithstanding a representative action waiver in an arbitration agreement.
- b. Recognized as a leading firm in the prosecution of PAGA enforcement actions,

1 Capstone is responsible for some of the most important decisions in this area. In
2 *Williams v. Superior Court (Marshalls of Calif.)*, 2017 WL 2980258, Capstone
3 attorneys achieved a landmark decision before the California Supreme Court as to
4 the broad scope of discovery in PAGA actions. In *Baumann v. Chase Inv. Servs.*
5 *Corp*, 747 F.3d 1117 (9th Cir. 2014), a case of first impression, Capstone
6 attorneys successfully argued that PAGA actions are state enforcement actions not
7 covered by the Class Action Fairness Act.

8 16. Attached as Exhibit 2 is a true and correct copy of Capstone's firm resume.
9

10 I declare under penalty of perjury under the laws of the State of California that the foregoing is
11 true and correct. Executed this 1st day of March, 2021, at Los Angeles, California.

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13 _____
14 Raul Perez
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Exhibit 1

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO

JULIE FILAMORE-ANGEL, as an aggrieved
employee pursuant to the Private Attorneys
General Act (“PAGA”), on behalf of the State of
California and other aggrieved employees,

Plaintiff,

vs.

VICTOR VALLEY HOSPITAL
ACQUISITION, INC., a California corporation;
KPC HEALTHCARE, INC., a Nevada
corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No. CIVDS2014298

PAGA SETTLEMENT AGREEMENT

PAGA SETTLEMENT AGREEMENT

Subject to Court approval by the Superior Court of the State of California for the County of San Bernardino (“Court”), Plaintiff Julie Filamore-Angel (“Plaintiff”) and Defendants Victor Valley Hospital Acquisition, Inc. and KPC Healthcare, Inc. (“Defendants”) (collectively with Plaintiff, the “Parties”) hereby agree to the following binding settlement (“Settlement” or “Settlement Agreement”) of the action entitled *Julie Filamore-Angel v. Victor Valley Hospital Acquisition, Inc.*, No. CIVDS2014298 (San Bernardino County Superior Court) (the “Action”).

DEFINITIONS

The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

1. “Action” means *Julie Filamore-Angel v. Victor Valley Hospital Acquisition, Inc.*, No. CIVDS2014298 (San Bernardino County Superior Court).
2. “Aggrieved Employees” means all persons who were employed by Defendant in hourly, non-exempt positions in the State of California during the period from April 8, 2019 through either March 7, 2021 or the date of entry of the Order and Judgment, whichever is earlier.
3. “Court” means the Superior Court for the State of California, County of San Bernardino.
4. “LWDA” means the California Labor and Workforce Development Agency.
5. “Gross Settlement Amount” means the Gross Settlement Amount of Five Hundred Thousand Dollars (\$500,000) to be paid by Defendants in full satisfaction of all Settled Claims arising from the Action, which includes all payments to Aggrieved Employees, Plaintiff, Plaintiff’s Counsel, the LWDA, and the Settlement Administrator.
6. “PAGA Penalties Fund” means the Gross Settlement Amount less the Attorneys’ Fees and Costs, Service Award, and Settlement Administrator Costs.
7. “Plaintiff’s Counsel” means Capstone Law APC.
8. “Service Award” means the amount to be paid to Plaintiff as payment for her service on behalf of the LWDA and Aggrieved Employees and for a general release of all claims arising out of her employment with Defendants.
9. “Settled Claims” means any and all claims for PAGA civil penalties under the California

1 Labor Code, Wage Orders, regulations, and/or other provisions of law alleged or that could have been
2 alleged to have been violated in the Action with respect to Aggrieved Employees based on the facts
3 alleged in the Action, as well as the PAGA notices submitted by Plaintiff, during the Settlement Period.

4 10. "Settlement Period" means April 8, 2019 through either March 7, 2021 or the date of
5 entry of the Order and Judgment, whichever is earlier.

6 **TERMS**

7 11. Gross Settlement Amount. In consideration for Plaintiff's promises and representations
8 described in this Settlement Agreement, and subject to all of the conditions of the Settlement being met,
9 Defendants will pay Five Hundred Thousand Dollars (\$500,000) ("Gross Settlement Amount") to settle
10 the Action, which represents the total amount payable in this Settlement by Defendants, and includes all
11 attorneys' fees, litigation costs and expenses, Service Awards, Settlement Administration Costs, and
12 payments to Aggrieved Employees and the LWDA for their share of the PAGA Penalties Fund. No
13 portion of the Gross Settlement Amount will be retained by, or revert to, Defendants.

14 12. Escalator Clause. Defendants will have the option to proportionally increase the Gross
15 Settlement Amount if the number of pay periods worked by Aggrieved Employees during the Settlement
16 Period is greater than 28,000. If Defendants fail to increase the Gross Settlement Fund proportionately,
17 Plaintiff shall have the right to terminate this Agreement and the Parties will be restored to their positions
18 prior to the Settlement and the Settlement shall be null and void. The formula for calculating the
19 proportional increase is as follows: Proportionally Increased Gross Settlement Amount = Total Number
20 of Pay Periods Worked During the Settlement Period ÷ 28,000 × \$500,000.

21 13. PAGA Penalties Fund. The PAGA Penalties Fund will be paid to Aggrieved Employees
22 and the LWDA in full satisfaction of all claims for PAGA civil penalties under the California Labor
23 Code, Wage Orders, regulations, and/or other provisions of law alleged to have been violated in the
24 Action with respect to Aggrieved Employees. Pursuant to PAGA, Seventy-Five Percent (75%) of the
25 PAGA Penalties Fund will be paid to the LWDA, and the remaining Twenty-Five Percent (25%) will be
26 paid to all Aggrieved Employees according to the following formula:

27 13(a) Defendants will calculate: (i) the total number of pay periods worked by
28 each Aggrieved Employee during the Settlement Period, and (ii) the total

number of pay periods worked by all Aggrieved Employees during the Settlement Period.

13(b) To determine each Aggrieved Employee's payment from the PAGA Penalties Fund, Defendants will use the following formula: Settlement Payment = 25% of PAGA Penalties Fund × [Pay Periods Worked by Individual Aggrieved Employee During the Settlement Period ÷ Total Pay Periods Worked by All Aggrieved Employees during the Settlement Period].

14. Attorneys' Fees and Costs. In full satisfaction of all claims Plaintiff may have for attorneys' fees, and all out-of-pocket costs incurred and to be incurred by Plaintiff's Counsel in the Action (including out-of-pocket costs not otherwise provided by CCP 1033.5), the Parties agree that Defendant will pay Plaintiff's Counsel a total of Two Hundred Thousand Dollars (\$200,000) in attorneys' fees and Ten Thousand Dollars (\$10,000) in litigation costs and expenses ("Attorneys' Fees and Costs"). Any portion of the Attorneys' Fees and Costs not awarded to Plaintiff's Counsel will be added to the PAGA Penalties Fund.

15. Service Award. For a general release of all claims Plaintiff may have against Defendants arising out of her employment, and for her service on behalf of the LWDA and Aggrieved Employees, Defendants agree to pay Plaintiff the sum of Ten Thousand Dollars (\$10,000) ("Service Award"). Upon receipt of the Service Award, Plaintiff will be deemed to have fully released and discharged Defendants from any and all claims, demands, obligations, causes of action, rights, or liabilities of any kind which have been or could have been asserted against Defendants arising out of, or relating to, Plaintiff's employment with Defendants or termination thereof, including but not limited to claims for wages, restitution, penalties, retaliation, defamation, discrimination, harassment or wrongful termination of employment. This release specifically includes any and all claims, demands, obligations and/or causes of action for damages, restitution, penalties, interest, and attorneys' fees and costs (except provided by the Settlement) relating to or in any way connected with the matters referred to herein, whether or not known or suspected to exist, and whether or not specifically or particularly described herein. Specifically, Plaintiff will be deemed to have waived all rights and benefits afforded by California Civil Code Section

1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

16. Settlement Administration Costs. The Parties will retain Simpluris as the third-party settlement administrator (“Settlement Administrator”). The Settlement Administrator will be responsible for establishing a qualified settlement fund (“QSF”) and issuing payments and appropriate tax forms to Aggrieved Employees, the LWDA, Plaintiff, and Plaintiff’s Counsel. The Settlement Administration Costs will be paid from the Gross Settlement Amount. Based on the estimate that there are approximately One Thousand One Hundred (1,100) Aggrieved Employees, Settlement Administration Costs are estimated at Seven Thousand Five Hundred Dollars (\$7,500).

