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11 employees

12 SUPERIOR COURT OF THE STATE OF CALIFORNIA

13 FOR THE COUNTY OF LOS ANGELES – STANLEY MOSK COURTHOUSE

14 SILVIA LEMUS, individually and on
15 behalf of all other aggrieved employees,

16 Plaintiffs,

17 v.

18 TARNIK, INC., dba PDA GROUP, an
19 active California Corporation; REAL
20 TIME STAFFING SERVICES, LLC aba
21 SELECT STAFFING, an active
22 California Limited Liability Company;
23 EMPLOYBRIDGE, LLC, an active
24 California Limited Liability; and DOES 1
25 through 10,

26 Defendants.

Case No.: 21STCV40242

REPRESENTATIVE ACTION

*[Assigned to Hon. Lynne M. Hobbs
in Dept. 61]*

**PLAINTIFF’S NOTICE OF MOTION
AND MOTION FOR APPROVAL OF
PAGA SETTLEMENT, AND PAYMENT
OF ATTORNEYS’ FEES AND COSTS,
ADMINISTRATION COSTS, AND
ENHANCEMENT AWARD;
DECLARATION OF ZORIK
MOORADIAN; [PROPOSED] ORDER**

Date: March 17, 2025

Time: 10:00 a.m.

Dept.: 61

Hearing Reservation No.: 975706079992

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PLAINTIFF’S NOTICE OF MOTION AND MOTION FOR APPROVAL OF PAGA SETTLEMENT

1
2 **PLEASE TAKE NOTICE** that, pursuant to Cal. Lab. Code §2699, on March 17,
3 2025 at 10:00 a.m. or as soon thereafter as the matter may be heard in Department 61 of the
4 above-entitled Court located at 111 North Hill Street, Los Angeles, California 90012, Plaintiff,
5 Silvia Lemus ("Plaintiff"), on behalf of all other similarly aggrieved PAGA Members, will
6 and hereby does move this Court for entry of an Order:

7 1. Approving the settlement entered into between Plaintiff, Defendant Tarnik,
8 Inc., dba PDA Group ("Tarnik"), Defendant Real Time Staffing Services, LLC dba Select
9 Staffing ("Real Time"), and Defendant Employbridge, LLC ("Employbridge") (collectively
10 "Defendants") for representative claims under the Labor Code Private Attorneys General Act
11 of 2004 ("PAGA"), as reflected by the Parties' Joint Stipulation of Settlement and Release of
12 PAGA Action ("Settlement Agreement" or "S.A."); and

13 2. Approving a distribution of the Gross Settlement Payment of \$100,000, in
14 accordance with the Settlement Agreement and on account of disputed and alleged civil
15 penalties, as follows: (a) payment of \$40,000.00 in attorneys' fees to Mooradian Law, APC,
16 ("PAGA Counsel"); (b) payment of \$3,926.97 in attorneys' costs to PAGA Counsel; (c)
17 payment of \$10,000 to Plaintiff as an enhancement award for bringing and prosecuting the
18 action and agreeing to a general release; (d) \$6,000.00 in administration costs to CPT Group,
19 Inc. (e) payment to the Labor and Workforce Development Agency ("LWDA") totaling
20 \$30,054.78 which amount represents 75% of the total Gross Settlement Payment after
21 attorneys' fees, enhancement award, attorneys' costs, and administration costs ("Net
22 Settlement Amount"); and (f) payment of \$10,018.25, which amount represents 25% of the
23 Net Settlement Amount, on a pro-rata basis to all PAGA Members (defined as all current and
24 former non-exempt employees of Real Time Staffing Services, LLC dba Select Staffing who
25 were placed on assignment at PDA in California during the period from August 25, 2020 to
26 April 21, 2024 ("PAGA Period."))

27 This motion is based on this Notice, the attached Memorandum of Points and
28 Authorities, the supporting declaration of Zorik Mooradian and the exhibits attached thereto;

1 the [Proposed] Order Granting Plaintiff's Motion for Approval of PAGA Settlement, and
2 Payment of Attorneys' Fees, Costs, and Enhancement Award; the Settlement Agreement; all
3 other pleadings and papers on file in this action; and on any further oral or documentary
4 evidence or argument presented at the time of hearing.

5
6 Dated: January 13, 2025

MOORADIAN LAW, APC

7
8 By: /s/Haik Hacopian

9 Zorik Mooradian, Esq.,
10 Haik Hacopian, Esq.
11 Attorneys for Plaintiff and PAGA
12 Members
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1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 Plaintiff Silvia Lemus (“Plaintiff”) hereby seeks court approval of a settlement of a
4 pending Private Attorneys General Act (“PAGA”) claim as initiated by the notice letter from
5 Plaintiff Lemus dated August 25, 2021. The scope of the settlement is limited to civil
6 penalties, does not act as a waiver to any employee’s individual claims for individual relief,
7 and releases “all claims and theories that were alleged, or that could have been alleged based
8 on the facts alleged in the Action during the PAGA Period and as set forth in the PAGA Notice
9 Letter...” (S.A. at §1.23). The Gross Settlement Amount of \$100,000, and allocation for civil
10 penalties therein, is fair, adequate, and reasonable and sufficient to deter further violations and
11 encourage compliance with the law.

12 The Parties reached their settlement after review and analysis of the PAGA claims’
13 predicates through sufficient informal discovery, i.e. a 10% of time and payroll records for
14 PAGA Members, as well as relevant handbooks. The settlement was thereafter reached after
15 a mediation session on January 22, 2024 with a well-respected neutral mediator, Hon. Richard
16 A. Stone (ret.).

17 As part of the Gross Settlement Payment and as authorized by the PAGA statute,
18 Plaintiff’s counsel is seeking recovery of \$40,000.00 in attorneys’ fees, which is forty percent
19 of the Gross Settlement Amount. Moreover, this requested amount is fair, adequate, and
20 reasonable, in light of the work performed by counsel and recovery obtained. Counsel’s
21 minimum lodestar of \$55,000 readily exceeds the fee request. Counsel is additionally seeking
22 \$3,926.97 in costs, which were reasonable and necessary to the prosecution of this action.
23 Additionally, Plaintiff is seeking a \$10,000 enhancement award for bringing and prosecuting
24 this action and making this settlement possible as well as for agreeing to a general release.
25 Plaintiff is also requesting that CPT Group, Inc. be appointed as the settlement administrator
26 and that \$6,000 be paid to CPT for services relating to distributions under the settlement which
27 includes mailing payments to the PAGA Members.

1 **II. FACTUAL AND PROCEDURAL BACKGROUND**

2 **A. Plaintiff, Defendants, and PAGA Members**

3 Defendants Real Time and Employbridge are affiliated staffing agencies that placed
4 employees for work with Defendant Tarnik. Plaintiff and PAGA Members were employed at
5 Tarnik's facility in Santa Clarita. Tarnik is a full-service distributor for auto, chemical,
6 cosmetic, food, and personal care industries. Declaration of Zorik Mooradian (hereinafter
7 "ZM Decl.") ¶6.

8 The number of PAGA Members, i.e. Real Time/Employbridge employees placed for
9 work at Tarnik, from November 1, 2020 to November 3, 2023 (when the data was prepared
10 for mediation), was 122 and who worked 2,000 weekly pay periods. The settlement
11 contemplates coverage for 2,200 pay periods through the end of the PAGA Period on April
12 21, 2024, before Defendants have the option of increasing the Gross Settlement Amount on a
13 pro-rata basis or shortening the PAGA Period to the last day before the 2,200 pay period
14 threshold is exceeded. ZM Decl. ¶7.

15 **B. Plaintiff's Lawsuits, Discovery, and Mediation**

16 **1. Plaintiff Silvia Lemus's Lawsuits**

17 On August 26, 2021, Plaintiff Lemus filed a wage and hour class action lawsuit against
18 Defendants bearing Los Angeles County Superior Court Case No. 21STCV31763 ("Class
19 Action"). On that date as well, Plaintiff communicated a PAGA notice to Defendants. Upon
20 submission of the PAGA Notice to the LWDA, Plaintiff Lemus's PAGA claim was assigned
21 Case No. LWDA-CM-842509-21. On November 21, 2021, the instant PAGA lawsuit was
22 filed. ZM Decl. ¶8.

23 On January 14, 2021, in the Class Action, Defendants filed a motion to compel
24 arbitration of Plaintiff's claims and dismiss, or alternatively stay, proceedings pending
25 completion of arbitration. Plaintiff opposed the Motion. On March 11, 2022, the court in the
26 Class Action granted Defendants' Motion, dismissed class claims, ordered that Plaintiff
27 arbitrate her individual claims, and stayed the matter. The Parties thereafter proceeded to
28

1 arbitration with JAMS. Upon the United States Supreme Court’s decision in *Viking River*
2 *Cruises, Inc. v. Moriana* (2022) 596 U.S. 639, Plaintiff’s individual PAGA claims would be
3 subject to the order compelling arbitration. ZM Decl. ¶9.

4 **2. Collective Labor Code/Wage Order sections at Issue**

5 As mentioned, Plaintiff Lemus filed a notice letter with the California Labor and
6 Workforce Development Agency (“LWDA”) on August 25, 2021 giving notice of her intent
7 to pursue a PAGA representative action, on behalf of herself and the State of California as
8 well as on behalf of a group of similarly situated aggrieved employees giving notice of their
9 collective intent to seek penalties under Labor Code sections 2698 et. seq. based on alleged
10 violations of Labor Code sections 201, 202, 203, 204, 212, 213, 226, 226.7, 510, 512, and
11 1194, (“PAGA letter”). A true and correct copy of the noted PAGA Letter is attached as
12 **Exhibit “1”** to the Declaration of Zorik Mooradian. ZM Decl. ¶10, Exh. 1.

13 **3. Discovery and Mediation**

14 This lawsuit has involved production of a 10% sample of employee time and payroll
15 data to Plaintiff as well as policies relevant to asserted PAGA claims. Defendants provided
16 data regarding the total number of PAGA Members (122) and total pay periods implicated
17 (2,000). This information has been reviewed and assessed by Plaintiff. The Parties have
18 conducted investigation of the operative facts and applicable law during the litigation. The
19 Parties have also investigated the applicable law as applied to the facts, potential defenses
20 thereto, and damages claimed by Plaintiff on behalf of PAGA Members. Subsequently, on
21 January 22, 2024, Plaintiff and Defendants engaged in mediation before an esteemed
22 mediator, Hon. Richard A. Stone (ret.). During the Mediation, and with significant assistance
23 from the mediator, the Parties agreed to a PAGA representative settlement, which was
24 negotiated in light of all known facts and circumstances—including the difficulty of proving
25 some of Plaintiff’s underlying bases for the PAGA penalty claims, potential defenses asserted
26 by Defendants to the PAGA penalty claims, the uncertainty associated with litigation, the risks
27 of significant delay, and numerous potential appellate issues. Thereafter, the settlement was
28

1 solidified between the Parties during the months that followed. Ultimately, the Settlement
2 Agreement was entered into. ZM Decl. ¶11.

3 **C. Essential Terms of the Settlement**

4 The Parties' settlement allocates \$100,000 for settlement of the PAGA claims which
5 is the total amount to be paid by Defendants under this Settlement. After allocated attorneys'
6 fees of \$40,000.00, requested costs of \$3,926.97, administrative costs of \$6,000, and a
7 \$10,000 enhancement award and general release payment to Plaintiff, 75% of the Net
8 Settlement Amount, or \$30,054.78, will be paid as the LWDA's 75% share of PAGA
9 penalties, and \$10,018.25 will be payable to PAGA Members. The Individual Settlement
10 Payment payable to each PAGA Member will be the proportionate share of the Net Settlement
11 Amount to be distributed to each PAGA Member based on the number of his or her Pay
12 Periods worked in the PAGA Period in relation to the aggregate number of Pay Periods
13 worked by the Settlement Group during the PAGA Period. (S.A. at ¶1.10). The Gross
14 Settlement Payment is for civil penalties only and does not act as a waiver to any employee's
15 individual claims for individual relief. ZM Decl. ¶12.

16 A true and correct copy of the Joint Stipulation of Settlement and Release of PAGA
17 Action ("Settlement Agreement" or "S.A"), is attached as **Exhibit 2** to the Declaration of
18 Zorik Mooradian. ZM Decl. ¶13, Exh. 2.

19 The Settlement contemplates inclusion of the "Transmittal of Individual Settlement
20 Award" cover letter with payments to PAGA Members which notifies them of the Lawsuit,
21 Settlement, Release, and calculation of their share. A true and correct copy of the letter is
22 incorporated as **Exhibit "A"** to the Settlement Agreement. (S.A. at ¶1.28).

23 The Settlement contemplates maximum coverage for 2,200 Pay Periods during the
24 PAGA Period, which if increases, gives Defendants the option to (1) increase the Gross
25 Settlement Amount on pro rata basis for each additional pay period over 2,200, or (2) end the
26 PAGA Period on the last day before the 2,200 pay period threshold is exceeded. (S.A. at ¶5.6).

27 The Administrator will issue checks for the Individual PAGA Payments and send them
28

1 to the PAGA Members via First Class U.S. Mail. PAGA Members will have one hundred
2 eighty (180) days to cash their checks. Any uncashed checks will be sent to the Controller of
3 the State of California to be held pursuant to the Unclaimed Property Law for the benefit of
4 those Settlement Group Members whose checks were voided. (S.A. at ¶7.3).

5 The Settlement Administrator, CPT Group, will format and mail the Settlement Letter
6 and Individual Settlement Payments, perform a National Change of Address database search
7 to update Settlement Group Members addresses prior to the mailing, perform skip-traces,
8 locate and update Settlement Group Members' addresses, calculate, and distribute Individual
9 Settlement Payments, and perform any other tasks requested by the Parties or by the Court.
10 (S.A. at ¶6.1).

11
12 **III. THIS COURT SHOULD APPROVE THIS PAGA SETTLEMENT**
13 **BECAUSE IT IS A FAIR, ADEQUATE, AND REASONABLE**
14 **COMPROMISE OF HIGHLY DISPUTED CLAIMS**

15 Labor Code section 2699(l)(2) provides that the Court shall review and approve any
16 settlement of any civil action filed pursuant to PAGA. A PAGA settlement is different from
17 one in a class action, however, and a PAGA settlement is not subject to the same level of
18 scrutiny in approving an associated settlement. These distinctions include the fact that a
19 PAGA representative action is fundamentally a law enforcement action designed to protect
20 the public and penalize the employer for past illegal conduct. *Cunningham v. Leslie's*
21 *Poolmart, Inc.* (C.D. Cal. June 25, 2013) 2013 U.S.Dist. LEXIS 90256, 16-17 [internal
22 citation omitted].) The purpose of a PAGA action is not to collect damages on behalf of
23 employees or provide restitution for Labor Code violations. *Id. see also Franco v. Athens*
24 *Disposal Co., Inc.* (2009) 171 Cal.App.4th 1277, 1300 ("Restitution is not the primary
25 objection of a PAGA action, as it is in most class action.") Also, PAGA does not require notice
26 requirements for unnamed aggrieved employees nor may such employees opt out of a PAGA
27 action. *Baumann v. Chase Ins. Servs. Corp.* (9th Cir. 2014) 747 F.3d 1117, 1122).

28 Civil Penalties assessed under PAGA are primarily intended to deter violations of the
employment laws of the State of California. *Iskanian v. CLS Transportation Los Angeles, LLC*

1 (2015) 59 Cal.4th 348. Whether the total settlement of a PAGA claim achieves the objectives
2 of the statute is a factor that should strongly be considered in evaluating this instant settlement.
3 Significantly, pursuant to Labor Code Section 2699(e)(2), in any action brought by an
4 aggrieved employee under PAGA, a court may award a lesser amount than the maximum civil
5 penalty amount if to do otherwise would result in an award that is unjust, arbitrary and
6 oppressive, or confiscatory. Courts routinely exercise this discretion. See e.g., *Parr v. Golden*
7 *State Overnight* (Alameda S.Ct., 2014, RG12-618103) (93% reduction in PAGA penalties
8 even after plaintiffs prevailed at trial); *Kileigh Carrington v. Starbucks Corp.* (2018) 30
9 Cal.App.5th 504 (reducing potential PAGA liability to only \$5 per proven violation). As
10 explained below, the weaknesses of the claim would potentially justify significant reduction
11 of maximum available penalties. The terms of the settlement sufficiently act to deter
12 Defendants from further violations alleged in the matter.

13 PAGA was passed because the Legislature believed it necessary “to achieve maximum
14 compliance with state labor laws” and “to ensure an effective disincentive for employers to
15 engage in unlawful and anticompetitive business practices.” 2003 Cal. Legis. Serv. Ch. 906 §
16 1(a). The Legislature further found that, while self-policing efforts have had some success,
17 “in other cases the only meaningful deterrent to unlawful conduct is the vigorous assessment
18 and collection of civil penalties as provided in the Labor Code.” *Id.* at § 1(b). Through PAGA,
19 the Legislature thus: (1) sought to “enlist[] willing citizens in the task of private enforcement,”
20 *Iskanian*, 59 Cal.4th at 390; (2) “deputized” aggrieved employees to sue on behalf of the State
21 to enforce state labor laws; and (3) authorized them to recover civil penalties, attorneys’ fees,
22 and costs. 2003 Cal. Legis Serv. Ch. 906 (Legislative Counsel’s Digest). In bringing a PAGA
23 action, “[t]he employee-plaintiff acts as the proxy or agent of the state labor enforcement
24 agencies, representing the same legal right and interest as those agencies” *Id.* at 394.

25 As for the interests of the LWDA (in whose shoes Plaintiff stands), its top enforcement
26 priorities are “to vigorously enforce minimum labor standards in order to ensure employers
27 are not required or permitted to work under substandard unlawful conditions . . .” and to
28

1 “protect employers who comply with the law from those who attempt to gain a competitive
2 advantage at the expense of their workers by failing to comply with minimum labor
3 standards.” Labor Code §90.5(a). Moreover, in addition to the collection of civil penalties,
4 Labor Code § 1194.5 (which is specifically referenced in Labor Code § 90.5) authorizes the
5 LWDA to seek injunctive relief.

