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SUPERIOR COURT OF THE STATE OF CALIFORNIA  
 COUNTY OF LOS ANGELES

MIRIAM LILIANA MACIAS PADILLA,  
 individually, and on behalf of all others similarly  
 situated,

*Plaintiff,*

vs.

ARROWHEAD CENTRAL CREDIT UNION; a  
 California corporation; and DOES 1 through 10,  
 inclusive,

*Defendants.*

Case No.: 21STCV35347

Assigned for all purposes to: Hon. Armen  
 Tamzarian, Dept. 52

**~~PROPOSED~~ ORDER GRANTING  
 PLAINTIFF'S MOTION FOR AN ORDER  
 APPROVING SETTLEMENT OF CLAIMS  
 BROUGHT PURSUANT TO THE PRIVATE  
 ATTORNEYS GENERAL ACT OF 2004**

Reservation ID: **397025789422**

Date: January 10, 2023  
 Time: 9:00 a.m.  
 Courtroom: Dept. 52  
 Judge: Hon. Armen Tamzarian

Action Filed: September 24, 2021  
 Trial Date: Not Set

1 **TO ALL PARTIES AND TO THEIR COUNSEL OF RECORD:**

2 Plaintiff MIRIAM LILIANA MACIAS PADILLA (“Plaintiff”) and Defendant ARROWHEAD  
3 CENTRAL CREDIT UNION (“Defendants”) (Plaintiff and Defendant are the “Parties”) have reached  
4 terms of an amended settlement of this action alleging a claim for relief pursuant to the Labor Code  
5 Private Attorneys General Act of 2004, Labor Code § 2698, *et seq.* (“PAGA”).

6 Pursuant to PAGA, Plaintiff has filed a motion for approval of the settlement of the claims  
7 asserted against Defendants in this action. Specifically, Plaintiff moves for an order:

- 8
- 9 • granting approval of the terms of the Agreement pursuant to the Labor Code Private Attorney  
10 Generals Act of 2004, Labor Code § 2698, *et seq.*, including the amount of the settlement; the  
11 amount of distributions to the State and Aggrieved Employees; the amounts allocated to  
12 attorney’s fees and costs; and, the amount allocated to the settlement administrator; and,
  - 13 • directing disbursement of the Gross Settlement Amount (also called the “Gross Settlement  
14 Amount”) pursuant to the terms of the Agreement.

15 The PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AGREEMENT AND  
16 RELEASE (referred to as the “Agreement,” or “Settlement,” and attached to the Declaration of H. Scott  
17 Leviant as Exhibit 1) is conditioned upon the Court’s approval. Capitalized terms in this Order have the  
18 same meaning as in the Settlement unless indicated otherwise. A summary of the terms of the amended  
19 Settlement is as follows:

- 20
- 21 • The Aggrieved Employees: All hourly, non-exempt employees, employed by  
22 Defendant in California at any time during the PAGA Period. The “PAGA Period”  
23 is September 24, 2020 to December 21, 2022. It is estimated that there are about  
24 **530** aggrieved employees at the filing of this motion. (Agreement.)
  - 25 • No Reversion: The Settlement is **non-reversionary**. (Agreement, ¶ 3.1.)
  - 26 • Gross Settlement Amount: Defendant agrees to pay the maximum sum of  
27 **\$140,000** (hereinafter referred to as the “Gross Settlement Amount” or “GSA”) for  
28 settlement of the PAGA Penalties, which shall be inclusive of Plaintiff’s Counsel  
attorney’s fees and costs, and the settlement administrator’s fees and costs.  
(Agreement, ¶ 3.1.)

- Net Settlement Amount: At least **\$71,500.00** will be available for distribution to the Aggrieved Employees and the LWDA. Of this amount, the LWDA will receive at least **\$53,625.00** under the Agreement, and Aggrieved Employees will receive at least **\$17,875.00**. The average payment to each Aggrieved Employee will be about **\$33** (though the primary purpose of PAGA is to incentive Labor Code compliance and benefit the State). (Agreement, ¶ 3.2.)
- Attorney's Fees: Plaintiff's Counsel will not seek an amount greater than **\$49,000.00** for attorneys' fees. (Agreement, ¶ 3.2.1.)
- Litigation Costs: Plaintiff shall not seek costs in excess of \$12,500.00. Plaintiff's actual litigation costs prior to the motion filing fee, telephonic appearance costs, and all additional costs of submitting this filing exceed \$12,500.00. Therefore, Plaintiff requests a total of **\$12,500.00** in costs. (Agreement, ¶ 3.2.1.)
- Settlement Administration: Payment to Aggrieved Employees and administration will be accomplished through third-party settlement administrator Phoenix Settlement Administrators, which will perform Administrator duties for a flat fee of **\$7,000** which is reasonable, based on all of the services offered. (Agreement, ¶ 7; *see also*, Declaration of Mike Moore for Phoenix.)
- Uncashed Checks: Funds represented by checks returned as undeliverable after a re-mailing, and funds represented by checks remaining un-cashed for more than 180 days after issuance, will be tendered to the Unclaimed Property Fund or like fund. (Agreement, ¶ 4.4.3.)
- Release: In exchange for the above settlement consideration, Defendant shall be entitled to a *limited* release from the LWDA and each and every Aggrieved Employee, including Plaintiff.<sup>1</sup> (Agreement, ¶ 5.)