17. Court Approval of the Settlement and Distribution of Settlement Payments. The Parties will present this Settlement Agreement to the Court and the LWDA. The Parties will request that the Court issue an order and judgment approving and incorporating by reference the terms and conditions of the Settlement Agreement (the “Order and Judgment”).

18. List of Aggrieved Employees. Within thirty (30) calendar days after entry of the Order and Judgment, Defendants will provide the Settlement Administrator a complete list of all Aggrieved Employees (“Aggrieved Employee List”). The Aggrieved Employee List will be formatted in Microsoft Office Excel and will include each Aggrieved Employees’ full name; most recent mailing address and telephone number; Social Security number; the respective number of pay periods during which each Aggrieved Employee worked during the Settlement Period; and any other relevant information needed to calculate settlement payments.

19. Funding of the Settlement. Within sixty (60) calendar days after entry of the Order and Judgment (“Partial Funding Date”), Defendant will deposit half of the Gross Settlement Amount into an interest-bearing account at a federally insured banking institution to be established by the Settlement Administrator. Within one year after the Partial Funding Date, Defendant will deposit the remaining half

1 of the Gross Settlement Amount into the interest-bearing account (“Full Funding Date”). Within (14)
2 calendar days of the Full Funding Date, the Settlement Administrator will issue payments (including all
3 accrued interest) to: (a) Aggrieved Employees; (b) the Labor and Workforce Development Agency; (c)
4 Plaintiff; (d) Plaintiff’s Counsel; and (e) itself. The Settlement Administrator, and not Defendants, will
5 issue the appropriate tax forms for all payments issued under this Settlement.

6 20. Settlement Payments to Aggrieved Employees. The Settlement Administrator will issue
7 each Aggrieved Employee one check for his or her share of the PAGA Penalties Fund along with an
8 explanatory letter substantially in the form attached as Exhibit A. Prior to mailing, the Settlement
9 Administrator will perform a search based on the National Change of Address Database for information
10 to update and correct for any known or identifiable address changes. Any checks returned as non-
11 deliverable on or before the check cashing deadline will be sent promptly via regular First-Class U.S.
12 Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement
13 Administrator will promptly attempt to determine the correct address using a skip-trace, or other search
14 using the name, address or Social Security number of the Aggrieved Employee involved, and will then
15 perform a single re-mailing. Checks will remain negotiable for 180 days. Those funds represented by un-
16 cashed checks which remain outstanding 180 days after the mailing of the Settlement checks by the
17 Settlement Administrator will be tendered to Crime Survivors, a California-based organization that
18 works in partnership with the San Bernardino County Sheriff’s Department and that is dedicated to
19 providing necessities to children who have been victims of crime and their families who have also been
20 victimized/traumatized. All settlement payments to Aggrieved Employees will be treated as
21 miscellaneous income for which a 1099 will be issued.

22 21. Settled Claims. Upon entry of the Order and Judgment, Plaintiff and all Aggrieved
23 Employees will be forever barred from pursuing against Defendants any and all Settled Claims during
24 the Settlement Period. Aggrieved Employees, other than Plaintiff, will not be deemed to have released
25 any individual wage and hour claims by virtue of this Settlement.

26 22. No Right to Exclusion or Objections by Representative Action Members. Because this
27 settlement resolves claims and actions brought pursuant to PAGA by Plaintiff acting as a proxy and as a
28 Private Attorney General of, and for, the State of California and the LWDA, the Parties agree that no

1 Aggrieved Employee has the right to exclude himself or herself from the Settlement. Aggrieved
2 Employees will be bound by the terms of the Settlement Agreement, upon its approval by the Court,
3 regardless of whether he or she cashes any payment received as a result of this Settlement. The Parties
4 also agree that no Aggrieved Employee has the right to object to the terms of the Settlement Agreement.

5 23. No Credit Toward Benefit Plans. Payments to Aggrieved Employees as referenced
6 herein will not be utilized to calculate any additional benefits under any benefit plans to which any
7 Aggrieved Employee may be eligible, including, but not limited to profit-sharing plans, bonus plans,
8 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit
9 plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights,
10 contributions, or amounts to which any Aggrieved Employee may be entitled under any benefit plans.

11 24. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant
12 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
13 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of
14 action or right herein released and discharged.

15 25. Nullification of Settlement Agreement. In the event that: (i) the Court does not approve
16 the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason, then
17 this Settlement Agreement, and any documents generated to bring it into effect, will be null and void,
18 and the Parties will be returned to their original respective positions.

19 26. Judgment and Continued Jurisdiction. After entry of the Order and Judgment, the Court
20 will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement
21 of the terms of the Settlement, (ii) settlement administration matters, and (iii) such post-Judgment matters
22 as may be appropriate under court rules or as set forth in this Settlement.

23 27. Entire Agreement. This Settlement Agreement constitutes the entirety of the Parties'
24 settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding
25 on the Parties.

26 28. Amendment or Modification. This Settlement Agreement may be amended or modified
27 only by a written instrument, signed by either the Parties or their successors-in-interest or counsel for all
28 Parties.

1 29. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
2 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
3 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
4 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
5 effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each
6 other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to
7 reach agreement on the form or content of any document needed to implement the Settlement, or on any
8 supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties
9 may seek the assistance of the Court to resolve such disagreement.

10 30. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
11 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

12 31. California Law Governs. All terms of this Settlement Agreement will be governed by
13 and interpreted according to the laws of the State of California.

14 32. Execution and Counterparts. This Settlement Agreement is subject only to the execution
15 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
16 executed counterparts and each of them, including electronic signatures (e.g., Docusign), facsimiles, and
17 scanned copies of the signature pages, will be deemed to be one and the same instrument.

18 33. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
19 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this
20 Settlement after arm's-length negotiations by experienced counsel. The Parties further acknowledge that
21 they are each represented by competent counsel and that they have had an opportunity to consult with
22 their counsel regarding the fairness and reasonableness of this Settlement.

23 34. Waiver of Certain Appeals. The Parties agree to waive appeals; except, however, that
24 Plaintiff may appeal any reduction to the Attorneys' Fees and Costs below the amount they request from
25 the Court, and either party may appeal any court order that materially alters the Settlement's terms.

26 35. Invalidity of Any Provision. Before declaring any provision of this Settlement
27 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
28 possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement

valid and enforceable.

36. Captions. The captions and section numbers in this Settlement Agreement are inserted for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the provisions of this Settlement Agreement.

37. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

38. Enforcement Action. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

39. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed more strictly against one Party merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

40. Representation By Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in full.

41. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

42. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply

under federal or state law.

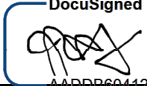
43. Denial of Liability. The Parties expressly recognize that the making of this agreement does not in any way constitute an admission or concession of wrongdoing on the part of Defendant. Nothing in this Settlement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the pendency of the Action, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this agreement may be used in any proceeding in the Court that has as its purpose the interpretation, implementation, or enforcement of the Settlement or any orders or judgments of the Court entered into in connection therewith.