6 **A. Analysis of Plaintiff’s PAGA Claim**

7 1. Payment of Wages

8 Employee time was tracked through physical timesheets. Plaintiff contended that the
9 timesheets were completed by worksite managers without any employee input and were not
10 reflective of actual work time. Defendants countered that employees worked set shifts on
11 assembly lines such that there would not be any variability in time punches as the work day
12 was from 7:30 a.m. to 3:30 p.m. with a set lunch break at 10:00 a.m. Defendants also
13 represented that employees were advised to raise any concerns with respect to time tracking
14 and pay with management. Based on the foregoing, it will be extremely difficult to establish
15 that employees are owed any amount of additional wages for work off-the-clock. ZM Decl.
16 ¶15.

17 2. Meal and Rest Breaks

18 Plaintiff contended that the meal entries were not reflective of actual timing and
19 duration as the time sheets were completed by the worksite managers and not employees.
20 Defendants countered that employees received training as to breaks and breaks were
21 scheduled at proper intervals for what was a predictable assembly line work environment.
22 Meal breaks were scheduled from 10:00 a.m. to 10:30 a.m., and two paid rest breaks of fifteen
23 minutes each (greater than the 10 minute required minimum) were provided at 9:00 a.m. and
24 2:00 p.m. Defendants represented that breaks would be announced by a bell system and that
25 everyone would stop work and take breaks at the same time and that work was not allowed to
26 occur during breaks. ZM Decl. ¶16.

27 //

28

1 3. Use of Pay Cards for Wages

2 Plaintiff was paid her wages via pay card. Plaintiff contended that the use of a pay card
3 was mandatory and imposed charges in violation of Labor Code Sections 212 and 213.
4 Defendants represented that they procured written consent from Plaintiff for use of a pay card,
5 which was never revoked, and that employees could withdraw the full amount of their wages
6 in a single transaction as the first transaction each time the card was loaded, no different than
7 cashing a physical paycheck. That any charges would be incidental and not barred, such as
8 using a pay card at a foreign institution. ZM Decl. ¶17.

9 4. Wage Statement and Waiting Time Violations

10 These claims would be derivative of the above claims. For instance, to the extent
11 improper fees were imposed on pay cards, final wages would not be complete in violation of
12 Labor Code Sections 201-203 and to the extent any additional wages or break premiums are
13 owed, the wage statements would not be accurate. ZM Decl. ¶18.

14 5. Potentially Available PAGA Penalties/Realistic Exposure

15 The lawsuit implicates an estimated 2,000 weekly pay periods during the PAGA
16 Period. Maximum penalties, assuming a violation for each and every pay period, assessed at
17 the \$100 violation rate, for each of the 2,000 pay periods results in maximum potential
18 exposure of \$200,000. To the extent Plaintiff is able to stack PAGA penalties, the potential
19 maximum could be higher. ZM Decl. ¶23. Although no California appellate decision has
20 addressed whether a plaintiff can stack penalties for different predicate violations, the
21 California Supreme Court's decision in *ZB, N.A. v. Superior Court*, (2019) 8 Cal.5th 175,
22 rejected an employee's attempt to recover default civil penalties in addition to civil penalties
23 assessed with respect to unpaid wages under Cal. Labor Code Sec. 558. The Court highlighted
24 that civil penalties "are intended 'to punish the employer' for wrongdoing, often 'without
25 reference to the actual damage sustained'" (*citing Murphy v. Kenneth Cole Productions,*
26 *Inc.* (2007) 40 Cal.4th 1094, 1104). Plaintiff ultimately does not anticipate being able to stack
27 PAGA penalties as she deems it highly likely that a court will potentially be persuaded that
28

1 assessment of a single penalty per pay period per employee will be sufficient to punish past
2 violations and deter future ones. ZM Decl. ¶19.

3 Furthermore, discretionary reductions are anticipated in addition to general litigation
4 risk and delay. Taking the \$200,000 sum as the maximum potential figure and applying a
5 discretionary reduction of 80% (consistent with reported cases) results in \$40,000 in available
6 penalties. The penalties to be distributed (\$40,073.03) readily captures this sum. The Parties'
7 settlement substantially captures this realistic valuation, provides for significant recovery of
8 civil penalties by the state, and is expected to deter future Labor Code violations by
9 Defendants. Accordingly, Plaintiff's counsel believes that this PAGA settlement is fair,
10 reasonable, and in the best interests of the PAGA Members and the State of California. ZM
11 Decl. ¶20.

13 **IV. AN AWARD OF ATTORNEYS' FEES SHOULD BE APPROVED**

14 California Labor Code § 2699(g) states that an employee whose action results in the
15 payment of civil penalties "shall be entitled to an award of reasonable attorneys' fees and
16 costs." Here, Plaintiff's counsel is seeking recovery of \$40,000.00 in attorneys' fees, or forty
17 percent of the Gross Settlement Amount. The incurred fees are necessary and reasonable.
18 Significantly, these fees are contingent in nature for counsel. ZM Decl. ¶21.

19 In Counsel's experience, a gross PAGA settlement of \$100,000 is a fair, reasonable,
20 and adequate settlement in light of the strength of the claim, Defendants' defenses, and the
21 strong possibility there would be no recovery without this settlement. Even if Plaintiff was to
22 prevail on the underlying claim, she would face the potential of significant discretionary
23 reduction of maximum penalties by the Court. Counsel's efforts have resulted in over a thirty-
thousand-dollar recovery by the State of California. ZM Decl. ¶5.

24 **A. PAGA Counsel's Fees Should be Approved as a Percentage of the** 25 **Total Common Fund Created**

26 PAGA Counsel seeks a fee award calculated as a percentage of the total value of the
27 settlement for successful prosecution and resolution of all existing claims. Both California
28

1 State and Federal Courts have recognized that an appropriate method in determining an
2 attorney fee award may be based on the percentage on the total value of the benefits conferred
3 by the settlement. *Serrano v. Priest* (1997) 20 Cal. 3d 25-34 [*Serrano III*]; *Boeing Company*
4 *v. Van Gemert* (1980) 344 U.S. 472, 478; *Vincent v. Hughes Airwest, Inc.* (9th Cir. 1977) 557
5 F.2d 759, 769. The purpose of this equitable doctrine is to avoid unjust enrichment and to
6 “spread litigation costs proportionately among all the beneficiaries so that the active
7 beneficiary does not bear the entire burden alone.” *Id.* at 768. The monetary benefits will then
8 be paid from a common fund.

9 The California Supreme Court endorsed a fee award as a percentage of the common
10 fund; the Court clarified “that when an attorney fee is awarded out of a common fund
11 preserved or recovered by means of litigation (internal citation omitted), the award is not per
12 se unreasonable merely because it is calculated as a percentage of the common fund.” *Laffitte*
13 *v. Robert Half Int’l. Inc.* (2016) 1 Cal. 5th 480, 486. Also “[t]hat the recognized advantages
14 of the percentage method...convince us that the percentage method is a valuable tool that
15 should not be denied in our trial courts.” *Id.* at 503.

16 The Common Fund Doctrine is predicated on the principle of preventing unjust
17 enrichment. When a litigant’s efforts create or preserves, or generates a fund from which
18 others derive benefits, he may require the passive beneficiaries to compensate those who
19 created the fund. Both California State and Federal Courts have embraced this Doctrine.
20 *Serrano III, supra*, at 35; *Vincent, supra*, at 769.

21 Since *Serrano III, supra*, there has been a ground swell of support for mandating the
22 percentage of the fund approach in common fund cases. Both State and Federal Court have
23 found the percentage approach preferable to the Lodestar because; (1) it aligns the interest of
24 counsel and absent parties (PAGA Counsel and the LWDA here); (2) it encourages efficient
25 resolution of the litigation by providing an incentive for early, yet reasonable, settlement; and
26 (3) it reduces the demand on judicial resources. *In re Activision Sec. Litig.* (N.D. Cal. 1989)
27 723 F Supp. at 1378-79. The Ninth Circuit now routinely uses the percentage of the common
28 fund approach to determine the award of attorney fees. *Lealao v. Beneficial Calif., Inc.* (2000)
82 Cal.App.4th 19, 30-31.

1 Collectively, PAGA counsel seeks \$40,000.00 which is forty-percent of the \$100,000
2 Settlement Amount. Class Counsel's request for forty-percent of the monetary fund recovered
3 is well within the range customarily approved by California courts in class actions as well as
4 with contingency contracts negotiated by Plaintiff and her counsel. "Empirical studies show
5 that regardless of whether or not the percentage method or Lodestar method is used, fee
6 awards in class actions average around one-third of the recovery." See e.g., *Chavez v. Netflix,*
7 *Inc.* (2008) 162 Cal.App.4th 66, fn. 11; *In re California Indirect Purchases* (October 22, 1998)
8 WL1031494 at *9 (citing *In re Milk Antitrust Litigation* (L.A. Sup. Ct. 1998) Civ. Case No.
9 BC070061 (33 1/3% award); *In re Facsimile Paper Antitrust Litigation* (San Francisco Sup.
10 Ct. 1997) Civ. Case No. BC 0070061 (33 1/3% award); *In re Liquid Carbon Dioxide Cases*
11 (San Diego Sup. Ct. 1996) J.C.C.P. 3012 (33 1/3% award); *Romero v. Producers Dairy Foods,*
12 *Inc.* (E.D. Cal. November 14, 2007) WL 3492841 at *4 ("fee awards in class actions average
13 around one-third of the recovery." (Quoting Newberg on Class Actions § 14.6 (4th ed. 2007).

14 In *Lealao, supra*, at 46-47, the Court indicated that in defining a "reasonable" fee in
15 representative actions, the law should "mimic the market." The Court went on to state:

16 "Given the unique reliance of our legal system on private litigants to enforce
17 substantive provisions of law through class and derivative actions, attorneys
18 providing the essential enforcement services must be provided incentives roughly
19 comparable to those negotiated in the private bargaining that takes place in the
20 legal marketplace as it will otherwise be economic for Defendant's to increase
21 injurious behavior. *Lealao, supra*, 82 Cal.App.4th at 46-47, and *Graciano v.*
22 *Robinson Ford Sales, Inc.* (2006) 144 Cal. App.4th 140, 163.

23 For the following reasons, awarding forty percent of the gross settlement for attorney
24 fees is fair, reasonable and appropriate.

25 **B. Factors Supporting the Fee Award**

26 **1. The Amount of the Settlement**

27 In Counsel's experience, a PAGA settlement for \$100,000 is a fair, reasonable, and
28 adequate settlement in light of the asserted claims, Defendants' defenses, and the strong
possibility that there would be no recovery without this settlement. ZM Decl., ¶5. The LWDA
will be recovering a significant penalty award and PAGA Members will be receiving

1 noteworthy payments as well. The average amount expected to be paid amongst 122 PAGA
2 Members is \$82.12. ($\$10,018.25 \div 122$). ZM Decl., ¶12.

3 2. The Named Plaintiff Signed a Retainer Agreement

4 Plaintiff Lemus signed a single retainer with Mooradian Law, APC. The Retainer
5 Agreement had language providing a maximum of forty percent (40%) in attorneys' fees, of
6 course, subject to court approval on class and representative issues. The Retainer Agreement
7 also had a provision for recovery of costs in relation to the representation. ZM Decl. ¶23.

8 In *Lealao, supra*, 82 Cal.App.4th at 46-47, the court indicated that in defining a
9 "reasonable" fee in representative actions, the law should "mimic the market." Here, as for
10 the representation of the individual rights of Ms. Lemus, a retainer agreement for forty percent
11 of gross recovery would be consistent with the market rate, and there is no reason to believe
12 that if counsel had signed a retainer agreement with the LWDA to prosecute claims on the
13 LWDA's behalf, it would be any different. ZM Decl. ¶24.

14 In, *In re Cont'l Ill. Secs. Litig.*, Judge Posner endorsed a market-based approach to
15 evaluating fee requests, stating that the function of judges in fee litigation "is to determine
16 what the lawyer would receive if he were selling his services in the market rather than being
17 paid by court order." (7th Cir. 1992) 962 F.2d 566, 568. In a law review article (Silver) entitled
18 "A Restitutionary Theory of Attorneys' Fees in Class Actions (1991) 76 Cornell L.Rev. 656,
19 702-703 (it stated that the goal "is to pay attorneys on terms they would probably accept in an
20 ex ante bargain, before the outcome of litigation is known").

21 3. Defendants Do Not Object to the Attorney Fee Agreement

22 In almost all the mediations that Mr. Mooradian has attended, a one-third to 35%
23 attorney fee percentage is generally agreed upon by the defendant and the plaintiff subject to
24 court approval. In this matter, the Parties agreed that PAGA Counsel may request up to forty
25 percent due to the amount of the settlement and the significant work completed by counsel in
26 litigation, arbitration, mediation, and seeking approval. ZM Decl. ¶25.

27 Here, it is beyond any reasonable dispute that, if PAGA counsel had been able to
28 negotiate directly with the LWDA, the LWDA would have found that a forty percent fee
arrangement was eminently reasonable. ZM Decl. ¶26.

1 4. The Contingent Risk Factor

2 For PAGA Counsel, the fees in this case are entirely contingent in nature. As the 9th
3 Circuit noted, class counsel who take a case on a contingency basis bears a “double
4 contingency: first they must prevail on the class claims, and then they must find some way to
5 collect what they win.” *Torrissi v. Tucson Elec. Power Co.* (9th Cir. 1993) 8 F.3d 1370, 1377.
6 The fees received from one case are often used to finance and move forward other cases that
7 have failed and bring in revenue for counsel. ZM Decl. ¶21.

8 **C. The Lodestar/Multiplier Cross-Check**

9 Even though class counsel is requesting fees with the percentage of the benefit
10 approach, some courts nevertheless use a Lodestar/Multiplier cross check to confirm the fees’
11 reasonableness. *Lealao v. Beneficial California, Inc., supra*, 82 Cal.App.4th 19-45; *Vizcaino*
12 *v. Microsoft Corp.* (9th Cir. 2002) 290 F.3d 1043, 1051. The Lodestar Analysis (Lodestar-
13 Multiplied Method) begins with a calculation of time spent in reasonable hourly compensation
14 of each attorney and paralegal who worked on the case and then to compensation counsel for
15 risk, quality and result, courts commonly apply a “multiplier” to the Lodestar in awarding
16 attorney fees.

17 The first step is to determine the Lodestar individually for each attorney and/or
18 paralegal that has worked on the case and is claiming fees. The Lodestar analysis for each
19 attorney appears in their own Declaration(s) and fee and cost ledger attachments, which is
20 summarized below:

Attorney(s)	Billable Rate(s)	Hours	Lodestar
Zorik Mooradian ZM Decl., ¶26	\$650.00	50	\$32,500.00
Haik Hacopian <i>Id.</i>	\$450.00	50	\$22,500.00
Total Minimum Lodestar		100	\$55,000.00

1 In this matter, the total minimum lodestar tallies to \$55,000.00 and which exceeds the
2 requested \$40,000.00 fee award. ZM Decl., ¶30. A positive lodestar multiplier need not
3 applied here.

4 **D. Attorneys Fees v. Benefits Conferred**

5 While it's generally true that the greater the attorney fees, the less funds there will be
6 for distribution as damages, nevertheless, a balance must be achieved. In the instant matter,
7 the LWDA and PAGA Members got a very balanced and fair settlement. Given the strengths
8 and weaknesses of the case, they will be receiving a fair sum of money. The results and the
9 case law support that the settlement was fair, reasonable and adequate. In light of the favorable
10 settlement, giving more money to the LWDA and PAGA Members after an excellent
11 settlement had been achieved punishes the attorneys without whom such a settlement would
12 not have been attained but for the efforts of good lawyering. Punishing lawyers when they do
13 well is potentially sending the wrong message and serves as a disincentive and unjustly
14 enriches the LWDA and PAGA Members who will be receiving a fair and adequate amount
15 of benefits. ZM Decl. ¶29.

16
17 **V. PAYMENT OF COSTS TO COUNSEL SHOULD BE APPROVED**

18 Counsel has incurred \$3,926.97 in total costs in prosecuting this matter, which is far
19 less than the \$13,000 maximum contemplated by the settlement, and is the amount that
20 Plaintiff is requesting that the Court approve. (S.A. ¶3.2.2). All costs are necessary and
21 reasonable. ZM Decl. ¶28.

22 **VI. PAYMENT FOR ADMINISTRATION EXPENSES SHOULD BE APPROVED**

23 Counsel has secured a not to exceed bid from CPT Group, Inc., the Parties' selected
24 administrator, in the amount of \$6,000 in relation to dissemination of payments to the various
25 parties as contemplated by the settlement including to all PAGA Members. CPT will also be
26 responsible for the escheatment of uncashed checks. A true and correct copy of the not to
27

1 exceed quote secured from CPT is attached to the Declaration of Zorik Mooradian as **Exhibit**
2 **“3”**. ZM Decl., ¶30, Exh. 3.

3
4 **VII. THE PROPOSED SERVICE AWARD IS FAIR AND REASONABLE**

5 The Settlement provides for a \$10,000 service award to Plaintiff Lemus for her efforts
6 in bringing the Action, serving as a private attorney general under PAGA, and making this
7 Settlement possible. Both the State of California and aggrieved employees are beneficiaries
8 of a settlement that would not have been possible but for the effort and commitment of
9 Plaintiff Lemus. ZM Decl., ¶31.

10 The requested amount for a service award has repeatedly been approved for PAGA
11 settlements. *See e.g., Blanchard v. BJ’s Restaurants, Inc.* (Orange County Sup. Ct., Sept. 26,
12 2016) No. 30-2014-00761961-CU-OE-CXC (approving \$10,000 service award); *Bui v.*
13 *Vitamin Shoppe Industries, Inc.* (Los Angeles County Sup. Ct., Aug. 31, 2016) No. BC518486
14 (same); *Miranda v. HomeDeliveryLink, Inc.* (San Bernardino Sup. Ct., Aug. 9, 2016) No.
15 CIVDS1505393 (same); *Sheldon v. AHMC Monterey Park Hospital LP* (Los Angeles County
16 Sup. Ct., Mar. 2, 2016) No. BC440282 (same).