44. Plaintiff's Counsel shall not hold any press conferences, issue any press releases, seek any publicity, or publish any announcements on any website with respect to this matter at any time. Upon settlement approval, the Parties and their Counsel may issue, if at all, only a mutually agreeable joint press release, though neither party is required to agree to any press release of any kind. Unless otherwise agreed by the Parties and their Counsel, any oral or written disclosure of information related to the Settlement shall be restricted to the material discussed in this Settlement Agreement and approval papers filed with the Court and LWDA.

READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: 2/24/2021

DocuSigned by:

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Julie Filamore-Angel

DEFENDANTS

Dated: _____

 Name of Authorized Signatory for
 Victor Valley Hospital Acquisition, Inc. and KPC

1 under federal or state law.

2 43. Denial of Liability. The Parties expressly recognize that the making of this agreement
3 does not in any way constitute an admission or concession of wrongdoing on the part of Defendant.
4 Nothing in this Settlement, nor any action taken in implementation thereof, nor any statements,
5 discussions or communications, nor any materials prepared, exchanged, issued or used during the
6 pendency of the Action, is intended by the Parties to, nor will any of the foregoing constitute, be
7 introduced, be used or be admissible in any way in any other judicial, arbitral, administrative,
8 investigative or other forum or proceeding, as evidence of any violation of any federal, state, or local law,
9 statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity.
10 Notwithstanding the foregoing, this agreement may be used in any proceeding in the Court that has as its
11 purpose the interpretation, implementation, or enforcement of the Settlement or any orders or judgments
12 of the Court entered into in connection therewith.

13 44. Plaintiff's Counsel shall not hold any press conferences, issue any press releases, seek
14 any publicity, or publish any announcements on any website with respect to this matter at any time.
15 Upon settlement approval, the Parties and their Counsel may issue, if at all, only a mutually agreeable
16 joint press release, though neither party is required to agree to any press release of any kind. Unless
17 otherwise agreed by the Parties and their Counsel, any oral or written disclosure of information related to
18 the Settlement shall be restricted to the material discussed in this Settlement Agreement and approval
19 papers filed with the Court and LWDA.

20 **READ CAREFULLY BEFORE SIGNING**

21 **PLAINTIFF**

22
23 Dated: _____

Julie Filamore-Angel

24
25 **DEFENDANTS**

26 Dated: 02-23-2021

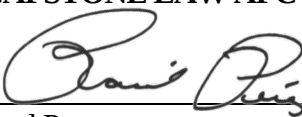
John R. Collins
Name of Authorized Signatory for
Victor Valley Hospital Acquisition, Inc. and KPC
Healthcare, Inc.

Healthcare, Inc.

APPROVED AS TO FORM

CAPSTONE LAW APC

Dated: February 24, 2021


Raul Perez

FISHER & PHILLIPS LLP

Dated: _____

David Amaya

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APPROVED AS TO FORM

CAPSTONE LAW APC

Dated: _____

Raul Perez

FISHER & PHILLIPS LLP

Dated: February 24, 2021



David Amaya

Exhibit 2

FIRM PROFILE

Capstone Law APC is one of California's largest plaintiff-only labor and consumer law firms. With over twenty-five seasoned attorneys, many formerly with prominent class action or defense firms, Capstone has the experience, resources, and expertise to successfully prosecute complex employment and consumer actions.

Since its founding in 2012, Capstone has emerged as a major force in aggregate litigation, making law on cutting-edge issues and obtaining over a hundred million dollars in recovery for employees and consumers:

- In February, 2015, Capstone attorneys Raul Perez and Ryan H. Wu were honored with the *California Lawyer* Attorney of the Year (CLAY) award in labor and employment for their work in the landmark case *Iskanian v. CLS Transportation Los Angeles*, 59 Cal.4th 348 (2014), which preserved the right of California workers to bring representative actions under the Labor Code Private Attorneys General Act ("PAGA") notwithstanding a representative action waiver in an arbitration agreement.
- Recognized as a leading firm in the prosecution of PAGA enforcement actions, Capstone is responsible for some of the most important decisions in this area. In *Williams v. Superior Court (Marshall's of Calif.)*, 3 Cal.5th 531 (2017), Capstone attorneys achieved a watershed decision before the California Supreme Court as to the broad scope of discovery in PAGA actions. In *Baumann v. Chase Inv. Servs. Corp.*, 747 F.3d 1117 (9th Cir. 2014), a case of first impression, Capstone successfully argued that PAGA actions are state enforcement actions not covered by the Class Action Fairness Act.
- Capstone has made important contributions to consumer protection law. In *McGill v. Citibank N.A.*, 2 Cal. 5th 945 (2017), Capstone represented plaintiffs in a major decision holding that the right to seek public injunctive relief under the state's consumer protection laws cannot be waived and that consumers need not satisfy class certification requirements to enjoin unfair business practices on behalf of the public. In *Nguyen v. Nissan N.A.*, 726 F.3d 811 (9th Cir. 2019), Capstone attorneys reversed a denial of class certification, making law that clarified the use of "benefit of the bargain" damages models in consumer class actions.
- Capstone served as class counsel in a number of significant wage and hour settlements, including \$12 million on behalf of a nationwide class of in *Hightower v. JPMorgan Chase Bank*, Case No. 11-01802 (C.D. Cal.), over \$10 million on behalf of non-exempt hourly workers in *Zamora v. Balboa Life & Casualty LLC*, Case No. BC360026 (L.A. Super. Ct.); and \$9 million on behalf of pharmacists in *Dittmar v. Costco Wholesale Corp.*, No. 14-1156 (S.D. Cal.). In *Vorise v. 24 Hour Fitness USA, Inc.*, No. C 15-02051 (Contra Costa Super. Ct.), Capstone and co-counsel negotiated an \$11 million PAGA settlement on behalf of over 36,000 employees for Labor Code violations.
- Capstone has an established practice in automotive defect class actions and is currently appointed sole class counsel, following contested class certification, in *Victorino v. FCA US, LLC*, No. 16-1617-GPC, 2019 WL 5268670 (S.D. Cal. Oct. 17, 2019) and *Salas v. Toyota Motor Sales, U.S.A., Inc.*, No. 15-8629-FMO, 2019 WL 1940619 (C.D. Cal. Mar. 27, 2019).

SUMMARY OF SIGNIFICANT SETTLEMENTS

Since its founding, Capstone has settled over 100 high-stakes class and representative actions totaling well over \$200 million dollars. Capstone's settlements have directly compensated hundreds of thousands of California workers and consumers. Capstone's actions have also forced employers to modify their policies for the benefit of employees, including changing the compensation structure for commissioned employees and changing practices to ensure that workers will be able to take timely rest and meal breaks. A leader in prosecuting PAGA enforcement actions, Capstone has secured millions of dollars in civil penalties for the State of California.

The following is a representative sample of Capstone's settlements:

- *Hightower et al v. Washington Mutual Bank*, No. 2:11-cv-01802-PSG-PLA (N.D. Cal.): gross settlement of \$12 million on behalf of approximately 150,000 personal bankers, tellers, sales associates, and assistant branch manager trainees for wage and hour violations;
- *Vargas v. Ford Motor Co.*, 12-08388-AB (C.D. Cal.): providing cash payments and unique buyback program for nearly 2 million consumers;
- *Moore v. PetSmart, Inc.*, No. 5:12-cv-03577-EJD (N.D. Cal.): gross settlement of \$10 million on behalf of over 19,000 non-exempt PetSmart employees for wage and hour violations;
- *Dittmar v. Costco Wholesale Corp.*, No. 14-1156 (S.D. Cal.): gross settlement of \$9 million on behalf of approximately 1,200 pharmacists for wage and hour violations;
- *Perrin v. Nabors Well Services Co.*, No. 56-2007-00288718 (Ventura Super. Ct.): gross settlement of over \$6.5 million on behalf of oil rig workers for sleep time and other wage violations;
- *Cook v. United Insurance Co.*, No. C 10-00425 (Contra Costa Super. Ct.): gross settlement of \$5.7 million on behalf of approximately 650 sales representatives;
- *Alvarez v. MAC Cosmetics, Inc.*, No. CIVDS1513177 (San Bernardino Super. Ct.): gross settlement of \$5.5 million for approximately 5,500 non-exempt employees.
- *Aceves v. AutoZone, Inc.*, No. 14-2032 (C.D. Cal.): gross settlement of \$5.4 million in a case alleging FCRA violations;
- *Berry v. Urban Outfitters Wholesale, Inc.*, No. 13-02628 (N.D. Cal.): gross settlement of \$5 million on behalf of over 12,000 nonexempt employees;
- *The Children's Place Retail Stores Wage & Hour Cases*, No. JCCP 4790: gross settlement of \$5 million on behalf of 15,000 nonexempt employees;
- *York v. Starbucks Corp.*, Case No. 08-07919 (C.D. Cal.): gross settlement of nearly \$5 million on behalf of over 100,000 non-exempt workers for meal break and wage statement claims;
- *Rodriguez v. Swissport USA*, No. BC 441173 (Los Angeles Super. Ct.): gross settlement of nearly \$5 million on behalf of 2,700 non-exempt employees following contested certification;
- *Asghari v. Volkswagen Group of North America*, Case No. 13-02529 (C.D. Cal.): Settlement providing complementary repairs of oil consumption defect, reimbursement for repairs, and extended warranty coverage of certain Audi vehicles valued at over \$20 million;
- *Klee v. Nissan of North America*, Case No. 12-08238 (C.D. Cal.): Settlement providing complimentary electric vehicle charging cards and extending warranty coverage for the electric battery on the Nissan Leaf valued at over \$10 million.

PROFESSIONAL BIOGRAPHIES

Partners

Rebecca Labat. Rebecca Labat is co-managing partner of Capstone Law APC, supervising the litigation for all of the firm's cases. She also manages the firm's co-counsel relationships and assists the firm's other partners and senior counsel with case management and litigation strategy. Under Ms. Labat's leadership, Capstone has successfully settled over 100 cases, delivering hundreds millions of dollars to California employees and consumers while earning statewide recognition for its cutting-edge work in developing new law.

Ms. Labat's career accomplishments representing consumers and employees in class actions include the certification of a class of approximately 3,200 current and former automobile technicians and shop employees for the miscalculation of the regular rate for purposes of paying premiums for missed meal and rest breaks.

Before her work representing plaintiffs in class and representative actions, Ms. Labat was an attorney with Wilson Elser and represented life, health, and disability insurers in litigation throughout California in both state and federal courts. She graduated from the University of California, Hastings College of the Law in 2002, where she was a member of the Hastings Civil Justice Clinic, served as a mediator in Small Claims Court for the City and County of San Francisco, and received the CALI Award for Excellence in Alternative Dispute Resolution. She received her undergraduate degree from the University of California, Los Angeles. Ms. Labat is a member of the National Employment Lawyers Association (NELA), the Consumer Attorneys Association of Los Angeles (CAALA), and the Beverly Hills Bar Association.

Raul Perez. Raul Perez is co-managing partner at Capstone, and has focused exclusively on wage and hour and consumer class litigation since 2011. Mr. Perez is the lead negotiator on numerous large settlements that have resulted in hundreds of millions to low-wage workers across California, including many of the most valuable settlements reached by Capstone.

During his career, Mr. Perez has successfully certified by way of contested motion and/or been appointed Lead Counsel or Interim Lead Counsel in several cases, including: *Lopes v. Kohl's Department Stores, Inc.*, Case No. RG08380189 (Alameda Super. Ct.); *Hightower v. JPMorgan Chase Bank*, Case No. 11-01802 (C.D. Cal.); *Tameifuna v. Sunrise Senior Living Managements, Inc.*, Case No. 13-02171 (C.D. Cal.) (certified class of over 10,000 hourly-paid employees); and *Berry v. Urban Outfitters Wholesale, Inc.*, Case No. 13-02628 (N.D. Cal.) (appointed lead counsel in a class action involving over 10,000 non-exempt employees). As the lead trial attorney in *Iskanian v. CLS Transportation Los Angeles*, 59 Cal. 4th 348 (2014), Mr. Perez, along with Mr. Wu, received the 2015 CLAY Award in labor and employment.

Mr. Perez received both his undergraduate degree and his law degree from Harvard University and was admitted to the California Bar in December 1994. Earlier in his career, Mr. Perez handled a variety of complex litigation matters, including wrongful termination and other employment related actions, for corporate clients while employed by some of the more established law firms in the State of California, including Morgan, Lewis & Bockius; Manatt Phelps & Phillips; and Akin Gump Strauss Hauer & Feld. Before Capstone, Mr. Perez was a partner at another large plaintiff's firm, helping to deliver millions of dollars in relief to California workers.

Melissa Grant. Melissa Grant is a partner at Capstone. Ms. Grant is responsible for litigating many of the firm's most contentious and high-stakes class actions. The author of numerous successful motions for class certification, Ms. Grant is the lead or co-lead attorney on multiplied certified class actions currently on track for trial, representing over 140,000 California employees in pursuing their wage and hour claims. She is also at the forefront in developing the law on PAGA, including administrative exhaustion, standing, the nature of PAGA violations, the scope of discovery, and trials.

Prior to joining Capstone, Ms. Grant worked at the Securities and Exchange Commission as a staff attorney in the Enforcement Division, investigating ongoing violations of federal securities regulations and statutes and for Quinn Emanuel Urquhart & Sullivan, LLP, where she was an associate on the trial team that prosecuted the *Mattel v. Bratz* case. Ms. Grant began her legal career as a law clerk to the Honorable Harry Pregerson, Justice of the Ninth Circuit Court of Appeals before joining Sidley & Austin as an associate. She graduated from Southwestern Law School in 1999, where she served as editor-in-chief of the Law Review, and graduated *summa cum laude* and first in her class. Ms. Grant earned her undergraduate degree from Cornell University, where she received the JFK Public Service Award and the Outstanding Senior Award. Her published articles include: *Battling for ERISA Benefits in the Ninth Circuit: Overcoming Abuse of Discretion Review*, 28 Sw. U. L. Rev. 93 (1998), and CLE Class Actions Conference (SF) CAFA: *Early Decisions on Commencement and Removal of Actions* (2006).

Ryan H. Wu. Ryan H. Wu is a partner at Capstone and is primarily responsible for complex motion work and supervising court approval of class action settlements. Mr. Wu handles many of the most challenging legal issues facing Capstone's clients, including the scope and operation of PAGA, contested attorneys' fees motions, responding to objectors, and high-impact appeals. Mr. Wu is responsible for the merits briefing in *McGill v. Citibank, N.A.*, 2 Cal. 5th 945 (2017), where the California Supreme Court unanimously held that consumers' right to pursue public injunctive relief cannot be impeded by a contractual waiver or class certification requirements. He briefed the closely-watched *Williams v. Superior Court (Marshall's of CA LLC)*, 3 Cal.5th 531 (2017), an important pro-employee ruling that broadened the scope of discovery in PAGA actions and resolved a longstanding conflict regarding third-party constitutional privacy rights. He also authored the briefs in *Baumann v. Chase Inv. Servs. Corp.*, 747 F.3d 1117 (9th Cir. 2014), where, on an issue of first impression, the Ninth Circuit sided with Plaintiffs in holding that PAGA actions are state enforcement actions not covered by the CAFA. In February 2015, Mr. Wu, along with Mr. Perez, received the prestigious CLAY award for his successful appellate work, including briefing to the California Supreme Court, in *Iskanian*. Mr. Wu recently achieved an important consumer victory in *Nguyen v. Nissan N.A.*, 932 F.3d 811 (9th Cir. 2019), which clarified the use of "benefit of the bargain" damages models in consumer class actions.