17 Other considerations support the service award. First, the service award is justified in
18 light of the reputational risk assumed by Plaintiff. *See Billinghausen v. Tractor Supply Co.*
19 (N.D. Cal. 2015) 306 F.R.D. 245, 267-68 (finding “personal detriment” upon testimony that
20 future employers can easily learn that a prospective employee served as a plaintiff through the
21 internet). *See also La Fleur v. Medical Mgmt. Intern, Inc.* (C.D. Cal. June 25, 2014) No. 13-
22 00398-VAP, 2014 WL 2967475 at *8 (awarding \$15,000 to each named plaintiff in part for
23 attesting that their fear that the lawsuit will harm future job prospects).

24 Also, Plaintiff has also agreed to generally release all claims she may have against
25 Defendants. This general release is considerably broader than the separate, narrower releases
26 required of aggrieved employees under the Settlement. ZM Decl., ¶31. *See Billinghausen,*
27 *supra.*

28 Thus, the proposed service award is reasonable and justified.

1 **VIII. CONCLUSION**

2 For the reasons stated herein, this Court should grant Plaintiff's Motion in its entirety
3 and adopt the [Proposed] Order submitted concurrently herewith.
4

5
6 Dated: January 13, 2025

MOORADIAN LAW, APC

7 By: /s/ Haik Hacopian

8 Zorik Mooradian, Esq.,
9 Haik Hacopian, Esq.,

10 Attorneys for Plaintiff and
11 PAGA Members
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1 538257; Uscanga v. Automotive Creations/BC509401; Gonzales v. Nefab
2 Packing/2;13-cv-04499 JAK-ss; Mendoza v. Accentcare/30-2013-00661891-CU-
3 OE-CXC; Nuno v. Universal Building Maintenance/BC541570; Cabrera v.
4 Complete Facilities Maintenance/BC538248; Valencia v. Rubbercraft/BC
5 535816; Fuentes v. Kamran Staffing/BC604535; Perez v. El Pollo
6 Loco/BC624001; Perez v. Quest Nutrition/BC630914; Escalante v. Friendly Hills
7 Country Club/BC640583; Serrano v. Noise Group/30-2017-00949440-CU-OE-
8 CXC; Bitton v. Sterling Jewelry, Inc./CIVDS1612665; Blandin v. Malibu Mgt.
9 Svcs., Inc./BC618629; Barrera v. Coast Composites, Inc./30-2017-00909572 CU-
10 OE-CJC; Aguilar v. Sweet Earth Café/19STCV13373; Balaguer v. Eminent,
11 Inc./19STCV16803; Avina v. Marriott/30-2017-00945551; Azeppita v. Eden
12 Social Restaurants, Inc./30-2019-01077185; Balaguer v. Eminent,
13 Inc./19STCV16803; Barragan v. Golden Hotels Limited Partnership/30-2018-
14 01007420; Boch v. Merchants Building Maintenance/BC681320; Bueno v. Proto
15 Homes/19STCV20011; Cardenas v. Intercon Security/19STCV11259; Castillo v.
16 Robert's Waste/30-2018-01027486; Castro v. Bee Gee Laboratories/BC712857;
17 Contreras Teo v. Golden State Foods/BC708535; Contreras Teo v. Golden State
18 Foods/BC722540; Corona v. Del Amo Hospital/19STCV24741; Cruz Ventura v.
19 WSON-55/19STCV22958; Cruel v. Andreas Elsenhans/19STCV35496;
20 Espinoza v. Don Chava Mgt./19STCV27068; Galvan v. Property Mgt.
21 Associates/BC722781; Godoy v. UCLA/19STCV04634; Gonzalez v. Toyon
22 Catering, Inc./19STCV11369; Gonzalez v. FMS Mgt./30-2019-01065563;
23 Gutierrez v. Anaheim Denn/30-2019-01092546; Guzman v. Millennium
24 Shoes/19STCV33166; Ramos v. Liberty Container Corp./20STCV06560;
25 Hernandez v. Resource Employment Solutions/30-2019-01084740; Herrera v.
26 Color Spot Nurseries/30-2017-00933249; Leon v. Island Hospitality Mgt./30-
27 2019-01060719; Martinez v. Snakerz/19STCV02674; Mendoza v. Savage
28 Service Corp./18STCV04798; Martinez v. Riviera Beverages/ 30-2019-
01056796; Mendoza v. United Production Framing/30-2019-01104255; Morales

1 Cano v. Coordinated Staffing/19STCV29817; Moreno v. DCX-CHOL
2 Enterprises/19STCV19105; Moreno v. DCX-CHOL Enterprises/19STCV26247;
3 Contoran Najera v. TOPH I, LLC/30-2018-00999474; Nunez v. Wonderland
4 Montessori, LLC/18STCV06042; Alvarez v. Greenfield Care Center of
5 Fullerton/30-2017-00958478; Pallares - Mercado v. MB Santa Ana
6 Restaurants/30-2019-01047135; Perez v. First Rate Staffing/18STCV02057;
7 Popoca v. Denim Technologies/19STCV11434; Reidy v. City of
8 Inglewood/18STCV09373; Rosales v. DBR Premium/19STCV32726; Salceda v.
9 GBG USA, Inc./ 18STCV10004; Salceda v. GBG USA, Inc./ 18STCV04778;
10 Torres v. Metro Security/19STCV21114; Torres v. Metro
11 Security/19STCV15680; Trujillo v. Securitas Security Services/19STCV01207;
12 Villacana v. Crothall Laundry Services, Inc./19STCV16330; and Villareal v.
13 Golden Touch Cleaning/30-2019-01108777.

14 4. I am familiar with California wage and hour law and the laws governing the
15 alleged violations in this matter, including but not limited to California Labor Code Sections
16 201 – 203, 226, 226.7, 510, 512, 1194, 1194.2, 2698 and 2802, California Business and
17 Profession Codes 17200 *et. seq.*, the Orders of the Industrial Welfare Commission, and the
18 Private Attorneys General Act.

19 5. As a result of my prior experience in other wage and hour matters, including
20 representative PAGA matters, I believe that the proposed settlement is fair and reasonable
21 and more than adequate in view of (i) the strength of Plaintiff's claims and Defendants'
22 defenses, (ii) the risk, expense, complexity and likely duration of further litigation, (iii) the
23 total settlement amount of \$100,000 offered in settlement, (iv) the risk of significant
24 discretionary reduction of maximum penalties by a court even assuming liability was
25 established for any violations; (v) the discovery conducted by the Parties in this case, (vi) my
26 experience with similar settlements that have received court approval, and (vii) the fact that
27 the settlement involved arms' length negotiations between experienced counsel facilitated by
28 Hon. Richard A. Stone (ret.), a respected neutral mediator.

1 6. Defendants Real Time and Employbridge are affiliated staffing agencies that
2 placed employees for work with Defendant Tarnik. Plaintiff and PAGA Members were
3 employed at Tarnik's facility in Santa Clarita. Tarnik is a full-service distributor for auto,
4 chemical, cosmetic, food, and personal care industries.

5 7. The number of PAGA Members, i.e. Real Time/Employbridge employees
6 placed for work at Tarnik, from November 1, 2020 to November 3, 2023 (when the data was
7 prepared for mediation), was 122 and who worked 2,000 weekly pay periods. The settlement
8 contemplates coverage for 2,200 pay periods through the end of the PAGA Period on April
9 21, 2024, before Defendants have the option of increasing the Gross Settlement Amount on
10 a pro-rata basis or shortening the PAGA Period to the last day before the 2,200 pay period
11 threshold is exceeded.

12 8. On August 26, 2021, Plaintiff Lemus filed a wage and hour class action
13 lawsuit against Defendants bearing Los Angeles County Superior Court Case No.
14 21STCV31763 ("Class Action"). On that date as well, Plaintiff communicated a PAGA
15 notice to Defendants. Upon submission of the PAGA Notice to the LWDA, Plaintiff Lemus's
16 PAGA claim was assigned Case No. LWDA-CM-842509-21. On November 21, 2021, the
17 instant PAGA lawsuit was filed.

18 9. On January 14, 2021, in the Class Action, Defendants filed a motion to compel
19 arbitration of Plaintiff's claims and dismiss, or alternatively stay, proceedings pending
20 completion of arbitration. Plaintiff opposed the Motion. On March 11, 2022, the court in the
21 Class Action granted Defendants' Motion, dismissed class claims, ordered that Plaintiff
22 arbitrate her individual claims, and stayed the matter. The Parties thereafter proceeded to
23 arbitration with JAMS. Upon the United States Supreme Court's decision in *Viking River*
24 *Cruises, Inc. v. Moriana* (2022) 596 U.S. 639, Plaintiff's individual PAGA claims would be
25 subject to the order compelling arbitration.

26 10. As mentioned, Plaintiff Lemus filed a notice letter with the California Labor
27 and Workforce Development Agency ("LWDA") on August 25, 2021 giving notice of her
28 intent to pursue a PAGA representative action, on behalf of herself and the State of California

1 as well as on behalf of a group of similarly situated aggrieved employees giving notice of
2 their collective intent to seek penalties under Labor Code sections 2698 et. seq. based on
3 alleged violations of Labor Code sections 201, 202, 203, 204, 212, 213, 226, 226.7, 510, 512,
4 and 1194, (“PAGA letter”). A true and correct copy of the noted PAGA Letter is attached
5 hereto as **Exhibit “1”**.

6 11. This lawsuit has involved production of a 10% sample of employee time and
7 payroll data to my office as well as policies relevant to asserted PAGA claims. Defendants
8 provided data regarding the total number of PAGA Members (122) and total pay periods
9 implicated (2,000). This information has been reviewed and assessed by my office. The
10 Parties have conducted investigation of the operative facts and applicable law during the
11 litigation. The Parties have also investigated the applicable law as applied to the facts,
12 potential defenses thereto, and damages claimed by Plaintiff on behalf of PAGA Members.
13 Subsequently, on January 22, 2024, Plaintiff and Defendants engaged in mediation before an
14 esteemed mediator, Hon. Richard A. Stone (ret.). During the Mediation, and with significant
15 assistance from the mediator, the Parties agreed to a PAGA representative settlement, which
16 was negotiated in light of all known facts and circumstances—including the difficulty of
17 proving some of Plaintiff’s underlying bases for the PAGA penalty claims, potential defenses
18 asserted by Defendants to the PAGA penalty claims, the uncertainty associated with
19 litigation, the risks of significant delay, and numerous potential appellate issues. Thereafter,
20 the settlement was solidified between the Parties during the months that followed. Ultimately,
21 the Settlement Agreement was entered into.

22 12. The Parties’ settlement allocates \$100,000 for settlement of the PAGA claims
23 which is the total amount to be paid by Defendants under this Settlement. After allocated
24 attorneys’ fees of \$40,000.00, requested costs of \$3,926.97, administrative costs of \$6,000,
25 and a \$10,000 enhancement award and general release payment to Plaintiff, 75% of the Net
26 Settlement Amount, or \$30,054.78, will be paid as the LWDA’s 75% share of PAGA
27 penalties, and \$10,018.25 will be payable to PAGA Members. The Individual Settlement
28 Payment payable to each PAGA Member will be the proportionate share of the Net

1 Settlement Amount to be distributed to each PAGA Member based on the number of his or
2 her Pay Periods worked in the PAGA Period in relation to the aggregate number of Pay
3 Periods worked by the Settlement Group during the PAGA Period. (S.A. at ¶1.10). The Gross
4 Settlement Payment is for civil penalties only and does not act as a waiver to any employee's
5 individual claims for individual relief. At 122 aggrieved employees, the simple average
6 payment calculates to \$82.12 (\$10,018.26 ÷ 122).

7 13. A true and correct copy of the Joint Stipulation of Settlement and Release of
8 PAGA Action ("Settlement Agreement" or "S.A"), is attached hereto as **Exhibit "2"**.

9 14. My office is unaware of any other PAGA matters affected by this settlement.
10 According to defense counsel, this matter is the first to implicate defendant staffing agencies'
11 employees placed for work with Defendant Tarnik.

12 15. Employee time was tracked through physical timesheets. Plaintiff contended
13 that the timesheets were completed by worksite managers without any employee input and
14 were not reflective of actual work time. Defendants countered that employees worked set
15 shifts on assembly lines such that there would not be any variability in time punches as the
16 work day was from 7:30 a.m. to 3:30 p.m. with a set lunch break at 10:00 a.m. Defendants
17 also represented that employees were advised to raise any concerns with respect to time
18 tracking and pay with management. Based on the foregoing, it will be extremely difficult to
19 establish that employees are owed any amount of additional wages for work off-the-clock.

20 16. Plaintiff contended that the meal entries were not reflective of actual timing
21 and duration as the time sheets were completed by the worksite managers and not employees.
22 Defendants countered that employees received training as to breaks and breaks were
23 scheduled at proper intervals for what was a predictable assembly line work environment.
24 Meal breaks were scheduled from 10:00 a.m. to 10:30 a.m., and two paid rest breaks of fifteen
25 minutes each (greater than the 10 minute required minimum) were provided at 9:00 a.m. and
26 2:00 p.m. Defendants represented that breaks would be announced by a bell system and that
27 everyone would stop work and take breaks at the same time and that work was not allowed
28 to occur during breaks.

1 17. Plaintiff was paid her wages via pay card. Plaintiff contended that the use of
2 a pay card was mandatory and imposed charges in violation of Labor Code Sections 212 and
3 213. Defendants represented that they procured written consent from Plaintiff for use of a
4 pay card, which was never revoked, and that employees could withdraw the full amount of
5 their wages in a single transaction as the first transaction each time the card was loaded, no
6 different than cashing a physical paycheck. That any charges would be incidental and not
7 barred, such as using a pay card at a foreign institution.

8 18. The claims for waiting time and wage statement violations would be
9 derivative of the above claims. For instance, to the extent improper fees were imposed on pay
10 cards, final wages would not be complete in violation of Labor Code Sections 201-203 and
11 to the extent any additional wages or break premiums are owed, the wage statements would
12 not be accurate.

13 19. The lawsuit implicates an estimated 2,000 weekly pay periods during the
14 PAGA Period. Maximum penalties, assuming a violation for each and every pay period,
15 assessed at the \$100 violation rate, for each of the 2,000 pay periods results in maximum
16 potential exposure of \$200,000. To the extent Plaintiff is able to stack PAGA penalties, the
17 potential maximum could be higher. ZM Decl. ¶23. Although no California appellate decision
18 has addressed whether a plaintiff can stack penalties for different predicate violations, the
19 California Supreme Court's decision in *ZB, N.A. v. Superior Court*, (2019) 8 Cal.5th 175,
20 rejected an employee's attempt to recover default civil penalties in addition to civil penalties
21 assessed with respect to unpaid wages under Cal. Labor Code Sec. 558. The Court highlighted
22 that civil penalties "are intended 'to punish the employer' for wrongdoing, often 'without
23 reference to the actual damage sustained'" (*citing Murphy v. Kenneth Cole Productions,*
24 *Inc.* (2007) 40 Cal.4th 1094, 1104). Plaintiff ultimately does not anticipate being able to stack
25 PAGA penalties as she deems it highly likely that a court will potentially be persuaded that
26 assessment of a single penalty per pay period per employee will be sufficient to punish past
27 violations and deter future ones.
28

1 20. Furthermore, discretionary reductions are anticipated in addition to general
2 litigation risk and delay. Taking the \$200,000 sum as the maximum potential figure and
3 applying a discretionary reduction of 80% (consistent with reported cases) results in \$40,000
4 in available penalties. The penalties to be distributed (\$40,073.03) readily captures this sum.
5 The Parties' settlement substantially captures this realistic valuation, provides for significant
6 recovery of civil penalties by the state, and is expected to deter future Labor Code violations
7 by Defendants. Accordingly, Plaintiff's counsel believes that this PAGA settlement is fair,
8 reasonable, and in the best interests of the PAGA Members and the State of California.

9 21. My office is seeking recovery of \$40,000.00 in attorneys' fees, or forty percent
10 of the Gross Settlement Amount. The incurred fees are necessary and reasonable.
11 Significantly, these fees are contingent in nature for counsel. The fees received from one
12 case, are often used to finance and move forward other cases that have failed and bring in
13 revenue for my office.

14 22. In my experience, a gross PAGA settlement of \$100,000 is a fair, reasonable,
15 and adequate settlement in light of the strength of the claim, Defendants' defenses, and the
16 strong possibility there would be no recovery without this settlement. Even if Plaintiff was to
17 prevail on the underlying claim, she would face the potential of significant discretionary
18 reduction of maximum penalties by the Court. Our efforts have resulted in over a thirty-
19 thousand-dollar recovery by the State of California.

20 23. Plaintiff Lemus signed a single retainer with my office. The Retainer
21 Agreement had language providing a maximum of forty percent (40%) in attorneys' fees, of
22 course, subject to court approval on class and representative issues. The Retainer Agreement
23 also had a provision for recovery of costs in relation to the representation.

24 24. As for the representation of the individual rights of Ms. Lemus, a retainer
25 agreement for forty percent of gross recovery would be consistent with the market rate, and
26 there is no reason to believe that if counsel had signed a retainer agreement with the LWDA
27 to prosecute claims on the LWDA's behalf, it would be any different.
28

1 25. In almost all the mediations that I have attended, a one-third to 35% attorney
2 fee percentage is generally agreed upon by the defendant and the plaintiff subject to court
3 approval. In this matter, the Parties agreed that PAGA Counsel may request up to forty
4 percent due to the amount of the settlement and the significant work completed by counsel in
5 litigation, arbitration, mediation, and seeking approval.

6 26. Here, it is beyond any reasonable dispute that, if my office had been able to
7 negotiate directly with the LWDA, the LWDA would have found that a forty percent fee
8 arrangement was eminently reasonable.