Mr. Wu graduated from the University of Michigan Law School in 2001, where he was an associate editor of the *Michigan Journal of Law Reform* and contributor to the law school newspaper. He received his undergraduate degree in political science with honors from the University of California, Berkeley. He began his career litigating international commercial disputes and commercial actions governed by the Uniform Commercial Code. Mr. Wu is co-author of "*Williams v. Superior Court: Employees' Perspective*" and "*Iskanian v. CLS Transportation: Employees' Perspective*," both published in the *California Labor & Employment Law Review*.

Robert Drexler. Robert Drexler is a partner with Capstone Law where he leads one of the firm's litigation teams prosecuting wage-and-hour class actions. He has more than 25 years of experience representing clients in wage-and-hour and consumer rights class actions and other complex litigation in state and federal courts. Over the course of his career, Mr. Drexler has successfully certified dozens of employee classes for claims

such as misclassification, meal and rest breaks, and off-the-clock work, ultimately resulting in multi-million dollar settlements. He has also arbitrated and tried wage-and-hour and complex insurance cases. Mr. Drexler has been selected as one of Southern California's "Super Lawyers" every year from 2009 through 2020.

Before joining Capstone, Mr. Drexler was head of the Class Action Work Group at Khorrami Boucher, LLP and led the class action team at The Quisenberry Law Firm. Mr. Drexler graduated from Case Western Reserve University School of Law, where he served as Managing Editor of the Case Western Reserve Law Review and authored *Defective Prosthetic Devices: Strict Tort Liability for the Hospital?* 32 CASE W. RES. L. REV. 929 (1982). He received his undergraduate degree in Finance at Ohio State University where he graduated *cum laude*. Mr. Drexler is a member of Consumer Attorneys of California (CAOC) and Consumer Attorneys of Los Angeles (CAALA). He has been a featured speaker at class action and employment litigation seminars, and has published articles in CAOC's Forum Magazine and The Daily Journal.

Jamie Greene. is a partner with Capstone Law, where she leads the firm's business development and case generation team. Ms. Greene is responsible for evaluating all potential new cases and referrals, developing new claims, and managing the firm's client and cocounseling relationships. She also supervises the pre-litigation phase for all cases, including investigation, analysis, and client consultation.

Before joining Capstone, Ms. Greene began her legal career at Makarem & Associates representing clients in a wide array of cases ranging from wrongful death, insurance bad faith, employment, personal injury, construction defect, consumer protection, and privacy law. Ms. Greene is a graduate of the University of Southern California Gould School of Law and earned her bachelor's degree from Scripps College in Claremont, California.

Senior Counsel

Theresa Carroll. Theresa Carroll is a senior counsel at Capstone Law. Her practice is devoted to the Appeals & Complex Motions team, working on various settlement and approval projects.

Prior to joining Capstone, Ms. Carroll was an associate with Parker Stanbury, LLP, advising small business owners on various employment matters and worked as an associate attorney for O'Donnell & Mandell litigating employment discrimination and sexual harassment cases. In 1995, she graduated from Southwestern University School of Law where she was on the trial advocacy team and was awarded the prestigious Trial Advocate of the Year award sponsored by the American Board of Trial Advocates (ABOTA) for Southwestern University School of Law. Ms. Carroll received her Bachelor of Science degree in speech with an emphasis in theatre from Iowa State University.

Liana Carter. Liana Carter is a senior counsel with Capstone Law APC, specializing in complex motions, writs, and appeals. Her work on recent appeals has included reversing a denial of class certification decision in *Brown v. Cinemark USA, Inc.*, No. 16-15377, 2017 WL 6047613 (9th Cir. Dec. 7, 2017), affirming a denial of a motion to compel arbitration in *Jacoby v. Islands Rests., L.P.*, 2014 Cal. App. Unpub. LEXIS 4366 (2014) and reversal of a dismissal of class claims in *Rivers v. Cedars-Sinai Med. Care Found.*, 2015 Cal. App. Unpub. LEXIS 287 (Jan. 13, 2015). Ms. Carter was responsible for drafting the successful petition for review in *McGill v. Citibank N.A.*, as well as the petition for review and briefing on the merits in *Williams v. Superior Court*, 2017 WL 2980258. Ms. Carter also has extensive prior experience in overseeing settlement negotiations and obtaining court approval of class action settlements.

Ms. Carter was admitted to the California bar in 1999 after graduating from the University of Southern California Gould School of Law, where she was an Articles Editor on the board of the *Southern California Law Review*. She received her undergraduate degree with honors from the University of California, Irvine.

Anthony Castillo. Anthony Castillo is a senior counsel with Capstone Law. His practice focuses on analyzing and developing pre-litigation wage-and-hour and consumer claims, including PAGA representative actions and class actions for failure to pay overtime and minimum wages, meal and rest period violations, and claims under the Fair Labor Standards Act and the Investigative Consumer Reporting Agency Act. Prior to joining Capstone, he was an associate at a California bankruptcy practice, where he represented individual and business debtors in liquidations and re-organizations as well as various debt and foreclosure defense-related issues.

Mr. Castillo graduated from Loyola Law School, Los Angeles in 2009, where he volunteered with the Disability Rights Legal Center. He attended Stanford University for his undergraduate degree, majoring in Political Science and minoring in History. Anthony is admitted to practice law in California and Washington and before the United States District Court for the Central and Southern Districts of California.

Molly DeSario. Molly DeSario is a senior counsel with Capstone Law, specializing in employment class action litigation. Ms. DeSario's practice focuses primarily on wage-and-hour class action and Private Attorneys General Act litigation on behalf of employees for failure to pay overtime and minimum wages, provide meal and rest breaks, and provide compensation for off-the-clock work. She has experience briefing and arguing a multitude of dispositive motions in state and federal court and has successfully certified and settled numerous classes for claims such as exempt misclassifications, unpaid wages, missed meal and rest breaks, and unreimbursed business expenses.

Ms. DeSario began her career as a general practice litigation associate with Sandler & Mercer in Rockville, Maryland, handling a wide range of civil and criminal matters. Since 2005, she has primarily litigated class action cases and, for the last seven years, has focused on representing employees and consumers in class and collective actions across California and the nation, helping them recover millions of dollars in unpaid wages, restitution, and penalties. Molly graduated from Northeastern University School of Law in 2002. During law school, she interned for the U.S. Attorney's Office in Boston, Massachusetts, and the Honorable Paul L. Friedman at the U.S. District Court for the District of Columbia. She received her undergraduate degree in Marketing and International Business from the University of Cincinnati, where she graduated summa cum laude.

Robert Friedl. Robert Friedl is a senior counsel at Capstone, where he devotes most of his time to the briefing and litigation strategy of consumer protection cases. Mr. Friedl has over 20 years of experience representing plaintiffs and defendants in consumer class actions, insurance coverage and defense, employment law, and personal injury. His lengthy service as an appellate attorney has yielded several published cases, including successful outcomes in *Goldstein v. Ralphs*, 122 Cal. App. 4th 229 (2004), *Morgan v. AT&T*, 177 Cal. App. 4th 1235 (2009), and *Hecimovich v. Encinal School Parent Teacher Organization*, 203 Cal. App. 4th 450 (2012). At Capstone, Mr. Friedl was responsible for the appellate win in *Grant v. Unifund CCR, LLC*, 577 Fed. Appx. 693 (9th Cir. 2014).

Prior to joining Capstone, Mr. Friedl was a partner at civil litigation boutique, where he handled the firm's most complex briefing. He is a graduate of the University of Connecticut, and received his law degree from Southwestern School of Law, where he earned an American Jurisprudence Book Award.

Daniel Jonathan. Daniel Jonathan is a senior counsel at Capstone Law. His practice primarily involves wage-and-hour class actions and PAGA litigation on behalf of employees for the failure to pay overtime and minimum wages, failure to provide meal and rest breaks, claims under the Fair Labor Standards Act, and other California Labor Code violations.

Prior to joining Capstone, Mr. Jonathan began his career as an associate at Kirkland & Ellis representing Fortune 500 clients in high-stakes litigation in various matters, including class action defense and plaintiff's actions for accounting fraud. Following that, he was a senior counsel at a boutique litigation firm where he successfully first-chaired several trials. Mr. Jonathan graduated from the Northwestern University School of Law. He received his undergraduate degree in Accounting from the University of Southern California, where he graduated cum laude. He has passed the CPA examination and worked as an auditor at Deloitte before attending law school.

Jonathan Lee. A senior counsel with Capstone, Jonathan Lee primarily litigates employment class actions. At Capstone, Mr. Lee has worked on several major successful class certification motions, and his work has contributed to multi-million dollar class settlements against various employers, including restaurant chains, retail stores, airport staffing companies, and hospitals. Prior to joining Capstone, Mr. Lee defended employers and insurance companies in workers' compensation actions throughout California.

Mr. Lee graduated in 2009 from Pepperdine University School of Law, where he served as an editor for the Journal of Business, Entrepreneurship and the Law; he received his undergraduate degree from UCLA.

Mark A. Ozzello. Mark A. Ozzello is a senior counsel with Capstone Law, where he leads the firm's consumer team. He is a nationally recognized and respected consumer and employment attorney who has litigated those issues throughout the country. He has always been at the forefront of consumer rights, sitting on the Board of Governors for the Consumer Attorneys of California and regularly appearing as a featured speaker on consumer rights issues nationwide.

Mr. Ozzello is a former partner of Arias Ozzello & Gignac and, most recently, was Of Counsel to Markun Zusman Freniere & Compton, LLP. In his capacity as a litigator, he has obtained results for his clients in excess of \$200 million dollars. Mark has also achieved consistent success in the California Courts of Appeal, and several judicial opinions regularly cite to his matters as authority for class certification issues. He has also argued appellate issues in several Circuit Courts of Appeals with great success. Mr. Ozzello attended Pepperdine University School of Law where he was an Editor to the Law Review, publishing several articles during his tenure in that capacity. He received his undergraduate degree from Georgetown University.

Mr. Ozzello has always strived to be an integral part of local communities. He has established educational scholarship programs at several charitable organizations, including El Centro De Amistad in Los Angeles and St. Bonaventure Indian Mission and School in Thoreau, New Mexico, and presides over a legal clinic in Los Angeles which provides pro bono legal assistance to non-English speaking individuals.

Bevin Allen Pike. Bevin Allen Pike is a senior counsel with Capstone Law where she focuses primarily on wage-and-hour class actions. Ms. Pike has spent her entire legal career representing employees and consumers in wage-and-hour and consumer rights class actions. Over the course of her career, Ms. Pike has successfully certified dozens of employee and consumer classes for claims such as meal and rest breaks, unpaid overtime, off-the-clock work, and false advertising.

Before joining Capstone, Ms. Pike's experience included class and representative action work on behalf of employees and consumers at some of the leading plaintiffs' firms in California. Ms. Pike graduated from Loyola Law School, Los Angeles, where she was an Editor for the International and Comparative Law Review. She received her undergraduate degree from the University of Southern California. Ms. Pike has been selected as one of Southern California's "Super Lawyers – Rising Stars" every year from 2012 through 2015.

Eduardo Santos. Eduardo Santos is a senior counsel at Capstone Law, and concentrates his practice on managing and obtaining court approval of many of Capstone's wage-and-hour, consumer, and PAGA settlements, from the initial contract drafting phase to motion practice, including contested motion practice on attorneys' fees. Over the course of his career, Mr. Santos has helped to secure court approval of over one hundred high-stakes class and representative action settlements totaling over \$100 million.

Before joining Capstone, Mr. Santos began his career at a prominent plaintiff's firm in Los Angeles specializing in mass torts litigation, with a focus on complex pharmaceutical cases. Most notably, he was involved in the national Vioxx settlement, which secured a total of \$4.85 billion for thousands of individuals with claims of injuries caused by taking Vioxx. Mr. Santos graduated from Loyola Law School, Los Angeles, where he was a recipient of a full-tuition scholarship awarded in recognition of academic excellence. While in law school, Mr. Santos served as an extern for the Honorable Thomas L. Willhite, Jr. of the California Court of Appeal. He graduated magna cum laude from UCLA and was a recipient of the Ralph J. Bunche Scholarship for academic achievement.

Mao Shiokura. Mao Shiokura is a senior counsel with Capstone. Her practice focuses on identifying, evaluating, and developing new claims, including PAGA representative actions and class actions for wage-and-hour violations and consumer actions under the Consumers Legal Remedies Act, False Advertising Law, Unfair Competition Law, and other consumer protection statutes. Prior to joining Capstone, Ms. Shiokura was an associate at a California lemon law firm, where she represented consumers in Song-Beverly, Magnuson-Moss, and fraud actions against automobile manufacturers and dealerships.

Ms. Shiokura graduated from Loyola Law School, Los Angeles in 2009, where she served as a staff member of Loyola of Los Angeles Law Review. She earned her undergraduate degree from the University of Southern California, where she was a Presidential Scholar and majored in Business Administration, with an emphasis in Cinema-Television and Finance.

John Stobart. John Stobart is a senior counsel with Capstone Law. He focuses on appellate issues in state and federal courts and contributes to the firm's amicus curiae efforts to protect and expand the legal rights of California employees and consumers. Mr. Stobart has significant appellate experience having drafted over two dozen writs, appeals and petitions, and having argued before the Second, Fourth, and Fifth Districts of the California Court of Appeal.

Prior to joining Capstone, Mr. Stobart was a law and motion attorney who defended against civil liability in catastrophic injury and wrongful death cases brought against his clients, which included the railroad, public schools, small businesses, and commercial and residential landowners. He has drafted and argued scores of dispositive motions at the trial court level and had success in upholding judgments and verdicts on appeal. He graduated cum laude from Thomas Jefferson School of Law where he was on the mock trial competition team and earned his undergraduate degree from the Ohio State University.

Orlando Villalba. Orlando Villalba is a senior counsel at Capstone Law. His practice primarily involves wage-and-hour class actions and PAGA litigation on behalf of employees for the failure to pay overtime and minimum wages, failure to provide meal and rest breaks, claims under the Fair Labor Standards Act, and other California Labor Code violations.

Mr. Villalba began his career at Kirkland & Ellis where he handled a wide range of business litigation matters, including transnational contract disputes, insurance-related tort claims, developer litigation, and civil rights actions. He also has extensive plaintiff-side experience representing government agencies and note-holders in the pursuit of mortgage and other fraud losses. Mr. Villalba graduated from Stanford Law School, where he served as an articles editor on the Stanford Journal of Law, Business & Finance. After law school, he clerked for the Honorable Warren Matthews of the Alaska Supreme Court. Orlando received his bachelor's degree in International Business from the University of Southern California.

Steven Weinmann. Steven Weinmann is a senior counsel with Capstone Law and leads the consumer rights team. His practice encompasses complex and class action litigation, including consumer product and services cases under California's Unfair Competition Law (UCL), data privacy breach cases, and a special emphasis on vehicle defect litigation. He has a background in securities litigation, antitrust, environmental law, and consumer class action cases.