9 27. I have worked on this matter for at least three and a half years. This matter has
10 involved litigation across two separate lawsuits and Plaintiff's resolve in pushing forward
11 with this matter on multiple fronts has made this settlement possible and resulted in over a
12 thirty thousand dollar penalty recovery by the LWDA. During this period my billing rate was
13 \$650 per hour. I have spent at least 50 hours on this matter. Thus my present lodestar is
14 \$32,500.00. Attorney Haik Hacopian from my office is also counsel of record and has
15 expended at least 50 hours at his rate of \$450.00 per hour, for an additional \$22,500.00
16 minimum lodestar. Thus, the total minimum lodestar for my office tallies to \$55,000.00,
17 which is greater than the \$40,000 fee request.

18 28. My office has also incurred \$3,926.27 in costs to date as follows:

YEAR	MO	DAY	MATTER	COSTS	DESCRIPTION
2021	8	25	40242	\$12.45	Certified Mail Charges for PAGA Notice
2021	8	25	40242	\$75.00	LWDA PAGA Notice Fee
2021	8	27	31763	\$1,585.00	Lawsuit Filing Fee (435), Complex Fee (1,000), Jury Fees (150)
2021	9	23	31763	\$4.32	OneLegal Transaction Fee (Summons Issuance)
2021	9	29	31763	\$82.36	OneLegal Service of Process Charges (Def Real Time)
2021	9	29	31763	\$41.18	OneLegal Service of Process Charges (Def Employbridge)
2021	10	6	31763	\$153.14	OneLegal Service of Process Charges (Def Tarnik)
2021	10	21	31763	\$12.35	OneLegal Transaction Fee (Request)
2021	10	22	31763	\$16.68	OneLegal Transaction Fee (Proposed Order)
2021	11	1	40242	\$435.00	Lawsuit Filing Fee

1	2021	11	2	40242	\$29.51	OneLegal Transaction Fee (Lawsuit Filing Charges)
2	2021	11	3	40242	\$12.35	OneLegal Transaction Fee (Civil Case Cover Sheet)
3	2021	11	3	40242	\$16.68	OneLegal Transaction Fee (Civil Case Cover Sheet)
4	2021	12	8	31763	\$18.74	OneLegal Transaction Fee (Joint Report)
5	2022	1	7	31763	\$5.00	LASC Online Doc Retrieval Charges (Order Authorizing E-Service)
6	2022	1	10	31763	\$18.74	OneLegal Transaction Fee (Notice of Ruling)
7	2022	2	11	40242	\$155.71	OneLegal Service of Process Charges (Def Tarnik)
8	2022	2	15	31763	\$16.68	OneLegal Transaction Fee (Opposition to MTC)
9	2022	3	14	40242	\$19.25	OneLegal Transaction Fee (CMC Statm't of Plntff)
10	2022	3	22	40242	\$17.19	OneLegal Transaction Fee (Filing of POS by Sub-Service)
11	2022	3	29	40242	\$73.35	OneLegal Service of Process Charges (Def Real Time)
12	2022	3	29	40242	\$114.53	OneLegal Service of Process Charges (Def Employbridge)
13	2022	7	8	31763	\$17.19	OneLegal Transaction Fee (Joint Report)
14	2022	9	20	40242	\$19.25	OneLegal Transaction Fee (CMC Statm't of Plntff)
15	2022	11	18	31763	\$400.00	Claimant's Non-Refundable Filing Fee for JAMS Arbitration
16	2022	12	22	40242	\$23.37	OneLegal Transaction Fee (CMC Statm't of Plntff)
17	2023	11	6	31763	\$17.66	OneLegal Transaction Fee (Notice)
18	2024	2	20	31763	\$19.71	OneLegal Transaction Fee (Notice of Ruling)
19	2024	2	21	40242	\$19.71	OneLegal Transaction Fee (Status Report)
20	2024	5	3	40242	\$4.12	OneLegal Transaction Fee (Filing price adjustment for 2/21 order)
21	2024	5	14	31763	\$19.71	OneLegal Transaction Fee (Joint Report)
22	2024	7	24	31763	\$19.71	OneLegal Transaction Fee (Response)
23	2024	9	24	40242	\$25.97	OneLegal Transaction Fee (Status Report)
24	2024	10	29	31763	\$21.37	OneLegal Transaction Fee (Joint Report)
25	2024	12	26	31763/40242	\$20.49	Postage Costs (mailings to client)
26	2024	12	26	31763	\$286.50	CaseAnywhere E-Service Platform Charges to date
27	2025	01	13	40242	\$78.00	OneLegal Transaction Fee (Settlement Apprvl Mtn) - (est.)
28	2024	01	13	40242	\$19.00	OneLegal Transaction Fee (Notice of Ruling/Entry of Order) - (est.)
					\$3,926.97	

29. While it's generally true that the greater the attorney fees, the less funds there will be for distribution as damages, nevertheless, a balance must be achieved. In the instant matter, the LWDA and PAGA Members got a very balanced and fair settlement. Given the strengths and weaknesses of the case, they will be receiving a fair sum of money. The results and the case law support that the settlement was fair, reasonable and adequate. In light of the favorable settlement, giving more money to the LWDA and PAGA Members after an excellent settlement had been achieved punishes the attorneys without whom such a settlement would not have been attained but for the efforts of good lawyering. Punishing lawyers when they do well is potentially sending the wrong message and serves as a disincentive and unjustly enriches the LWDA and PAGA Members who will be receiving a fair and adequate amount of benefits.

30. My office has secured a not to exceed bid from CPT Group, Inc., the Parties' selected administrator, in the amount of \$6,000 in relation to dissemination of payments to the various parties as contemplated by the settlement including to aggrieved employees. CPT will also translate the notice to Aggrieved Employees into Spanish and will be responsible for the escheatment of uncashed checks. A true and correct copy of the not to exceed quote secured from CPT is attached hereto as **Exhibit "3"**.

31. It is important that Ms. Lemus is paid a fair amount for her services to the case and out of around 122 employees she was the only one that stepped forward and pushed forward with this matter for over three and half years. If it was not for her, the \$100,000 settlement would not have been obtained. Awarding \$10,000 enhancement award to Ms. Lemus is reasonable and more than justified for her efforts and agreeing to a general release agreement.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on January 13, 2025 in Calabasas, California.

/s/ Zorik Mooradian
Zorik Mooradian

EXHIBIT “1”
Plaintiff’s PAGA Notice

MOORADIAN LAW, APC
24007 Ventura Boulevard, Suite 210
Calabasas, California 91302
Mooradianlaw.com
Telephone 1-818-487-1998
Facsimile 1-888-783-1030

HAIK HACOPIAN

E-mail: haik@mooradianlaw.com

AUGUST 25, 2021

VIA USPS CERTIFIED MAIL

Tarnik, Inc. dba PDA Group
24730 Ave Rockefeller
Valencia, CA 91355
7019 0700 0002 2582 8472

Real Time Staffing Services, LLC dba
Select Staffing
1040 Crown Pointe Parkway, Suite 1040
Atlanta, GA 30338
7019 0700 0002 2582 8465

Employbridge, LLC
1040 Crown Pointe Parkway, Suite 1040
Atlanta, GA 30338
7019 0700 0002 2582 8458

VIA ONLINE SUBMISSION

State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, CA 95814
www.dir.ca.gov

Re: *California Wage & Hour Violations*
Tarnik, Inc. dba PDA Group, Real Time Staffing Services, LLC dba
Select Staffing, and Employbridge, LLC

To Whom It May Concern:

This office represents Ms. Silvia Lemus with respect to Private Attorneys General Act ("PAGA") claims that she intends to pursue against Tarnik, Inc. dba PDA Group ("PDA"), Real Time Staffing Services, LLC dba Select Staffing ("Select"), and Employbridge, LLC (Employbridge) (collectively referred to herein as "Employers") based upon their illegal wage and hour practices in the State of California as to their non-exempt employees. This letter constitutes the notice required by Labor Code Section 2699.3.

Facts

Select and Employbridge are staffing agencies which provide employees to PDA, which is engaged in the business of packaging and distribution. Ms. Lemus worked as a non-exempt hourly employee of Employers at the facility located at 24730 Avenue Rockefeller in Valencia, California. Employers employ numerous non-exempt, hourly paid employees such as Ms. Lemus in California. Unfortunately, Employers have engaged in the following practices:

Failure to Pay Wages

Employers implemented the policy and practice of failing to pay employees for all hours worked. Notably, Employers did not maintain a time clock, electronic or otherwise, for employees. Employees were unable to tell whether they were being correctly paid for the time that they were working. Employees were never provided with a means to verify whether any time attributed to them, and corresponding the payment of wages, was correct. Additionally, Employers adopted a system of paying employees through debit pay cards that did not result in the full and timely payment of wages owed to employees. The foregoing practices resulted in underpayment of wages, including underpayment of overtime and double-time to the extent applicable.

Meal Breaks

Employers engage in the practice of not allowing mandated meal breaks and not compensating employees for any missed, late, or short meal breaks. Employees did not receive premium pay for any missed, late, or short meal period. Notably, because no time clock system was maintained, meal breaks were never tracked or recorded.

Rest Breaks

Employers engage in the practice of not allowing mandated rest breaks and not compensating employees for any missed, late, or short rest breaks. Employees did not receive premium pay for these missed rest breaks. To the extent any break was provided, it would consist of a single meal break during the workday.

Waiting Time

At the time of an employee's separation (whether it be by termination or resignation) Employers have failed to provide the employee with all monies owed, including meal break premiums, rest break premiums, and unpaid wages for work performed, including overtime and double-time wages to the extent applicable. The use of debit pay cards further compounded delays associated with the final payment of wages.

Noncompliant Wage Statements

Employers have adopted a custom and practice of failing to provide wage statements which reflect all hours worked during any pay period, whether or not employees received all wages entitled to, including meal and rest break premiums. Moreover, the wage statements issued to employees did not list the total hours worked during the pay period nor did the wage statements identify employer names and addresses.

Additional Penalties

Ms. Lemus and all other similarly aggrieved California employees intend to seek all available civil penalties for the violations described above.

Code Provisions Violated and Legal Theories

The specific provisions of the California Labor Code which Employers have violated, and applicable legal theories which establish the violations, are as follows:

Labor Code Section 201: Employers violated, and continue to violate, Labor Code Section 201 by failing to pay the employees they have discharged the complete and correct amount of all wages owing at the time of termination. The wages earned but not paid at termination include uncompensated work time, including overtime and double-time as applicable, and premium wages for missed meal and rest breaks.

Labor Code Section 202: Employers violated, and continue to violate, Labor Code Section 202 by failing to pay employees who quit the correct amount of all wages, within 72 hours of the termination. As already stated, the wages earned but not paid at termination include the above.

Labor Code Section 203: Employers violated, and continue to violate, Labor Code Section 203 by failing to pay 30 days of continuing wages to employees owed wages (explained above) whose employment ended.

Labor Code Section 204: Employers violated, and continue to violate, Labor Code Section 204 by failing to pay wages to employees for all hours worked as explained above.

Labor Code Section 212: Employers violated, and continue to violate, Labor Code Section 212 by paying wages to employees through debit pay cards that did not permit the withdrawal of cash, on demand, without discount.

Labor Code Section 213: Employers violated, and continue to violate, Labor Code Section 213 by imposing the mandatory use debit pay cards by employees to access wages they were owed.

Labor Code Section 226: Employers violated, and continue to violate, Labor Code Section 226(a) by failing to provide employees with accurate and compliant itemized wage statements.

Labor Code Section 226.7: Employers violated, and continue to violate, Labor Code Section 226.7 by failing to provide meal periods and/or rest periods that are in accordance and in compliance with the IWC's applicable wage order.

Labor Code Section 510: Employers violated, and continue to violate, Labor Code Section 510 by failing to pay minimum wage or overtime compensation required by law.

Labor Code Section 512: Employers violated, and continue to violate, Labor Code Section 512 by not providing aggrieved employees with legally compliant meal periods.

Labor Code Section 1194: Employers violated, and continue to violate, Labor Code Section 1194 by failing to pay employees minimum wage and overtime compensation required by law.

Conclusion

Please inform us if you intend to investigate this matter. We look forward to prompt administrative action so that the identified unlawful practices can be rectified. In the absence of such action, we may file an appropriate action, pursuant to Labor Code Section 2698 *et seq.* Ms. Lemus and all other similarly aggrieved California employees intend to seek all penalties for the violations described above. Should you require any additional information, do not hesitate to contact the undersigned.

Very truly yours,
MOORADIAN LAW, APC

/s/ Haik Hacopian
HAIK HACOPIAN

7019 0700 0002 2582 8458

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Atlanta, GA 30338

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☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00

Postage \$0.55
\$
Total Postage and Fees \$4.15
\$

0712
07

Postmark
Here

08/25/2021

Sent To EMPLOYBRIDGE, LLC
Street and Apt. No., or PO Box No.
1040 CROWN POINTE PKWY, SUITE 1040
City, State, ZIP+4®
ATLANTA, GA 30338

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

7019 0700 0002 2582 8472

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Valencia, CA 91355

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Certified Mail Fee \$3.60
\$
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$0.00
☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00

Postage \$0.55
\$
Total Postage and Fees \$4.15
\$

0712
07

Postmark
Here

08/25/2021

Sent To TARNIK, INC - DBA PDA Group
Street and Apt. No., or PO Box No.
24730 AVE ROCKEFELLER
City, State, ZIP+4®
VALENCIA, CA 91355

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

7019 0700 0002 2582 8465

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Certified Mail Fee \$3.60
\$
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$0.00
☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00

Postage \$0.55
\$
Total Postage and Fees \$4.15
\$

0712
07

Postmark
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08/25/2021

Sent To REAL TIME STAFFING SVCS LLC, DBA SELECT STAFF
Street and Apt. No., or PO Box No.
1040 CROWN POINTE PKWY STE 1040
City, State, ZIP+4®
ATLANTA, GA 30338

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions



Haik Hacobian <haik.hacobian@gmail.com>

Thank you for submission of your PAGA Case.

LWDA DO NOT REPLY <lwdadonotreply@dir.ca.gov>
To: "haik.hacobian@gmail.com" <haik.hacobian@gmail.com>

Wed, Aug 25, 2021 at 1:33 PM

8/25/2021

LWDA Case No. LWDA-CM-842509-21
Law Firm : Mooradian Law, APC
Plaintiff Name : Silvia Lemus
Employer: Tarnik, Inc. dba PDA Group
Filing Fee : \$75.00
IFP Claimed : No

Item submitted: Initial PAGA Notice

Thank you for your submission to the Labor and Workforce Development Agency. Please make a note of the LWDA Case No. above as you may need this number for future reference when filing any subsequent documents for this Case.

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

EXHIBIT “2”
PAGA Settlement Agreement

CDF LABOR LAW LLP
David G. Hagopian, State Bar No. 145171
dhagopian@cdflitigation.com
Garrett V. Jensen, State Bar No. 242874
gjensen@cdflaborlaw.com
Robyn E. Frick, State Bar No. 246927
rfrick@cdflaborlaw.com
18300 Von Karman Avenue, Suite 800
Irvine, CA 92612
Telephone: (949) 622-1661

Attorneys for Defendants
REAL TIME STAFFING SERVICES, LLC dba SELECT
STAFFING and EMPLOYBRIDGE, LLC

KOEGLE LAW GROUP, APC
Brian E. Koegle, State Bar No. 218800
bkoegle@koeglelaw.com
Ransom D. Boynton, State Bar No. 333262
rboynton@koeglelaw.com
1875 Century Park East, Suite 1900
Los Angeles, CA 90067

Attorneys for Defendant
TARNIK, INC. dba PDA GROUP

[Additional Counsel listed on following page.]

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

SILVIA LEMUS, individually and on behalf of
all others aggrieved employees,

Plaintiffs,
vs.

TARNIK, INC., dba PDA GROUP, an active
California Corporation; REAL TIME
STAFFING SERVICES, LLC dba SELECT
STAFFING, an active California Limited
Liability Company; EMPLOYBRIDGE, LLC,
an active California Limited Liability
Company; and DOES 1 through 10,

Defendants.

) Case No. 21STCV40242

) Assigned for All Purposes To:

) Judge: Gregory Keosian

) Dept: 61

) **JOINT STIPULATION OF SETTLEMENT
AND RELEASE OF PAGA ACTION**

) Action Filed: November 1, 2021

1 MOORADIAN LAW, APC
2 Zorik Mooradian, State Bar No. 136636
3 zorik@mooradianlaw.com
4 Haik Hacopian, State Bar No. 282361
5 haik@mooradianlaw.com
6 24007 Ventura Blvd., Suite 210
7 Calabasas, CA 91302

8 Attorneys for Plaintiff
9 SILVIA LEMUS
10
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1 This Joint Stipulation of Settlement and Release of PAGA Action (“Agreement”) is made
2 and entered into between Plaintiff Silvia Lemus (“Plaintiff”), individually and on behalf of the
3 proposed PAGA Group, (defined below), and Defendants Tarnik, Inc. dba PDA Group (“PDA”),
4 Real Time Staffing Services, LLC dba Select Staffing (“Real Time”), and EmployBridge, LLC
5 (“EmployBridge”) (PDA, Real Time, and EmployBridge shall be referred to as “Defendants”).
6 This Agreement is subject to approval of the Court and is made for the sole purpose of attempting
7 to consummate settlement of the Action (as defined below) on a PAGA basis subject to the
8 following terms and conditions. As detailed below, in the event the Court does not enter an order
9 granting approval of the PAGA Settlement (as defined below) and enter judgment, or the
10 conditions precedent are not met for any reason, this Agreement is void and of no force or effect
11 whatsoever.

12 1. **DEFINITIONS**

13 As used in this Agreement, the following terms shall have the meanings specified below.
14 To the extent terms or phrases used in this Agreement are not specifically defined below, but are
15 defined elsewhere in this Agreement, they are incorporated by reference into this definition section.

16 1.1 **Action.** “Action” shall mean this civil action titled *Silvia Lemus v. Tarnik, Inc.*
17 *dba PDA Group, et. al.*, Los Angeles County Superior Court Case No. 21STCV40242, filed on or
18 about November 1, 2021.