Prior to joining Capstone, Steven's experience included litigating class actions on behalf of employees and consumers, in addition to representing individuals and small and large companies in various types of litigation, from business disputes to personal injury, financial fraud, construction defects, and products liability. Steven has been instrumental in achieving favorable results for numerous certified classes, including cases against Home Depot USA (for wage and hour and UCL claims); LegalZoom.com, Inc. (claims involving illegal practice of law); Wells Fargo Bank, N.A. (UCL, CLRA, federal Truth in Lending Act [TILA] claims). Steven briefed and help bring about numerous reported decisions including *Fraleigh v. Facebook*, 830 F.Supp.2d 785 (N.D. Cal. 2011) (defeating a motion to dismiss on claims involving the right to publicity); *Ceja v. Rudolph & Sletten*, 194 Cal.App.4th 584 (Sixth Appellate Div. 2011), affirmed, California Supreme Court, 56 Cal. 4th 1113 (2013) (confirming the test for determining putative spouse status is a subjective one). He also helped brief and obtained a decision favorable to plaintiffs in a seminal case under California's UCL, *McAdams v. Monier, Inc.*, 182 Cal.App.4th 174 (2010) (deciding only the named class representative needed to satisfy Proposition 64 standing requirements). He received his J.D. with distinction from the Hofstra University School of Law, where he was an associate editor on the Hofstra Law Review, and earned his undergraduate degree in English Literature and Political Science from Rutgers University.

Tarek Zohdy. A senior counsel with Capstone Law, Tarek Zohdy develops, investigates and litigates automotive defect class actions, along with other consumer class actions for breach of warranty and consumer fraud. At Capstone, he has worked on several large-scale automotive class actions from investigation through settlements that have provided significant relief to millions of defrauded car owners. Before joining Capstone, Mr. Zohdy spent several years representing individual consumers in their actions against automobile manufacturers and dealerships for breaches of express and implied warranties pursuant to the Song-Beverly Consumer Warranty Act and the Magnuson-Moss Warranty Act, commonly referred to together as "Lemon Law." He also handled fraudulent misrepresentation and omission cases pursuant to the Consumers Legal Remedies Act. Mr. Zohdy graduated from Louisiana State University *magna cum laude* in 2003, and Boston University School of Law in 2006, where he was a member of the criminal clinic representing underprivileged criminal defendants.

Associates

Brandon Brouillette. Brandon Brouillette is an associate with Capstone Law, where his practice focuses on representing employees and consumers in complex litigation, primarily wage-and-hour class actions and PAGA representative actions. Mr. Brouillette's entire legal career has been devoted to representing individual and class representative plaintiffs against large corporate entities. Prior to joining Capstone, he served as an associate at Boucher LLP where he managed the firm's wage-and-hour class actions. He earned his Juris Doctor from Loyola Law School, Los Angeles, where he spent a summer interning for the legal clearance and corporate legal departments at Warner Bros. He received his undergraduate degree from the University of Southern California, where he majored in Business Administration and spent a semester abroad in Budapest, Hungary. In 2016, Brandon was selected as one of Super Lawyers' "Rising Stars" in Southern California.

Joseph Hakakian. Joseph Hakakian is an associate with Capstone Law. His practice focuses on prosecuting wage-and-hour class and representative actions in state and federal court. Prior to joining Capstone Law, Mr. Hakakian served as a summer clerk for Mark Ozzello at Markun Zusman Freniere & Compton, LLP, working on various actions including wage-and-hour claims, unpaid overtime, false advertising, and unfair competition. He graduated from UCLA School of Law, with a business law specialization, where he served as a staff editor for the Journal of Environmental Law and Policy and worked as a law clerk with the Consumer Protection Division of the Los Angeles District Attorney's Office. Prior to attending law school, Mr. Hakakian received his undergraduate degree from University of California, Los Angeles, in 2013, where he graduated summa cum laude, Dean's Honor List, and College Honors, and received scholastic achievement awards from Golden Key Honor Society and Phi Alpha Theta Honor Society. Joseph is an active member of the Consumer Attorneys Association of Los Angeles (CAALA), Consumer Attorneys of California (CAOC), and Beverly Hills, Los Angeles County, and Santa Monica Bar Associations.

Michelle Kennedy. Michelle Kennedy is an associate with Capstone Law. Her practice focuses on analyzing pre-litigation wage-and-hour and consumer claims, including claims for overtime wages, meal and rest periods, and off-the-clock work violations. She began her career as a contract attorney in the Utah Attorney General's Civil Litigation Division handling torts, civil rights, and employment law matters. She later founded her own firm handling business and intellectual property matters, where she settled a copyright infringement suit. Prior to moving to Southern California, Ms. Kennedy was recognized by Super Lawyers as a Mountain States Rising Star in 2017 and 2018. She also served as President of the Utah Minority Bar Association and as an Ex-Officio Member of the Utah State Bar Commission. Michelle graduated from the University of Utah S.J. Quinney College of Law in 2013, where she served as President of the Art Law Alliance and Vice President of the Minority Law Caucus. She earned her undergraduate degree from Brigham Young University in 2010, where she majored in Philosophy. Ms. Kennedy is an active member of the Consumer Attorneys Association of Los Angeles (CAALA) and the Los Angeles County Bar Association. Michelle is admitted to practice law in Utah and California.

Alexander Lima. Alexander Lima is an associate with Capstone Law. His practice focuses on evaluating pre-litigation wage-and-hour claims, including potential violations of overtime and minimum wage law, meal and rest period requirements, and off-the-clock work issues, as well as consumer protection claims. Previously, Mr. Lima was an associate at a California civil litigation practice representing individuals and entities in real estate disputes. He graduated from Santa Clara University, School of Law in 2018, where he served as an Executive Board Member of the Honors Moot Court and was selected as a regional finalist for the American

Bar Association Negotiation Competition. He received his undergraduate degree from the University of California, Riverside in 2014.

Trisha Monesi. Trisha Monesi is an associate with Capstone. Her practice focuses on prosecuting consumer class actions in state and federal court. Ms. Monesi graduated from Loyola Law School, Los Angeles in 2014, where she served as an editor of the Loyola of Los Angeles Entertainment Law Review and was a certified law clerk at the Center for Juvenile Law and Policy. She earned her undergraduate degree from Boston University in 2011, where she majored in Political Science and International Relations. She is an active member of the Women Lawyers Association of Los Angeles, and the Los Angeles County and Beverly Hills Bar Associations.

Cody Padgett. An associate with Capstone, Cody Padgett's practice focuses on prosecuting automotive defect and other consumer class action cases in state and federal court. He handles consumer cases at all stages of litigation, and has contributed to major settlements of automobile defect actions valued in the tens of millions. Prior to joining Capstone Law, Mr. Padgett was a certified legal intern with the San Diego County Public Defender's Office. During law school, Mr. Padgett served as a judicial extern to the Honorable C. Leroy Hansen, United States District Court for the District of New Mexico. He graduated from California Western School of Law in the top 10% of his class and received his undergraduate degree from the University of Southern California, where he graduated *cum laude*.

Julian Quattlebaum. Julian Quattlebaum is an associate with Capstone. His practice focuses on analyzing pre-litigation wage-and-hour and consumer claims, including claims for overtime wages, meal and rest periods, and off-the-clock work violations. He began his career at an entertainment law firm, handling intellectual property matters, copyright infringement disputes, and contract litigation. During his time at the firm, he authored an amicus brief that was quoted in oral argument before the Ninth Circuit Court of Appeals during en banc review. Later, he helped author an appellate brief regarding the rights to the storyline of a successful Disney film franchise. Mr. Quattlebaum graduated from Emory University School of Law in 2019. While there, he was a member of the Moot Court Society, representing the school at the NYU Immigration Law competition in his second year, and the National Competition in his third year. He was given the Society's Award for Excellence in Oral Advocacy and was inducted into the Order of Emory Advocates. He earned his undergraduate degree from the University of Colorado Boulder in 2015, where he majored in Evolutionary Biology.