19 1.2 **Approval and Fairness Hearing.** “Approval and Fairness Hearing” shall mean
20 the hearing held to ascertain the fairness, reasonableness, and adequacy of the PAGA Settlement.
21 At this hearing, the Court will consider PAGA Counsel’s application for Attorneys’ Fees and
22 Expenses, the PAGA Representative Incentive Award, the Administration Expenses, and approval
23 of the PAGA Payment. The proposed Order Granting Approval and Entering Judgment is attached,
24 in substantial form, as **Exhibit B.**

25 1.3 **Approval Date.** “Approval Date” shall mean the date upon which the Court
26 enters an order granting approval of the PAGA Settlement and enters Judgment.
27
28

1.4 **Claims.** “Claims” shall mean the claims and theories asserted and causes of action alleged in the Action, or that could have been alleged in the Action, including the PAGA penalties alleged in the Action, as limited to PAGA Members’ employment with Defendants while placed on assignment at PDA in California during the PAGA Period.

1.5 **Court.** “Court” shall mean the Superior Court of California, County of Los Angeles.

1.6 **Defendants.** “Defendants” shall mean Real Time Staffing Services, LLC dba Select Staffing, EmployBridge, LLC, Tarnik, Inc. dba PDA Group, and includes any of their officers, directors, executives, partners, managers, owners, shareholders, members, employees, agents, attorneys, any of their former and present parents, subsidiaries, successors, assigns and affiliates, and their officers, directors, managers, owners, executives, partners, employees, shareholders, agents, attorneys, and any other successors, assigns, or legal representatives.

1.7 **Defense Counsel.** “Defense Counsel” shall mean David G. Hagopian and Garrett V. Jensen of CDF Labor Law LLP, 18300 Von Karman Avenue, Suite 800, Irvine, California 92612 and Brian Koegle and Ransom Boynton of Koegle Law Group, APC, .27240 Turnberry Lane, Suite 200, Valencia, California 91355.

1.8 **Effective Date.** “Effective Date” shall be the later of the time when: (i) the date of final affirmance of the Judgment on an appeal of the Judgment, the expiration of the time for, or the denial of, a petition to review the Judgment, or if review is granted, the date of final affirmance of the Judgment following review pursuant to that grant, (ii) the date of final dismissal of any appeal from the Judgment or the final dismissal of any proceeding to review the Judgment, provided that the Judgment is affirmed and/or not reversed in any part, (iii) the final resolution (or withdrawal) of any filed appeal in a way that affirms the Final Approval Order and Judgment in a form substantially identical to the form of the Final Approval Order entered by the Court, and the time to petition for review with respect to any appellate decision affirming the Final Approval Order has expired; or (iv) if no appeal is filed (including if an appeal is filed, but then withdrawn), the sixty-first (61st) day after the Court enters final approval of the settlement and the Judgment approving this Agreement.

1.9 **Gross Settlement Amount.** “Gross Settlement Amount” means the agreed upon settlement amount totaling \$100,000 to be paid by Defendants in full settlement of the Released Claims asserted in this case, which includes the Administrator Fees, PAGA Counsel’s Attorneys’ Fees and Expenses, Enhancement Award to Plaintiff (if any), which shall not exceed \$10,000 (in exchange for Plaintiff executing a general release and Civil Code section 1542 waiver), payment to the LWDA, and payments to the individual PAGA Members. In no event shall Defendants be required to pay more than the Gross Settlement Amount. Defendants are not jointly and severally liable for the Gross Settlement Amount.

1.10 **Individual Settlement Payment.** “Individual Settlement Payment(s)” shall mean the proportionate share of the Net Settlement Amount to be distributed to each PAGA Member based on the number of his or her Pay Periods worked in the PAGA Period in relation to the aggregate number of Pay Periods worked by the Settlement Group during the PAGA Period.

1.11 **Net Settlement Amount.** “Net Settlement Amount” or “NSA” shall mean the Gross Settlement Amount, minus the Court-approved amounts awarded for the Attorneys’ Fees and Costs, Settlement Administration Fees, Enhancement Award to Plaintiff (if any), and the LWDA Payment. The Parties intend that the NSA shall be sufficient to pay all valid claims of Settlement Group Members. Accordingly, if for any reason the total value of Individual Settlement Payments to Settlement Group Members exceeds this amount, then payment to each Settlement Group Member will be adjusted on a pro-rated basis so that the total payout to Settlement Group Members does not exceed the NSA.

1.12 **PAGA:** “PAGA” refers to the Labor Code Private Attorneys General Act of 2004, Labor Code sections 2699, *et seq.*

1.13 **PAGA List:** “PAGA List” shall mean the information for each PAGA Member which Defendants shall compile from their business records and provide to the Administrator for purposes of providing notice of the Settlement to the PAGA Group and calculating and transmitting Individual Settlement Payments to PAGA Members. The PAGA List shall be in a readable, ready to use, MS Excel spreadsheet, which will provide for each Settlement Class Member, the following information: (a) full name; (b) last-known mailing address; (c) telephone numbers; (d) Social

1 Security number; and (e) Pay Periods. The PAGA List will be provided to the Settlement
2 Administrator within 30 days of Defendants receiving written notification that the Court granted
3 approval of the Settlement.

4 1.14 **PAGA Counsel:** “PAGA Counsel” refers to Zorik Mooradian and Haik
5 Hacopian, Esq., Mooradian Law, APC, 24007 Ventura Blvd., Suite 210, Calabasas, CA 91302.

6 1.15 **PAGA Counsel’s Attorneys’ Fees and Expenses:** “PAGA Counsel’s
7 Attorneys’ Fees and Expenses” shall mean PAGA Counsel’s attorneys’ fees and expenses to be
8 requested and subject to approval by the Court at the time of the Approval Hearing in an amount
9 not to exceed \$40,000 for attorneys’ fees (representing 40% of the Gross Settlement Amount) and
10 in an amount not to exceed \$13,000 for expenses.

11 1.16 **PAGA Member(s):** “PAGA Member(s)” or “Settlement Group Members” shall
12 mean all current and former non-exempt employees of Real Time Staffing Services, LLC dba
13 Select Staffing who were placed on assignment at PDA in California during the PAGA Period.

14 1.17 **PAGA Notice Letter.** “PAGA Notice Letter” means the letter submitted to the
15 LWDA on August 25, 2021, and assigned Case Number LWDA-CM-842509-21 by the LWDA.

16 1.18 **PAGA Period.** “PAGA Period” means the period from August 25, 2020 to
17 April 21, 2024.

18 1.19 **PAGA Release.** See Released Claims.

19 1.20 **Parties.** “Parties” shall mean Plaintiff (as defined below) and Defendants.

20 1.21 **Pay Periods.** “Pay Periods” means the number of pay periods a PAGA Member
21 was employed by Defendants and placed on assignment at PDA in California during the PAGA
22 Period.

23 1.22 **Plaintiff.** “Plaintiff” and “PAGA Representative” shall mean Plaintiff Silvia
24 Lemus.

25 1.23 **Released Claims.** “Released Claims” shall mean all claims and theories that
26 were alleged, or that could have been alleged based on the facts alleged in the Action during the
27 PAGA Period and as set forth in the PAGA Notice Letter, including but not limited to under
28 California Labor Code sections 201-204, 212-213, 226, 226.7, 510, 512, 558 and 1194 and related

IWC Wage Orders, based on various theories of liability, including, but not limited to, Defendants' alleged: failure to pay employees for all hours worked, improper use of debit pay cards, failure to provide meal periods, failure to provide rest breaks, failure to provide all monies due upon separation, and failure to provide complete and accurate wage statements.

1.24 **Released Parties.** "Released Parties" shall mean Real Time Staffing Services, LLC dba Select Staffing, EmployBridge, LLC and Tarnik, Inc. dba PDA Group, and includes any of their former or current officers, directors, executives, partners, managers, owners, shareholders, members, employees, agents, attorneys, any of their former and present parents, subsidiaries, successors, assigns and affiliates, and their officers, directors, managers, owners, executives, partners, employees, shareholders, agents, attorneys, and any other successors, assigns, or legal representatives.

1.25 **Settlement.** "Settlement" shall mean the settlement between Parties, which is memorialized in this Agreement, including any attached exhibits, and subject to Court approval.

1.26 **Settlement Administrator.** "Settlement Administrator" or "Administrator" shall mean CPT Group, the third-party settlement administrator selected by the Parties and to be approved by the Court, which the Parties have agreed will be responsible for administration of the Settlement and related matters. The Administrator's fee and expenses are estimated to not exceed \$_6,000.00.

1.27 **Settlement Group.** "Settlement Group" or "Settlement Group Members" shall mean all PAGA Members.

1.28 **Settlement Letter.** "Settlement Letter" shall mean the letter accompanying the Individual Settlement Payments attached, in substantial form, as **Exhibit A.**

2. **FACTUAL AND PROCEDURAL BACKGROUND OF ACTION**

2.1 On November 1, 2021, Plaintiff filed the PAGA action in Los Angeles County Superior Court.

2.2 The Parties agreed to mediate with Hon. Richard Stone (Ret.), and Plaintiff requested, and received, informal discovery to evaluate the claims and theories alleged. With the continued assistance of the mediator, they were able to resolve the matter, the terms of which were

1 memorialized in a Memorandum of Understanding executed by the Parties.

2 2.3 The Parties and their respective counsel believe this Agreement reflects a fair,
3 adequate, and reasonable settlement of the Action and have arrived at this Agreement as a result of
4 arms'-length negotiations, facilitated by an experienced and neutral mediator, taking into account
5 all relevant factors, present and potential.

6 3. **ALLEGATIONS OF THE PAGA REPRESENTATIVE AND BENEFITS OF**
7 **THE SETTLEMENT**

8 3.1 The investigation and extensive exchange of information and informal discovery
9 conducted in this matter, as well as discussions between counsel have been adequate to give and
10 PAGA Counsel an understanding of the merits of the Parties' respective positions and to evaluate
11 the worth of the claims of the Settlement Group. The information and data exchanged by the
12 Parties prior to and during mediation and settlement negotiations are sufficient to reliably assess the
13 merits of the Parties' respective positions and to compromise the issues on a fair and equitable
14 basis.

15 3.2 The Parties recognize and acknowledge the expense and delay of continued
16 lengthy proceedings necessary to prosecute the Action against Defendants through trial and through
17 appeals. PAGA Counsel has considered the uncertain outcome of the litigation, the risk of
18 continued litigation in complex actions such as this, as well as difficulties and delays inherent in
19 such litigation, as well as trying the claims of the Settlement Group. PAGA Counsel believes that
20 the Settlement set forth in this Agreement confers substantial benefits upon Plaintiff and the
21 Settlement Group Members and that an independent review of this Agreement by the Court in the
22 approval process will confirm this conclusion. Based on their own independent investigation and
23 evaluation, PAGA Counsel has determined that the Settlement set forth in the Agreement is in the
24 best interests of Plaintiff and the Settlement Class Members.

25 4. **NO ADMISSION OF ANY LIABILITY**

26 4.1 This Agreement represents a compromise and settlement of highly disputed
27 claims. This Agreement does not constitute, is not intended to constitute, and will not be deemed
28 to constitute, an admission of liability by Defendants as to the merits, validity, or accuracy of any

1 of the allegations or claims made against Defendants in the Action. Defendants deny each and all
2 of Plaintiff's allegations in their entirety.

3 4.2 Nothing in this Agreement, the Memorandum of Understanding nor any action
4 taken or made in implementation thereof, nor any statements, discussions, or communications, nor
5 any materials prepared, exchanged, issued, or used during the course of the negotiations leading to
6 the Agreement, is intended by the Parties to, nor will any of the foregoing constitute, be introduced,
7 be used, or be admissible in any way in this case or any other judicial, arbitral, administrative,
8 investigative or other forum or proceeding as evidence of any violation of any federal, state, or
9 local law, statute, ordinance, regulation, rule, or executive order, or any obligation or duty at law or
10 in equity. Notwithstanding the foregoing, the Agreement may be used in any proceeding in the
11 Court that has as its purpose the interpretation, implementation, or enforcement of the Agreement
12 or any orders or judgments of the Court entered into in connection therewith.

13 4.3 The Parties agree that Plaintiff's motion for approval of the Settlement and
14 Defendants' agreement thereto is for purposes of the Settlement only. If, for any reason, the
15 Settlement is not approved, this Agreement will not be admissible in this or any other proceeding
16 as evidence that (i) the Action should proceed forward, or (ii) Defendants are liable to Plaintiff or
17 the Settlement Group Members as Plaintiff alleged. In the event that this Agreement is not
18 approved by the Court or any appellate court, is terminated, or otherwise fails to be enforceable,
19 Defendants will not be deemed to have waived, limited, or affected in any way any of their
20 objections or defenses in the Action, including, but not limited to, their ability to move to compel
21 arbitration, raise defenses in opposition to the Action, contest the merits of the claims and theories
22 alleged, etc.

23 5. **SETTLEMENT CONSIDERATION**

24 5.1 **Gross Settlement and Net Settlement Amounts and Distribution.** The Gross
25 Settlement Amount and other actions and forbearances taken by Defendants shall constitute
26 adequate consideration for the Settlement and will be made in full and final settlement of: (a) the
27 Released Claims, (b) PAGA Counsel's Attorneys' Fees and Expenses, (c) Administration
28 Expenses, (d) LWDA Payment, (e) Enhancement Award to Plaintiff (if any) and (d) the Individual

1 Settlement Payments to Settlement Group Members, and any other obligation of Defendants under
2 this Agreement.

3 5.2 **Payments to Settlement Group Members.** Each Settlement Group Member
4 shall be eligible to receive an Individual Settlement Payment. The Parties understand that
5 Settlement Group Members who receive an Individual Settlement Payment pursuant to this
6 Agreement shall be solely responsible for any and all other individual tax obligations associated
7 with the payment.

8 5.3 **No Effect on Employee Benefits.** Neither the Settlement nor any amounts paid
9 under the Settlement will modify any previously credited hours, days, or weeks or service under
10 any employee benefit plan, policy or bonus program sponsored by Defendants (or their affiliates,
11 parents or successors). Such amounts will not form the basis for additional contributions to, benefit
12 under, or any other monetary entitlement under Defendants' sponsored benefit plans, policies or
13 bonus programs, if any. The payments made under the terms of this Settlement shall not be applied
14 retroactively, currently, or on a going forward basis, as salary, earnings, wages, or any other form
15 of compensation for the purposes of any of Defendants' benefit plans, policies or bonus programs,
16 if any. Defendants retain the right to modify the language of their benefits plans, policies and
17 bonus programs to effect this intent and to make clear that any amounts paid pursuant to this
18 Agreement are not for "weeks worked," "weeks paid," "weeks of service," or any similar
19 measuring term as defined by applicable plans, policies and bonus programs for purpose of
20 eligibility, vesting, benefit accrual, or any other purpose, and that additional contributions or
21 benefits are not required by this Agreement. Defendants do not consider the Individual Settlement
22 Payments "compensation" for purposes of determining eligibility for, or benefit accrual within, any
23 benefits plan, policy, or bonus program, or any other plan or program sponsored by Defendants (or
24 their affiliates, parents or successors), if any.

25 5.4 **PAGA Counsel Attorneys' Fees and Expenses.** As part of the motion for
26 approval of the Settlement, PAGA Counsel may submit an application for an award of Attorneys'
27 Fees and Expenses. Defendants agree not to object to any such fee, cost or expense application in
28 line with this Agreement and in an amount not to exceed 40% of the Gross Settlement Amount for

attorneys' fees and \$13,000 for costs. As a condition of this Settlement, PAGA Counsel has agreed to pursue fees and costs only in the manner reflected by this Agreement. Any PAGA Counsel Attorneys' Fee and Expenses awarded by the Court shall be paid from the Gross Settlement Amount. If the PAGA Counsel voluntarily reduces the request for Attorneys' Fees and Expenses or the Court's award is less than set forth above, the difference shall remain with the Net Settlement Amount.

The Attorneys' Fees and Expenses approved by the Court shall encompass: (a) all work performed and costs and expenses incurred by, or at the direction of, any attorney purporting to represent the Settlement Group through the date of this Agreement; (b) all work to be performed and costs to be incurred in connection with approval by the Court of the Settlement set forth in this Agreement; (c) all work to be performed and costs and expenses, if any, incurred in connection with administering the Class Settlement through the Effective Date; and (d) may be based on the Catalyst Theory and/or Common Fund Doctrine.

5.5 **Payment of PAGA Counsel Attorneys' Fees and Expenses.** PAGA Counsel Attorneys' Fees and Expenses as awarded by the Court shall be paid by the Settlement Administrator within fourteen (14) days of the settlement being funded.

5.6 **Number of Pay Periods/Escalator Clause.** There are approximately 2,000 pay periods from the time period from November 1, 2020 to November 3, 2023 ("Data Period"). To the extent the final amount of pay periods for the Data Period exceed 110% of that number, or 2,200 pay periods, Defendants will have the option of: (1) increasing the Gross Settlement Amount on a pro rata basis for each additional pay period over 2,200, or (2) ending the Settlement Period on the last day before the 2,200 pay-period threshold is exceeded.

6. **ADMINISTRATION COSTS AND EXPENSES**

6.1 **The Settlement Administrator's Costs and Expenses.** All costs and expenses due to the Settlement Administrator in connection with its administration of the Settlement described in the Agreement, including, but not limited to, formatting and mailing the Settlement Letter and Individual Settlement Payments, performing a National Change of Address database search to update Settlement Group Members addresses prior to the mailing, performing skip-traces

to locate and update Settlement Group Members' addresses, calculating, and distributing Individual Settlement Payments, and any other tasks requested by the Parties or by the Court, among other tasks as reflected within this Agreement, will be paid through the Gross Settlement Amount.

7. **FUNDING AND DISTRIBUTION**

7.1 **Funding of the Gross Settlement Amount.** The Settlement Administrator will provide Defendants with its bank wire instructions to establish the Qualified Settlement Fund (QSF).

Within fifteen (15) business days of the Effective Date, Defendants shall transmit the Gross Settlement Amount to the Settlement Administrator.

7.2 **Distribution of the Gross Settlement Amount.** Within 14 calendar days of the settlement being funded, the Administrator will pay to Settlement Group Members, their Individual Settlement Payments via first-class regular U.S. Mail; to PAGA Counsel, the Court-awarded Attorneys' Fees and Litigation Expenses Payment; to the LWDA, the Court-approved LWDA Payment; Enhancement Award to Plaintiff (if any); and to the Administrator, the Court-awarded Administration Fees and Expenses.

7.3 **Non-Cashed Settlement Checks.** Settlement Group Members shall have one hundred eighty days (180) to cash their checks. Any funds associated with uncashed checks after one hundred eighty (180) days will be sent to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500 et seq., for the benefit of those Settlement Group Members whose checks were voided.

8. **NULLIFICATION OF THIS AGREEMENT**

8.1 **Non-Approval of the Agreement.** If (a) the Court should for any reason fails to approve this Agreement in the form agreed to by the Parties, or (b) the Court should for any reason fail to enter a judgment on this Action, or (c) the approval of the Settlement and judgment is reversed, modified or declared or rendered void, then the Settlement shall be considered null and void, and neither the Settlement nor any of the related negotiations or proceedings shall be of any force or effect, and all Parties to the Settlement shall stand in the same position, without prejudice, as if the Settlement has been neither entered into nor filed with the Court. Notwithstanding the

foregoing, the Parties may attempt in good faith to cure any perceived defects in the Agreement to facilitate approval. In the event the Court awards less than the requested amounts for Administration Fees, PAGA Counsel's Attorneys' Fees and Expenses, Enhancement Award to Plaintiff (if any), or the PAGA Payment, the difference shall become part of the Net Settlement Amount.

8.2 **Invalidation.** Invalidation of any material portion of the Settlement shall invalidate the Settlement in its entirety, unless the Parties shall subsequently agree in writing that the remaining provisions of the Settlement are to remain in full force and effect.

8.3 **Stay Upon Appeal.** In the event of a timely appeal from the approval of the Settlement and Judgment, the Judgment shall be stayed, and Defendants shall not be obligated to fund the Gross Settlement Amount or take any other actions required by this Agreement until all appeal rights have been exhausted by operation of law.

9. **MOTION OR STIPULATION FOR COURT APPROVAL**

9.1 **Approval.** PAGA Counsel will submit this Agreement to the Court along with a Motion or Stipulation for an Order Granting Approval of the Settlement.

10. **RELEASES AND WAIVERS**

10.1 **Settlement Group Members' Release.** Upon full funding of the Settlement by Defendants, Plaintiff, the Settlement Group Members, and the State of California vis-à-vis the LWDA shall hereby release the Released Parties for the Released Claims for the PAGA Period.

10.2 **General Release by Plaintiff.** Plaintiff, for herself, her heirs, successors, and assigns, waive, release, acquit, and forever discharges the Released Parties from any and all claims, actions, charges, complaints, grievances, and causes of action, of any nature arising from Plaintiff's employment with Defendants whether known or unknown, which exist or may exist as of the Parties' execution of this Agreement.

Section 1542 of the California Civil Code provides as follows:

"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

1 *known by him or her, would have materially affected his or her settlement with the debtor or*
2 *released party.”*

3 Plaintiff’s general release provided herein is made with an express waiver and
4 relinquishment of any claim, right, or benefit under California Civil Code § 1542. Plaintiff warrants
5 that she has read this Agreement, including this waiver of California Civil Code § 1542, and that
6 Plaintiff has consulted with or had the opportunity to consult with counsel about this Agreement
7 and specifically about the waiver of § 1542, and that Plaintiff understands this Agreement and the §
8 1542 waiver, and so she is freely and knowingly entering into this Agreement. Plaintiff further
9 acknowledges that she later may discover facts different from or in addition to those Plaintiff now
10 knows or believes to be true regarding the matters released or described in this Agreement, and
11 even so Plaintiff agrees that the releases and agreements contained in this Agreement shall remain
12 effective in all respects notwithstanding any later discovery of any different or additional facts.

13 11. **DUTIES OF THE PARTIES**

14 11.1 **Mutual Full Cooperation.** The Parties agree to cooperate fully with one
15 another to accomplish and implement the terms of this Agreement. Such cooperation shall include,
16 but not be limited to, execution of such other documents and the taking of such other actions as
17 may reasonably be necessary to fulfill the terms of this Settlement. The Parties shall use their best
18 efforts, including all effects contemplated by this Agreement and any other efforts that may become
19 necessary by Court order or otherwise, to effectuate the terms of this Agreement. As soon as
20 practicable after execution of this Agreement, PAGA Counsel, with the cooperation of Defendants
21 and Defense Counsel, shall take all necessary and reasonable steps to secure the Court’s final
22 approval of this Agreement.

23 11.2 **Duty to Support and Defend the Settlement.** The Parties agree to abide by all
24 of the terms of the Settlement in good faith and to support the Settlement fully and to use their best
25 efforts to defend this Settlement from any legal challenge, whether by appeal or collateral attack.

26 12. **MISCELLANEOUS PROVISIONS**

27 12.1 **Different Facts.** The Parties hereto, and each of them, acknowledge that, except
28 for matters expressly represented herein, the facts in relation to the dispute and all claims released

1 by the terms of this Agreement may turn out to be other than or different from the facts now known
2 by each party and/or their counsel, or believed by such Party or counsel to be true, and each Party
3 therefore expressly assumes the risk of the existence of different or presently unknown facts, and
4 agrees that this Agreement shall be in all respects effective and binding despite such difference.

5 12.2 **No Prior Assignments.** The Parties represent, covenant, and warrant that they
6 have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
7 encumber to any person or entity any portion of any liability, claim, demand, action, cause of
8 action, or right herein released and discharged except as set forth herein.

9 12.3 **Non-Admission.** Nothing in this Agreement shall be construed as or deemed to
10 be an admission by any Party of any liability, culpability, negligence, or wrongdoing toward any
11 other Party, or any other person, and the Parties specifically disclaim any culpability, negligence, or
12 wrongdoing toward each other or any other person. Each of the Parties has entered into this
13 Agreement with the intention to avoid further disputes and litigation with the attendant
14 inconvenience, expenses, and contingencies. Nothing herein shall constitute any admissions by
15 Defendants of wrongdoing or liability, or of the truth of any factual allegations in the Action.
16 Nothing herein shall constitute any admission by Defendants regarding the merits of the Claims in
17 this Action. Nothing herein shall constitute an admission by Defendants that the Action was
18 properly brought as a representative action other than for settlement purposes. To the contrary,
19 Defendants have denied and continue to deny each and every material factual allegation and all
20 Claims. To this end, the Settlement of the Action, the negotiation and execution of this Agreement,
21 and all acts performed or documents executed pursuant to or in furtherance of this Agreement or
22 the Settlement are not, shall not be deemed to be, and may not be used as, an admission or evidence
23 of any wrongdoing or liability on the part of Defendants or of the truth of any of the factual
24 allegations in the Action; and are not, shall not be deemed to be, and may not be used as, an
25 admission or evidence of any fault or omission on the part of Defendants in any civil, criminal or
26 administrative proceeding in any court, administrative agency or other tribunal.

27 12.4 **Media or Press.** Plaintiff and Defendants, and their respective counsel, agree to
28 limit public comment on this Settlement, the Action, and claims in the Action, stating that the

1 matter has been resolved to the satisfaction of the Parties. Plaintiff and Defendants, and their
2 respective counsel shall not initiate public comment and/or discuss with or present to the media or
3 press.

4 12.5 **Construction.** The Parties hereto agree that the terms and conditions of this
5 Agreement are the result of lengthy, intensive, arms-length non-collusive negotiations between the
6 Parties and that this Agreement is not to be construed in favor of or against any party by reason of
7 the extent to which any Party or their counsel participated in the drafting of this Agreement. If any
8 of the dates in the Agreement fall on a weekend, bank or court holiday, the time to act shall be
9 extended to the next business day.

10 12.6 **Governing Law.** This Agreement is intended to and shall be governed by the
11 laws of the State of California, without regard to conflict of law principles, in all respects,
12 including execution, interpretation, performance, and enforcement.

13 12.7 **Captions and Interpretations.** Section titles or captions contained herein are
14 inserted as a matter of convenience and for reference only and in no way define, limit, extend, or
15 describe the scope of this Agreement or any provision thereof.

16 12.8 **Modification.** This Agreement may not be changed, altered, or modified,
17 except in writing signed by the Parties and approved by the Court. This Agreement may not be
18 discharged except by performance in accordance with its terms or by a writing signed by the
19 Parties.

20 12.9 **Integration Clause.** This Agreement contains the entire agreement between the
21 Parties relating to the Settlement of the Action and the transactions contemplated thereby, and all
22 prior or contemporaneous agreements, understandings, representations, and statements, whether
23 oral or written, and whether by a party or such party's legal counsel, are hereby superseded. No
24 rights under this Agreement may be waived except in writing as provided above.

25 12.10 **Successors and Assigns.** This Agreement shall be binding upon and inure to
26 the benefit of the Parties and Settlement Group Members and their respective present and former
27 heirs, trustees, executors, administrators, representatives, officers, directors, shareholders, agents,
28 employees, insurers, attorneys, accountants, auditors, advisors, consultants, pension and welfare

benefit plans, fiduciaries, parent companies, subsidiaries, affiliates, related companies, joint ventures, predecessors, successors, and assigns.

12.11 **Corporate Signatories.** Any person executing this Agreement or any such related document on behalf of a corporate signatory or on behalf of a partnership hereby warrants and promises, for the benefit of all Parties hereto, that such person has been duly authorized by such corporation or partnership to execute this Agreement or any such related document.

12.12 **Execution in Counterparts.** This Agreement shall become effective upon its execution by all of the undersigned. The Parties may execute this Agreement in counterparts, and execution of counterparts shall have the same force and effect as if all Parties had signed the same instrument.

12.13 **Attorneys' Fees, Costs and Expenses.** Except as otherwise specifically provided for herein, each Party shall bear their or its own attorneys' fees, costs and expenses, taxable or otherwise, incurred by them in or arising out of the Action and shall not seek reimbursement thereof from any other Party to this Agreement.

IN WITNESS WHEREOF, the Parties and their counsel have executed this Agreement on the date below their signatures of their representatives. The date of the Agreement shall be the date of the latest signature.

Dated: July __, 2024

PLAINTIFF

By: Silvia Lemus
Silvia Lemus

Dated: July 23, 2024

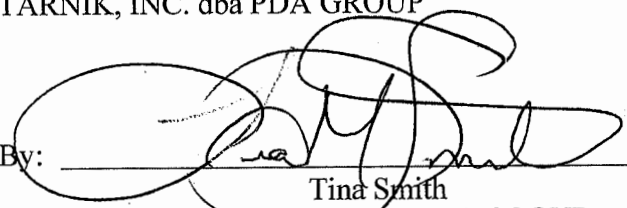
MOORADIAN LAW, APC

By: Arrik Mooradian
Arrik Mooradian
Haik Hacopian

Attorneys for Plaintiff
SILVIA LEMUS

1 Dated: July 12, 2024

TARNIK, INC. dba PDA GROUP

2
3 By: 

Tina Smith

4 On behalf of TARNIK, INC. dba PDA GROUP

5
6 Dated: July 12, 2024

KOEGLE LAW GROUP, APC

7
8 By: 

Brian E. Koegle
Ransom D. Boynton

9 Attorneys for Defendant
10 TARNIK, INC. dba PDA GROUP

11 Dated: July __, 2024

REAL TIME STAFFING SERVICES, LLC dba SELECT
STAFFING and EMPLOYBRIDGE, LLC

12
13
14 By: _____

Janelle Bieler

15 On behalf of REAL TIME STAFFING SERVICES, LLC dba
16 SELECT STAFFING and EMPLOYBRIDGE, LLC

17 Dated: July __, 2024

CDF LABOR LAW LLP

18
19
20 By: _____

David G. Hagopian

21 Attorneys for Defendants
22 REAL TIME STAFFING SERVICES, LLC dba SELECT
STAFFING and EMPLOYBRIDGE, LLC

1 Dated: July __, 2024

TARNIK, INC. dba PDA GROUP

2

3

By: _____

4

Tina Smith

5

On behalf of TARNIK, INC. dba PDA GROUP

6 Dated: July __, 2024

KOEGLE LAW GROUP, APC

7

8

By: _____

9

Brian E. Koegle

Ransom D. Boynton

10

Attorneys for Defendant

11

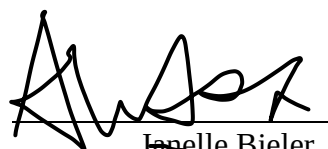
TARNIK, INC. dba PDA GROUP

12 Dated: ~~July XX, 2024~~
October 24, 2024

REAL TIME STAFFING SERVICES, LLC dba SELECT
STAFFING and EMPLOYBRIDGE, LLC

13

14

By:  

15

Iselle Bieler

Alyssa Greenwalt

16

On behalf of REAL TIME STAFFING SERVICES, LLC dba
SELECT STAFFING and EMPLOYBRIDGE, LLC

17

18

Dated: ~~July XX, 2024~~
October 24, 2024

CDF LABOR LAW LLP

19

20

By:  _____

21

David G. Hagopian

22

Attorneys for Defendants

23

REAL TIME STAFFING SERVICES, LLC dba SELECT
STAFFING and EMPLOYBRIDGE, LLC

24

25

26

27

28

TRANSMITTAL OF INDIVIDUAL SETTLEMENT AWARD

Silvia Lemus v. Tarnik, Inc. dba PDA Group, et. al.
Superior Court of the State of California for the County of Los Angeles
Case No. 21STCV40242

Dear Settlement Group Member:

Enclosed with this letter is a settlement check being paid to you pursuant to the settlement of the representative PAGA lawsuit filed in the Los Angeles County Superior Court as *Silvia Lemus v. Tarnik, Inc. dba PDA Group, et. al.*, which has been designated case number 21STCV40242 (the “Lawsuit”). The purpose of this letter is to provide you with basic information about the Lawsuit, the reasons why you are receiving the enclosed settlement check, and the effect of the settlement on your legal rights.

I. The Lawsuit

The Lawsuit was filed on or about November 1, 2021, by Silvia Lemus (“Plaintiff”), a former employee of Real Time Staffing Services d.b.a. Select Staffing (“Real Time”) who was placed on a work assignment at Tarnik, Inc. dba PDA Group (“PDA”). In addition to Real Time and PDA, Plaintiff names EmployBridge, LLC as “Defendants”.

In the Lawsuit, Plaintiff alleged that she and other non-exempt employees of Real Time who were placed on assignment at PDA experienced violations of the California Labor Code by Defendants. Specifically, Plaintiff alleged that Defendants violated the sections of the California Labor Code including sections 201-204, 212-213, 226, 226.7, 510, 512, 558 and 1194 and related IWC Wage Orders, based on various theories of liability, including, but not limited to, Defendants’ alleged: failure to pay employees for all hours worked, improper use of debit pay cards, failure to provide meal periods, failure to provide rest breaks, failure to provide all monies due upon separation, and failure to provide complete and accurate wage statements. Based thereon, the Lawsuit sought civil penalties under the Labor Code Private Attorneys General Act of 2004 (“PAGA”), which is codified at California Labor Code section 2698 *et seq.*, on behalf of the State of California and all current and former non-exempt employees of Real Time who were placed on assignment at PDA in California from August 25, 2020 to April 21, 2024.

Defendants deny the allegations in the Lawsuit. Defendants contend that they followed lawful policies and practices and that Plaintiff and the other non-exempt employees at issue in the Lawsuit received proper meal and rest periods, were timely and accurately paid for all hours worked, including overtime wages, received accurate wage statements, were timely paid for all wages at separation, and were issued wages in the form of a Labor Code-compliant instrument.

The merits of the Lawsuit have not been determined. On **Approval Date**, however, the Los Angeles County Superior Court approved a settlement of the Lawsuit.

II. Why the Settlement Check Is Being Sent to You

The settlement approved by the Los Angeles County Superior Court on **Approval Date** involves a payment of civil penalties and the reimbursement of the attorney’s fees and litigation costs incurred

EXHIBIT "A"

by Plaintiff in furtherance of the lawsuit. In accordance with PAGA, seventy-five percent (75%) of the civil penalties paid under the settlement are being paid to the California Labor and Workforce Development Agency. The remaining twenty-five percent (25%) of the civil penalties paid under the settlement are being distributed to the current and former non-exempt employees of Real Time who were placed on assignment at PDA in California from August 25, 2020 to April 21, 2024 (the “Settlement Group”). The enclosed settlement check is being sent to you, because you have been identified as a Settlement Group Member.

III. How the Amount of Your Settlement Check Was Determined

The enclosed settlement check was calculated based on the number of pay periods you performed services for Real Time while on assignment at PDA between August 25, 2020 and April 21, 2024 (the “Settlement Period”) relative to the entire Settlement Group. Specifically, the enclosed settlement check was calculated as follows:

- Each pay period during the Settlement Period that a non-exempt employee of Real Time on assignment at PDA actually performed services was counted as a “Covered Pay Period.”
- The twenty-five percent (25%) portion of the civil penalties payable to Settlement Group under the settlement was divided by the total number of Covered Pay Periods attributable to the entire Settlement Group to yield a “Per Pay Period Rate.” Specifically, the \$ [redacted] in penalties payable to the Settlement Group under the settlement was divided by the total number of Covered Pay Periods, resulting in a Per Pay Period Rate of \$ [redacted].
- The amount of your settlement check ([state \$AMT]) was calculated by multiplying the Per Pay Period Rate ([state Per Pay Period Rate]) by the number of Covered Pay Periods during which you actually performed services for Real Time on assignment at PDA ([state number of Covered Pay Periods]).

Your settlement check will remain negotiable for 180 days. If you do not cash, deposit, or negotiate your settlement check within 180 days, it will be voided and the corresponding amount will be sent for your benefit to the Controller of the State of California to be held pursuant to the Unclaimed Property Law.

The Lawsuit was filed exclusively as a representative action under PAGA, which functions as a substitute for an enforcement action by the State of California.