OUTREACH AND EDUCATION

To increase public awareness about the issues affecting class action and other representative litigation in the consumer and employment areas, Capstone publishes the Impact Litigation Journal (www.impactlitigation.com). Readers have access to news bulletins, op-ed pieces, and legal resources. By taking advantage of social media, Capstone hopes to spread the word about consumer protection and employee rights to a larger audience than has typically been reached by traditional print sources, and to thereby contribute to the enforcement of California's consumer and workplace protection laws.

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8 Attorneys for Plaintiff Julie Filamore-Angel

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 FOR THE COUNTY OF SAN BERNARDINO

11
12 JULIE FILAMORE-ANGEL, as an aggrieved
employee pursuant to the Private Attorneys
13 General Act ("PAGA"), on behalf of the State of
California and other aggrieved employees,

14 Plaintiff,

15 vs.

16 VICTOR VALLEY HOSPITAL
17 ACQUISITION, INC., a California corporation;
KPC HEALTHCARE, INC., a Nevada
18 corporation; and DOES 1 through 10, inclusive,

19 Defendants.
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Case No. CIVDS2014298

Assigned to the Hon. David S. Cohn

**DECLARATION OF JULIE FILAMORE-
ANGEL IN SUPPORT OF MOTION FOR
COURT APPROVAL OF THE PAGA
SETTLEMENT**

Date: March 18, 2021

Time: 10:00 a.m.

Place: Department S26

DECLARATION OF JULIE FILAMORE-ANGEL

I, Julie Filamore-Angel, hereby declare as follows:

1. I am over eighteen years old and unless the context indicates otherwise, I have personal knowledge of the following facts, and if called as a witness, I could and would testify competently to them. I am the Plaintiff in the above-captioned action, and a representative for the LWDA and Aggrieved Employees. I make this declaration in support of the Motion for Court Approval of the Parties' PAGA Settlement.

2. I was employed by Defendants Victor Valley Hospital Acquisition, Inc. and KPC Healthcare, Inc. ("Defendants") as an hourly paid, non-exempt Registered Nurse from approximately February 2019 to March 20, 2020. I decided to file this lawsuit to redress certain employment-related grievances that I had against Defendants. These grievances are set forth in detail in my letter to the California Labor and Workforce Development Agency ("LWDA") and my Complaint.

3. Prior to filing the action, my attorneys and I had multiple conferences about the factual bases for the claims that I wanted to pursue against Defendants.¹ During those conferences, my attorneys provided me with an overview of how those claims would be litigated and generally educated me about the nature of complex/representative litigation and my role as the representative Plaintiff.

4. My attorneys provided me with a draft of the Complaint for my review and approval. I closely reviewed the Complaint to ensure accuracy and completeness. Following the filing of the Complaint, I collaborated with my attorneys on the prosecution of my claims, and I regularly contacted my attorneys to stay current on the status of the litigation, and to discuss my attorneys' progress in prosecuting the claims.

5. At the recommendation of my attorneys, I agreed to schedule a mediation in my case. During the day of the mediation, I remained actively engaged with my attorneys and responded to their questions and any rebuttals offered by Defendant's counsel regarding my alleged claims in the action.

6. I have carefully reviewed the terms of the proposed settlement. My attorneys explained the specifics of how the settlement would work and I accepted the settlement only after I had spent time

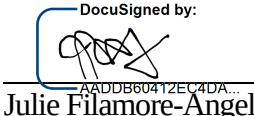
¹ Although the preservation of my attorney-client privilege requires that I refrain from revealing the specifics of my communications with my attorneys, I understand that the privilege is not waived by stating generally the matters that I have discussed with my attorneys.

1 evaluating the proposed outcome to assure that it was fair. Based on my attorneys' evaluation and
2 recommendation, and my own review, I believe the settlement is fair and reasonable and furthers
3 PAGA's objectives, as they have been explained to me.

4 7. In summary, over the course of this litigation I have spent a significant amount of time
5 conferring and working with my attorneys on the prosecution of my claims, assisting my attorneys at
6 mediation, and evaluating the settlement and related documents. I estimate that I have spent between 25
7 and 30 hours assisting my attorneys in the prosecution of this lawsuit.

8 8. I believe my negotiated Service Award is reasonable compensation for my service on
9 behalf of the LWDA and Aggrieved Employees, and for the general release that I am required to provide
10 Defendants as a condition of settlement, which has independent value and which I believe makes up a
11 major fraction of the value of the Service Award. This general release requires me to waive *all* claims
12 that I have arising out of my employment beyond those alleged in this lawsuit, with the exception of any
13 workers' compensation claims, and thus releases any claims I believe I have based on how I was unfairly
14 treated by Defendants. The Service Award is thus fair and reasonable compensation for my effort in
15 bringing the action, regularly conferring with my attorneys on the status of the case and the strategies for
16 prosecuting the claims, reviewing the proposed settlement to ensure that its terms are fair, and providing
17 Defendants with a general release of all claims I may have against them.

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19 I declare under penalty of perjury under the laws of the State of California that the foregoing is
20 true and correct. Executed on [Date] 2/24/2021, at [City] Apple valley, California.

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8 Attorneys for Plaintiff Julie Filamore-Angel

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 FOR THE COUNTY OF SAN BERNARDINO

11
12 JULIE FILAMORE-ANGEL, as an aggrieved
employee pursuant to the Private Attorneys
13 General Act ("PAGA"), on behalf of the State of
California and other aggrieved employees,

14 Plaintiff,

15 vs.

16 VICTOR VALLEY HOSPITAL
17 ACQUISITION, INC., a California corporation;
KPC HEALTHCARE, INC., a Nevada
18 corporation; and DOES 1 through 10, inclusive,

19 Defendants.
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Case No. CIVDS2014298

Assigned to the Hon. David S. Cohn

**[PROPOSED] ORDER GRANTING MOTION
FOR COURT APPROVAL OF THE
PARTIES' PAGA SETTLEMENT AND
JUDGMENT**

Date: March 18, 2021

Time: 10:00 a.m.

Place: Department S26

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1 finding of the validity of any allegations or of any wrongdoing by Defendants. Neither this Order and
2 Judgment, the Settlement, nor any document referred to herein, nor any action taken to carry out the
3 Settlement, may be construed as, or may be used as, an admission of any fault, wrongdoing, omission,
4 concession, or liability whatsoever by or against Defendants.

5 8. The settlement of civil penalties under PAGA in the amount of approximately \$272,500
6 is hereby approved. Seventy-Five Percent (75%), or approximately \$204,375, shall be paid to the
7 California Labor and Workforce Development Agency. The remaining Twenty-Five Percent (25%), or
8 approximately \$68,125, shall be paid to Aggrieved Employees.

9 9. The Court hereby awards \$200,000 in attorneys' fees and \$10,000 costs to Plaintiff's
10 Counsel, Capstone Law APC.

11 10. The Court approves a Service Award of \$10,000 to Julie Filamore-Angel.

12 11. The Court appoints Simpluris, Inc. to serve as the Settlement Administrator.

13 12. This Judgment shall be binding on all Aggrieved Employees and the State of California,
14 who are hereby barred by the doctrine of res judicata from re-litigating the Settled Claims during the
15 Settlement Period, as those terms are defined by the Settlement. *See Arias v. Superior Court*, 46 Cal. 4th
16 969, 986 (2009) (holding that a judgment in a representative action brought by an aggrieved employee
17 under PAGA is binding not only on the named employee plaintiff but also on state labor law
18 enforcement agencies and any aggrieved employee not a party to the proceeding).

19 13. Without affecting the finality of the Order and Judgment, the Court shall retain exclusive
20 and continuing jurisdiction under California Code of Civil Procedure § 664.6, over the above-captioned
21 action and the parties for purposes of enforcing the terms of the Judgment and the Settlement.

22 14. This document shall constitute a judgment under California Code of Civil Procedure §
23 664.6.

24
25 **IT IS SO ORDERED, ADJUDGED, AND DECREED.**

26 Date _____

27 Hon. David S. Cohn
28 San Bernardino County Superior Court Judge