Although you are not a “party” to the Lawsuit, the Superior Court’s order and judgment approving the settlement of the Lawsuit binds all persons, including nonparty employees, who would be bound by a judgment in an action brought by the State of California itself. As a result, the judgment entered upon settlement of the Lawsuit is binding on you with respect to any claims for civil penalties under PAGA encompassed by the settlement. That is true regardless of whether you choose to cash, deposit, or negotiate the enclosed settlement check.

IV. Taxation of Your Individual Settlement Award

You will be issued an IRS Form 1099 in connection with the funds paid to you via the enclosed check. However, you are solely responsible for all tax obligations attributable to you that may arise as a result of receiving the settlement check. Should you seek tax advice or have tax questions relating to your receipt of the enclosed check, you should direct them your own personal tax advisor.

V. Where to Get More Information

Do not call or contact the Los Angeles County Superior Court about this letter, the settlement, the settlement check sent to you, or the Lawsuit in general. If you have questions about this letter, the settlement, the settlement check sent to you, or the Lawsuit in general, you may contact the Settlement Administrator at [INSERT CONTACT INFORMATION].

Dated: [INSERT DATE]

EXHIBIT “3”
Administration Quote

CASE NAME: LEMUS v TARNIK

Requesting Attorney: Haik Hacopian

Plaintiff or Defense: Plaintiff

Firm Name: Mooradian Law

Telephone: (818) 487-1998

Email: haik.hacopian@gmail.com

Date: May 10, 2024

Prepared By: Tim Phillips

50 Corporate Park, Irvine CA92606

Tim@CPTGroup.com

Direct Number: (818) 415-2703

Main Number: (800) 542-0900

PROJECT ASSUMPTIONS & ADMINISTRATIVE COSTS

Aggrieved Employees: 122

Language Translation Services: Yes

Settlement Website: No

Payment Option: Check

Undeliverable Mail Rate: 6%

Unclaimed Funds: SCO

Check Reminder Postcard: No

Postage Total: \$99.76

Grand Total: \$8,319.04

CPT'S DISCOUNTED FEE: \$6,000.00

The services and numbers reflected herein are an estimate provided by counsel. If the actual services and number are different, our cost estimate will change accordingly.

The attached Terms and Conditions are included as part of our cost proposal. By accepting our costs proposal for this matter, you are thereby agreeing to the Terms and Conditions.

CASE SETUP

After receiving the data, CPT will scrub all records to eliminate duplicates and anomalies, ensuring a higher success percentage in delivering the distribution proceeds. Additionally, CPT will perform an address update via NCOA and, if necessary, conduct an additional skip trace in order to ensure that mail is delivered to the most current address possible. Each aggrieved employee will receive a unique mailing ID that will be utilized for all administrative purposes. CPT will translate the court Notice into Spanish.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Manager: Case Intake & Review	\$95.00	1	\$95.00
Project Manager: Notice Format	\$95.00	1	\$95.00
Programming: Data Base Setup	\$150.00	1	\$150.00
National Change of Address Search (NCOA)	\$135.00	1	\$135.00
XML Lex ID Skip Trace	\$0.85	12	\$10.20
Spanish Translation	\$250.00	1	\$250.00
Sub Total:			\$735.20

AGGRIEVED EMPLOYEE SUPPORT

CPT will establish a toll-free telephone number equipped with interactive voice response (IVR) capabilities and live customer support representatives. Live support will be available during regular business hours, Monday to Friday, 9:00 AM to 5:30 PM Pacific Time (PT). The dedicated case phone number shall be operational for a maximum of 120 days following the disbursement.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Toll-Free Number Establish/Setup	\$150.00	2	\$300.00
Live Call Center Support Reps.	\$3.00	25	\$75.00
Sub Total:			\$375.00

SSN VERIFICATION

Authenticate Social Security Number for validity using IRS verification processes and/or IRS backup withholdings processes.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: SSN Selection	\$150.00	1	\$150.00
Department Manager: Analysis & Reporting	\$95.00	3	\$285.00
IRS SSN Verification	\$0.10	122	\$12.20
Sub Total:			\$447.20

DISTRIBUTION SERVICES

CPT will establish and oversee the administration of the 26 CFR § 1.468B-1 compliant Qualified Settlement Fund (QSF) for a maximum duration of six months following the distribution of funds. Once approved, CPT will conduct the essential calculations and distribute funds. CPT will send a magnetic ink character recognition (MCR) check to eligible aggrieved employees. CPT employs a Payee Positive Pay System to reconcile cashed checks and performs monthly account reconciliations for the QSF. Undeliverable checks are skip traces to determine a current address and are remailed accordingly. Requests for check reissues will be processed continuously and mailed to employees.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: Calculation Totals	\$150.00	2	\$300.00
Project Supervisor: Review of Distribution	\$150.00	3	\$450.00
Project Manager: Correspondence w/Parties	\$95.00	2	\$190.00
Programming: Setup & Printing of Checks	\$150.00	3	\$450.00
Obtain EIN, Setup QSF/Bank Account	\$150.00	3	\$450.00
Print & Mail Notice, Checks & 1099	\$3.00	122	\$366.00
First-Class Postage (up to 1 oz.)	\$0.68	122	\$82.96
Project Supervisor: Account Reconciliation	\$150.00	6	\$900.00
Update Undeliverable Checks Database	\$0.50	7	\$3.66
Clerical Staff	\$60.00	1	\$60.00
Skip Trace for Best Address	\$1.00	7	\$7.32
Remail Undeliverable Checks	\$3.00	7	\$21.00
First-Class Postage (up to 1 oz.)	\$0.68	7	\$4.76
Re-Issue Checks as Required	\$5.00	5	\$25.00
First-Class Postage (up to 1 oz.)	\$0.68	5	\$3.40
Sub Total:			\$3,314.10

TAX REPORTING & SETTLEMENT CONCLUSION

CPT prepares annual tax reporting on behalf of the QSF and Federal and State taxes in accordance with current state and federal regulations.

All parties will be furnished with weekly and final reports. A declaration attesting to due process will be provided to all parties.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Supervisor: Reconcile Uncashed Chk	\$150.00	1	\$150.00
Programming: Weekly & Final Reports	\$150.00	1	\$150.00
Project Supervisor: Final Declaration	\$150.00	1	\$150.00
Project Manager: Account Files Sent to Atty	\$95.00	1	\$95.00
CA Tax Preparation*	\$600.00	1	\$600.00
Annual Tax Reporting to IRS*	\$1,000.00	1	\$1,000.00
QSF Annual Tax Reporting	\$500.00	1	\$500.00
Sub Total:			\$2,645.00

*CPT will file Federal and California taxes in accordance with current state and federal regulations. Additional charges will apply if the Settlement/Order/parties require(s) multiple state tax filings.

SCO ESCHEATMENT PROCESSING

Escheatment Processing to the State Controller Unclaimed Property Division / Uncashed Check Rate 21%

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
UP Enterprise Reporting Services	\$0.15	26	\$3.90
Project Manager: Reporting & Remittance	\$95.00	2	\$190.00
Project Supervisor: Review of Report	\$150.00	1	\$150.00
Certified Mail Report to SCO	\$8.64	1	\$8.64
Add'l Account Recons	\$150.00	3	\$450.00
Sub Total:			\$802.54

Total Administration Costs: \$8,319.04

Courtesy Discount: -\$2,319.04

CPT'S DISCOUNTED FLAT FEE: \$6,000.00

TERMS AND CONDITIONS

These Terms and Conditions are made a part of, and incorporated by reference into, any cost proposal or Bid presented by CPT Group, Inc. to Client

1. Definitions.

- a) **"Affiliate"** means a party that partially (at least 50%) or fully controls, is partially or fully controlled by, or is under partial (at least 50%) or full common control with another party.
 - b) **"Approved Bank"** means a financial institution insured by the Federal Deposit Insurance Corporation.
 - c) **"Case"** means the particular judicial matter identified by the name of plaintiff(s) and defendant(s) on the applicable Order.
 - d) **"Claims Administrator"** means CPT Group, Inc., a reputable third-party Claims Administrator selected by all the Parties (Plaintiff and Defense Counsel) to administer the Settlement or Notification Mailing.
 - e) **"Client"** means collectively Plaintiff Counsel and Defense Counsel.
 - f) **"Client Content"** means all Class Member written document communications relating to the Case, including claim forms, opt-out forms, and objections, which contain Client Data.
 - g) **"Client Data"** means proprietary or personal data regarding Client or any of its Class Members under this Agreement, as provided by Client.
 - h) **"Class Member"** means an individual who is eligible under the Settlement Agreement to receive a designated amount of the Settlement, including the named Plaintiff(s) in the Case and all other putative persons so designated or addressed therein.
 - i) **"Confidential Information"** means any non-public information of CPT or Client disclosed by either party to the other party, either directly or indirectly, in writing, orally or by inspection of tangible objects, or to which the other party may have access, which a reasonable person would consider confidential and/or which is marked "confidential" or "proprietary" or some similar designation by the disclosing party. Confidential Information shall also include the terms of this Agreement, except where this Agreement specifically provides for disclosure of certain items. Confidential Information shall not, however, include the existence of the Agreement or any information which the recipient can establish: (i) was or has become generally known or available or is part of the public domain without direct or indirect fault, action, or omission of the recipient; (ii) was known by the recipient prior to the time of disclosure, according to the recipient's prior written documentation; (iii) was received by the recipient from a source other than the discloser, rightfully having possession of and the right to disclose such information; or (iv) was independently developed by the recipient, where such independent development has been documented by the recipient.
 - j) **"Court Order"** means a legal command or direction issued by a court, judicial office, or applicable administrative body requiring one or more parties to the Case to carry out a legal obligation pursuant to the Case.
 - k) **"Defendant"** means the named party and/or parties in the Case against whom action is brought.
 - l) **"Defense Counsel"** means the attorney of record for the defendant(s) in the Case.
 - m) **"Intellectual Property Right"** means any patent, copyright, trade or service mark, trade dress, trade name, database right, goodwill, logo, trade secret right, or any other intellectual property right or proprietary information right, in each case whether registered or unregistered, and whether arising in any jurisdiction, including without limitation all rights of registrations, applications, and renewals thereof and causes of action for infringement or misappropriation related to any of the foregoing.
 - n) **"Order"** means a Product purchase in a schedule, statement of work, addendum, exhibit, or amendment signed by Client and CPT.
 - o) **"Parties"** shall mean collectively Defendants, Defense and Plaintiff as defined in the Settlement Agreement or Court Order.
 - p) **"Plaintiff"** means the named party and/or parties in the Case who are bringing the action.
 - q) **"Plaintiff Counsel"** means the attorney of record for plaintiff Class Members in the Case.
 - r) **"Products"** means any and all CPT Services, and work products resulting from Services.
 - s) **"Qualified Settlement Fund"** means the entity as defined by Treasury Regulation section 4686-1 under which a bank account is established to receive settlement funds from the Defendant in the Case, which such funds are then disbursed by CPT according to the Settlement Agreement and pursuant to Court Order.
 - t) **"Service"** means any service rendered by CPT specifically to Client, including, but not limited to: (i) notifications to Class Members; (ii) setting up a Qualified Settlement Fund with a financial institution; (iii) management of disbursement of funds from the Qualified Settlement Fund to applicable parties pursuant to the Settlement Agreement; (iv) provision of customer support relating to the Case; (v) management of Case claim forms and correspondence; and/or (vi) any administrative or consulting service.
 - u) **"Software"** means any and all of CPT's proprietary applications, including, without limitation, all updates, revisions, bug-fixes, upgrades, and enhancements thereto.
 - v) **"Settlement"** means the total dollar amount agreed to between parties to the Case, as negotiated by Plaintiff Counsel and Defense Counsel, to resolve the Case to mutual satisfaction.
 - w) **"Settlement Agreement"** means the contract between parties to the Case to resolve the same, which specifies amounts to be disbursed from the Qualified Settlement Fund to attorneys, CPT, and individual Class Members.
 - x) **"Term"** means the term of the Agreement, as set forth in the Order.
 - y) **"Transmission Methods"** means the secure authorized manner to send Client Data and/or Wire Information as specified on a schedule or Order hereto.
 - z) **"Wire Information"** means instructions for (i) Defense Counsel to transfer funds from Defendant to the Qualified Settlement Fund or (ii) CPT to transfer funds from the Qualified Settlement Fund to applicable parties pursuant to the Settlement Agreement.
2. Client Obligations. Client will ensure that it has obtained all necessary consents and approvals for CPT to access Client Data for the purposes permitted under this Agreement and shall only transmit Client Data and/or Wire Instructions to CPT via the Transmission Methods. Client shall use and maintain appropriate administrative, technical, and physical safeguards designed to protect Client Data provided under this Agreement. Client shall not send, or attempt to send, Client Data and/or Wire Instructions via email, facsimile, unprotected spreadsheet, USB flash drive or other external or removable storage device, cloud storage provider, or any other method not specified in the Transmission Methods. Notwithstanding the foregoing, Client acknowledges and understands that the electronic transmission of information cannot be guaranteed to be secure or error free, and such information could be intercepted, corrupted, lost, and/or destroyed. Client further warrants that any Client Data and/or Wire Instructions it transmits shall be free of viruses, worms, Trojan horses, or other harmful or disabling codes which could adversely affect the Client Data and/or CPT. If Client is in breach of this section, CPT may suspend Services, in addition to any other rights and remedies CPT may have at law or in equity.
3. Security. The Parties and CPT shall each use reasonable administrative, technical, and physical safeguards that are reasonably designed to: (a) protect the security and confidentiality of any personally identifiable information provided by Class Members and/or Client under this Agreement; (b) protect against any anticipated threats or hazards to the security or integrity of such personally identifiable information; (c) protect against unauthorized access to or use of such personally identifiable information that could result in substantial harm or inconvenience to any individual; and (d) protect against unauthorized access to or use of such personally identifiable information in connection with its disposal. Each Party will respond promptly to remedy any known security breach involving the personally identifiable information provided by you and/or Client under this Agreement and shall promptly inform the other Parties of such breaches.
4. CPT Obligations. Provided that Client complies with all provisions of Section "Client Obligations", CPT will (i) maintain appropriate safeguards for the protection of Client Data, including regular back-ups, security and incident response protocols, and (ii) not access or disclose Client Data except (A) as compelled by law, (B) to prevent or address service or technical issues, (C) in accordance with this Agreement or the provisions of the Settlement Agreement, or (D) if otherwise permitted by Client.
5. Mutual Obligations.
- a) Resources. Each party agrees to: (i) provide the resources reasonably necessary to enable the performance of the Services; (ii) manage its project staffing, milestones, and attendance at status meetings; and (iii) ensure completion of its project deliverables and active participation during all phases of a Service project. The parties acknowledge that failure to cooperate during a Service project may delay delivery of the Service.

If there is a delay, the party experiencing the delay will notify the other party as soon as reasonably practicable, and representatives of each party will meet to discuss the reason for the delay and applicable consequences. Changes beyond the scope of an Order and/or a party's delay in performing its obligations may require an amended Order.

- b) **Incident Notification.** Each party will promptly inform the other parties in the event of a breach of Client Data in their possession and shall utilize best efforts to assist the other parties to mitigate the effects of such incident.
6. **Qualified Settlement Fund Account.** At Client's request, CPT shall be authorized to establish one or more bank accounts at an Approved Bank. The amounts held at the Approved Bank under this Agreement are at the sole risk of Client. Without limiting the generality of the foregoing, CPT shall have no responsibility or liability for any diminution of the funds that may result from the deposit thereof at the Approved Bank, including deposit losses, credit losses, or other claims made against the Approved Bank. It is acknowledged and agreed that CPT has acted reasonably and prudently in depositing funds at an Approved Bank, and CPT is not required to conduct diligence or make any further inquiries regarding such Approved Bank.
7. **Fees and Payment.** Pricing stated within the proposal is good for 90 Days. All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the Client data and /or notice documents. Client will be invoiced for any remaining fees according to the applicable Order. Pricing stated within any proposal from CPT to Client is for illustrative purposes only and is only binding upon an Order executed by CPT and Client. Payment of fees will be due within 30 days after the date of the invoice, except where this Agreement expressly prescribes other payment dates. All fees set forth in an Order are in U.S. dollars, must be paid in U.S. dollars, and are exclusive of taxes and applicable transaction processing fees. Late payments hereunder will incur a late charge of 1.5% (or the highest rate allowable by law, whichever is lower) per month on the outstanding balance from the date due until the date of actual payment. In addition, Services are subject to suspension for failure to timely remit payment therefor. If travel is required to effect Services, Client shall reimburse CPT for pre-approved, reasonable expenses arising from and/or relating to such travel, including, but not limited to, airfare, lodging, meals, and ground transportation.
8. **Term and Termination.**
- a) **Term.** The Term is set forth in the Order. The Agreement may be renewed by mutual written agreement of the parties.
- b) **Termination for Cause.** Either party may immediately terminate this Agreement if the other party materially breaches its obligations hereunder, and, where capable of remedy, such breach has not been materially cured within forty-five (45) days of the breaching party's receipt of written notice describing the breach in reasonable detail.
- c) **Bankruptcy Events.** A party may immediately terminate this Agreement if the other party: (i) has a receiver appointed over it or over any part of its undertakings or assets; (ii) passes a resolution for winding up (other than for a bona fide scheme of solvent amalgamation or reconstruction), or a court of competent jurisdiction makes an order to that effect and such order is not discharged or stayed within ninety (90) days; or (iii) makes a general assignment for the benefit of its creditors.
- d) **Effect of Termination.** Immediately following termination of this Agreement, upon Client's written request, Client may retrieve Client Data via Client's secure FTP site in the same format in which the Client Data was originally inputted into the Software, at no additional charge. Alternatively, Client Data can be returned in a mutually agreed format at a scope and price to be agreed. CPT will maintain a copy of Client Data and Client Content for no more than four (4) years following the date of the final check cashing deadline for Class Members under the Settlement Agreement, after which time any Client Data and Client Content not retrieved will be destroyed.
- e) **Final Payment.** If Client terminates this Agreement due to Section "Termination", Client shall pay CPT all fees owed through the termination date. If CPT terminates the Agreement in accordance with Section "Termination," Client shall pay CPT all fees invoiced through the termination date, plus all fees remaining to be invoiced during the Term, less any costs CPT would have incurred had the Agreement not been terminated.

Confidentiality. Each of the parties agrees: (i) not to disclose any Confidential Information to any third parties except as mandated by law and except to those subcontractors of CPT providing Products hereunder who agree to be bound by confidentiality obligations no less stringent than those set forth in this Agreement; (ii) not to use any Confidential Information for any purposes except carrying out such party's rights and responsibilities under this Agreement; and (iii) to keep the Confidential Information confidential using the same degree of care such party uses to protect its own confidential information; provided, however, that such party shall use at least reasonable care. These obligations shall survive termination of this Agreement.

- a) **Compelled Disclosure.** If receiving party is compelled to disclose any Confidential Information by judicial or administrative process or by other requirements of law, such party shall (i) promptly notify the other party, (ii) reasonably cooperate with the other party in such party's efforts to prevent or limit such compelled disclosure and/or obtain confidential treatment of the items requested to be disclosed, and (iii) shall disclose only that portion of such information which each party is advised by its counsel in writing is legally required to be disclosed.
- b) **Remedies.** If either party breaches any of its obligations with respect to confidentiality or the unauthorized use of Confidential Information hereunder, the other party shall be entitled to seek equitable relief to protect its interest therein, including but not limited to, injunctive relief, as well as money damages.
10. **Intellectual Property.** As between the parties, CPT will and does retain all right, title and interest (including, without limitation, all Intellectual Property Rights) in and to the Products. Client retains all ownership rights to Client Data.
11. **Indemnification.** Client agrees to indemnify, defend, and hold harmless CPT, its Affiliates, and the respective officer, directors, consultants, employees, and agents of each (collectively, Covered CPT Parties") from and against any and all third party claims and causes of action, as well as related losses, liabilities, judgments, awards, settlements, damages, expenses and costs (including reasonable attorney's fees and related court costs and expenses) (collectively, "Damages") incurred or suffered by CPT which directly relate to or directly arise out of (i) Client's breach of this Agreement; (ii) CPT's performance of Services hereunder; (iii) the processing and/or handling of any payment by CPT; (iv) any content, instructions, information or Client Data provided by Client to CPT in connection with the Services provided by CPT hereunder. The foregoing provisions of this section shall not apply to the extent the Damages relate to or arise out of CPT's willful misconduct. To obtain indemnification, indemnitee shall: (i) give written notice of any claim promptly to indemnitor; (ii) give indemnitor, at indemnitor's option, sole control of the defense and settlement of such claim, provided that indemnitor may not, without the prior consent of indemnitee (not to be unreasonably withheld), settle any claim unless it unconditionally releases indemnitee of all liability; (iii) provide to indemnitor all available information and assistance; and (iv) not take any action that might compromise or settle such claim.
12. **Warranties.** Each party represents and warrants to the other party that, as of the date hereof: (i) it has full power and authority to execute and deliver the Agreement; (ii) the Agreement has been duly authorized and executed by an appropriate employee of such party; (iii) the Agreement is a legally valid and binding obligation of such party; and (iv) its execution, delivery and/or performance of the Agreement does not conflict with any agreement, understanding or document to which it is a party. CPT WARRANTS THAT ANY AND ALL SERVICES PROVIDED BY IT HEREUNDER SHALL BE PERFORMED IN A PROFESSIONAL MANNER CONSISTENT WITH PREVAILING INDUSTRY STANDARDS. TO THE EXTENT PERMITTED BY APPLICABLE LAW, CPT DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE OR TRADE PRACTICE.
13. **Liability.**
- a) **Liability Cap.** EXCEPT FOR A PARTY'S WILLFUL MISCONDUCT, EACH PARTY'S MAXIMUM AGGREGATE LIABILITY ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF THE THEORY OF LIABILITY, WILL BE LIMITED TO THE TOTAL CLAIMS ADMINISTRATOR FEES PAID OR PAYABLE BY CLIENT TO CPT HEREUNDER. THE EXISTENCE OF MORE THAN ONE CLAIM SHALL NOT EXPAND SUCH LIMIT. THE PARTIES ACKNOWLEDGE THAT THE FEES AGREED UPON BETWEEN CLIENT AND CPT ARE BASED IN PART ON THESE LIMITATIONS, AND THAT THESE LIMITATIONS WILL APPLY NOTWITHSTANDING ANY FAILURE OF ANY ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. THE FOREGOING LIMITATION SHALL NOT APPLY TO A PARTY'S PAYMENT OBLIGATIONS UNDER THE AGREEMENT.
- b) **Exclusion of Consequential Damages.** NEITHER PARTY WILL BE LIABLE FOR LOST PROFITS, LOST REVENUE, LOST BUSINESS OPPORTUNITIES, LOSS OF DATA, INTERRUPTION OF BUSINESS, OR ANY OTHER INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF THE THEORY OF LIABILITY, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
14. **Communications.** CPT may list Client's name and logo alongside CPT's other clients on the CPT website and in marketing materials, unless and until Client revokes such permission. CPT may also list the Case name and/or number, and certain Qualified Settlement Fund information, on the CPT website and in marketing materials, unless stated otherwise in the Settlement Agreement.

15. Miscellaneous Provisions.

- a) Governing Law; Jurisdiction. This Agreement will be governed by and construed in accordance with the laws of the State of California and the federal laws of the United States of America, without regard to conflict of law principles. CPT and Client agree that any suit, action or proceeding arising out of, or with respect to, this Agreement or any judgment entered by any court in respect thereof shall be brought exclusively in the state or federal courts of the State of California located in the County of Orange, and each of CPT and Client hereby irrevocably accepts the exclusive personal jurisdiction and venue of those courts for the purpose of any suit, action or proceeding.
- b) Force Majeure. Neither party will be liable for any failure or delay in its performance under this Agreement due to any cause beyond its reasonable control, including without limitation acts of war, acts of God, earthquake, flood, weather conditions, embargo, riot, epidemic, acts of terrorism, acts or omissions of vendors or suppliers, equipment failures, sabotage, labor shortage or dispute, governmental act, failure of the Internet or other acts beyond such party's reasonable control, provided that the delayed party: (i) gives the other party prompt notice of such cause; and (ii) uses reasonable commercial efforts to correct promptly such failure or delay in performance.
- c) Counterparts. This Agreement may be executed in any number of counterparts and electronically, each of which shall be an original but all of which together shall constitute one and the same instrument.
- d) Entire Agreement. This Agreement contains the entire understanding of the parties in respect of its subject matter and supersedes all prior agreements and understandings (oral or written) between the parties with respect to such subject matter. The schedules and exhibits hereto constitute a part hereof as though set forth in full herein.
- e) Modifications. Any modification, amendment, or addendum to this Agreement must be in writing and signed by both parties.
- f) Assignment. Neither party may assign this Agreement or any of its rights, obligations, or benefits hereunder, by operation of law or otherwise, without the other party's prior written consent; provided, however, either party, without the consent of the other party, may assign this Agreement to an Affiliate or to a successor (whether direct or indirect, by operation of law, and/or by way of purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of such party, where the responsibilities or obligations of the other party are not increased by such assignment and the rights and remedies available to the other party are not adversely affected by such assignment. Subject to that restriction, this Agreement will be binding on, inure to the benefit of, and be enforceable against the parties and their respective successors and permitted assigns.
- g) No Third-Party Beneficiaries. The representations, warranties, and other terms contained herein are for the sole benefit of the parties hereto and their respective successors and permitted assigns and shall not be construed as conferring any rights on any other persons.
- h) Statistical Data. Without limiting the confidentiality rights and Intellectual Property Rights protections set forth in this Agreement, CPT has the perpetual right to use aggregated, anonymized, and statistical data ("Statistical Data") derived from the operation of the Software, and nothing herein shall be construed as prohibiting CPT from utilizing the Statistical Data for business and/or operating purposes, provided that CPT does not share with any third-party Statistical Data which reveals the identity of Client, Client's Class Members, or Client's Confidential Information.
- i) Export Controls. Client understands that the use of CPT's Products is subject to U.S. export controls and trade and economic sanctions laws and agrees to comply with all such applicable laws and regulations, including the Export Administration Regulations maintained by the U.S. Department of Commerce and the trade and economic sanctions maintained by the Treasury Department's Office of Foreign Assets Control.
- j) Severability. If any provision of this Agreement is held by a court or arbitrator of competent jurisdiction to be contrary to law, such provision shall be changed by the court or by the arbitrator and interpreted so as to best accomplish the objectives of the original provision to the fullest extent allowed by law, and the remaining provisions of this Agreement shall remain in full force and effect.
- k) Notices. Any notice or communication required or permitted to be given hereunder may be delivered by hand, deposited with an overnight courier, sent by electronic delivery, or mailed by registered or certified mail, return receipt requested and postage prepaid to the address for the other party first written above or at such other address as may hereafter be furnished in writing by either party hereto to the other party. Such notice will be deemed to have been given as of the date it is delivered, if by personal delivery; the next business day, if deposited with an overnight courier; upon receipt of confirmation of electronic delivery (if followed up by such registered or certified mail); and five days after being so mailed.
- l) Independent Contractors. Client and CPT are independent contractors, and nothing in this Agreement shall create any partnership, joint venture, agency, franchise, sales representative or employment relationship between Client and CPT. Each party understands that it does not have authority to make or accept any offers or make any representations on behalf of the other. Neither party may make any statement that would contradict anything in this section.
- m) Subcontractors. CPT shall notify Client of its use of any subcontractors to perform Client-specific Services. CPT shall be responsible for its subcontractors' performance of Services under this Agreement.
- n) Headings. The headings of the sections of this Agreement are for convenience only, do not form a part hereof, and in no way limit, define, describe, modify, interpret, or construe its meaning, scope or intent.
- o) Waiver. No failure or delay on the part of either party in exercising any right, power or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise or the exercise of any other right, power, or remedy.
- p) Survival. Sections of the Agreement intended by their nature and content to survive termination of the Agreement shall so survive.

ZORIK MOORADIAN, Bar No. 136636

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MOORADIAN LAW, APC

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Attorneys for Plaintiff Silvia Lemus, individually and on behalf of all other aggrieved employees

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES – STANLEY MOSK COURTHOUSE

SILVIA LEMUS, individually and on
behalf of all other aggrieved employees,

Plaintiffs,

v.

TARNIK, INC., dba PDA GROUP, an
active California Corporation; REAL
TIME STAFFING SERVICES, LLC aka
SELECT STAFFING, an active
California Limited Liability Company;
EMPLOYBRIDGE, LLC, an active
California Limited Liability; and DOES 1
through 10,

Defendants.

Case No.: 21STCV40242

REPRESENTATIVE ACTION

*[Assigned to Hon. Lynne M. Hobbs
in Dept. 61]*

**[PROPOSED] ORDER GRANTING
PLAINTIFF'S MOTION FOR
APPROVAL OF PAGA SETTLEMENT,
AND PAYMENT OF ATTORNEYS'
FEES AND COSTS, ADMINISTRATION
COSTS, AND ENHANCEMENT AWARD**

Date: March 17, 2025

Time: 10:00 a.m.

Dept.: 61

Hearing Reservation No.: 975706079992

On March 17, 2025, the Court considered the Motion of Plaintiff Silvia Lemus for approval of the Parties' proposed Private Attorneys General Act ("PAGA") Settlement, and Payment of Attorneys' Fees and Costs, Administration Costs, and Enhancement Award.

The Court having read and considered the papers on the motion submitted by Plaintiff's Counsel, having heard the presentation of Plaintiff's Counsel and Defendants' counsel, having reviewed all of the submissions presented with respect to the proposed

[PROPOSED] ORDER GRANTING PLAINTIFF'S MOTION FOR APPROVAL OF PAGA SETTLEMENT

1 Settlement, and having determined that the Settlement is fair, adequate, and reasonable, it is
2 hereby ORDERED ADJUDGED, and DECREED that:

3 1. The Settlement, as set forth in the Parties' Parties' Joint Stipulation of
4 Settlement and Release of PAGA Action ("Settlement Agreement"), is in all respects fair,
5 reasonable, and it is approved pursuant to Cal. Lab. Code §2699. Except as expressly set forth
6 herein, the Parties shall effectuate the Settlement Agreement according to its terms. The
7 Settlement Agreement, and every term and provision thereof, shall be deemed incorporated
8 herein as if explicitly set forth and shall have full force of an Order of this Court;

9 2. Pursuant to PAGA, Cal. Lab. Code §§ 2699(1)(2), (1)(4), the Labor Workforce
10 and Development Agency ("LWDA") has been given notice of the Settlement. In particular,
11 on or about the date Plaintiff filed the Motion seeking approval of the Settlement with the
12 Court, Plaintiff submitted the Motion and all supporting documents to the LWDA online as
13 reflected by the Proof of Service filed concurrently with the Motion;

14 3. Aggrieved Employees are defined as: all current and former non-exempt
15 employees of Real Time Staffing Services, LLC dba Select Staffing who were placed on
16 assignment at PDA in California during the period from August 25, 2020 to April 21, 2024
17 ("PAGA Period");

18 4. Distribution of the PAGA Settlement Sum of \$100,000.00, is approved in
19 accordance with the Settlement Agreement and on account of disputed and alleged civil
20 penalties, as follows: (a) payment of \$40,000.00 in attorneys' fees to Plaintiff's Counsel,
21 Mooradian Law, APC; (b) payment of \$3,926.97 in attorneys' costs to Plaintiff's Counsel; (c)
22 payment to CPT Group, Inc., the selected administrator, for administration expenses totaling
23 \$6,000.00; (d) payment to Plaintiff Silvia Lemus totaling \$10,000.00 as an enhancement
24 award and for providing a general release; (e) payment to the Labor and Workforce
25 Development Agency ("LWDA") totaling \$30,054.78, which amount represents 75% of the
26 total PAGA Settlement Sum after attorneys' fees and costs, administration costs, and
27 enhancement award; and (f) payment of \$10,018.25, which amount represents 25% of the

1 total PAGA Settlement Sum after attorneys' fees and costs, administration costs, and
2 enhancement award, on a pro-rata basis to all Aggrieved Employees;

3 5. The Notice of PAGA Settlement and Release of Claims is approved and shall
4 be disseminated to Aggrieved Employees in accordance with the Settlement Agreement, in
5 English and Spanish;

6 6. Plaintiff is directed to submit a copy of this Order to the LWDA within 10 days
7 of the date of this Order;

8 7. The Court retains exclusive and continuing jurisdiction over this Action for the
9 purposes of supervising, administering, implementing, interpreting, and enforcing this Order,
10 as well as the Settlement.

11
12
13 Dated: _____

By: _____

Honorable Lynne M. Hobbs
Judge of the Superior Court

PROOF OF SERVICE
21STCV40242

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and am not a party to the within action, my business address is 24007 Ventura Blvd., Suite 210, Calabasas, CA 91302.

On **JANUARY 13, 2025**, I served on the parties of record in this action the foregoing document(s) described as:

**PLAINTIFF'S NOTICE OF MOTION AND MOTION FOR APPROVAL OF
PAGA SETTLEMENT, AND PAYMENT OF ATTORNEYS' FEES AND
COSTS, ADMINISTRATION COSTS, AND ENHANCEMENT AWARD;
DECLARATION OF ZORIK MOORADIAN; [PROPOSED] ORDER**

on the parties to this action by placing them in a sealed envelope(s) addressed as follows:

Brian E. Koegle brian.koegle@gmlaw.com Ransom D. Boynton ransom.boynton@gmlaw.com GREENSPOON MARDER LLP 1875 Century Park East, Suite 1900 Los Angeles, CA 90067 T: (323) 880-4520 Attorneys for Defendant Tarnik, Inc.	David G. Hagopian dhagopian@cdflitigation.com Garrett V. Jensen gjensen@cdflaborlaw.com CDF Labor Law LLP 18300 Von Karnan Avenue, Suite 800 Irvine, CA 92612 Tel: (949) 622-1661 Attorneys for Defendants Real Time Staffing Services, LLC dba Select Staffing and Employbridge, LLC
Labor & Workforce Development Agency 800 Capitol Mall, MIC-55 Sacramento, CA 95814 (Filed online at https://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html)	

☒ **VIA E-MAIL OR ELECTRONIC TRANSMISSION** – Based on a court order or agreement of the parties to accept service by e-mail or electronic transmission, I caused the document(s) to be sent to the above persons listed at their e-mail addresses listed on the attached service list. I did not receive, within a reasonable time after transmission, any electronic message or other indication that the transmission was unsuccessful.

1 ☒ **STATE** – I declare under penalty of perjury under the laws of the State of
2 California that the above is true and correct.

3
4 Executed on **JANUARY 13, 2025** at Calabasas, California.

5 /s/Haik Hacopian
6 Haik Hacopian



Journal Technologies Court Portal

Make a Reservation

SILVIA LEMUS, INDIVIDUALLY AND ON BEHALF OF ALL OTHER AGGRIEVED EMPLOYEES vs TARNIK, INC., et al.

Case Number: 21STCV40242 Case Type: Civil Unlimited Category: Other Employment Complaint Case
Date Filed: 2021-11-01 Location: Stanley Mosk Courthouse - Department 61

Reservation

Case Name:

SILVIA LEMUS, INDIVIDUALLY AND ON BEHALF OF
ALL OTHER AGGRIEVED EMPLOYEES vs TARNIK, INC.,
et al.

Case Number:

21STCV40242

Type:

Motion to Confirm Settlement

Status:

RESERVED

Filing Party:

Silvia Lemus (Plaintiff)

Location:

Stanley Mosk Courthouse - Department 61

Date/Time:

03/17/2025 10:00 AM

Number of Motions:

1

Reservation ID:

975706079992

Confirmation Code:

CR-4CJSEOM2KWYNAVQXA

Fees

Description	Fee	Qty	Amount
Motion to Confirm Settlement	0.00	1	0.00
TOTAL			\$0.00

Payment

Amount:

\$0.00

Type:

NOFEE

Account Number:

n/a

Authorization:

n/a

Payment Date:

n/a

Print Receipt

[+ Reserve Another Hearing](#)