(Leviant Decl., Exh. 1.)

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<sup>1</sup> This comports with settled California Supreme Court authority. *See Arias v. Superior Court*, 46 Cal. 4th 969, 986 (2009) (concluding that "with respect to the recovery of civil penalties, nonparty employees as well as the government are bound by the judgment in an action brought under the act....").

1 After reviewing the Settlement and other related documents, and the filings submitted by  
2 Plaintiff, **IT IS HEREBY ORDERED AS FOLLOWS:**

3 1. The Court hereby GRANTS approval of the PAGA settlement upon the terms and  
4 conditions set forth in the Settlement. The Court finds that the terms of the proposed settlement are  
5 reasonable. In granting approval of the settlement the Court has considered the factors identified in  
6 *O'Connor v. Uber Technologies*, No. 13-CV-03826-EMC, 2016 WL 4398271 (N.D. Cal. Aug. 18,  
7 2016), *Hanlon v. Chrysler Corp.*, 150 F.3d 1011 (9th Cir. 1998), *Dunk v. Ford Motor Co.*, 48 Cal. App.  
8 4th 1794 (1996), and other authority providing a coherent framework for evaluating this Settlement.

9 2. The Court hereby identifies the Aggrieved Employees as:

10 All hourly, non-exempt employees, employed by Defendant in California at any time  
11 during the PAGA Period. The "PAGA Period" is September 24, 2020 to December 21,  
12 2022.

(Agreement, ¶¶ 1.4, 1.19.)

13 3. The Court hereby finds the Settlement was the product of informed, non-collusive  
14 negotiations conducted at arms' length by the Parties. In making these findings, the Court considered  
15 Defendants' potential liability, the benefit to the State of California, allocation of settlement proceeds  
16 among Aggrieved Employees, and the fact that a settlement represents a compromise of the Parties'  
17 respective positions rather than the result of a finding of liability at trial. The Court further finds that the  
18 terms of the Settlement have no obvious deficiencies. The Court finds that the risks of further  
19 prosecution are substantial and include the risks that (1) penalties would be reduced after evaluation of  
20 the totality of the circumstances, or (2) that no penalties would be awarded for some or all of the alleged  
21 violations.

22 4. The scope of the Release is limited in scope to the claims and theories set forth in the  
23 September 18, 2021 PAGA Notice Letter and the September 21, 2021 amended PAGA Notice Letter  
24 provided by Plaintiff to the LWDA.

25 5. The Court hereby approves Phoenix Settlement Administrators to serve as the  
26 Administrator. The Administrator will be paid pursuant to the Agreement's terms for such distribution,  
27 in the requested amount of **\$7,000** out of the GSA to effectuate Administration.

28 6. Pursuant to the Agreement, the amount distributed as penalties under PAGA shall be

1 \$140,000, less administration costs, attorney's fees, and costs awarded to Plaintiff's counsel. After  
2 awards, the amount remaining to distribute as penalties is **\$71,500.00**. The LWDA shall receive 75% of  
3 the penalties allocated, which is **\$53,625.00**. Aggrieved Employees shall receive 25% of the penalties  
4 allocated, which is **\$17,875.003**.

5 7. The Court hereby awards Counsel, Moon & Yang, APC, attorneys' fees in the amount of  
6 **\$49,000.00**, which is 35% of the settlement fund. The Court finds that the attorneys' fees are reasonable  
7 compared to amounts routinely approved in similar settlements and as guided by the California Supreme  
8 Court's decision concerning the awarding of fees from monetary funds for class members. *Laffitte v.*  
9 *Robert Half Intern. Inc.*, 1 Cal. 5th 480, 503 (2016). Counsel proceeded on a contingency basis despite  
10 the uncertainty of any fee award. Counsel were necessarily precluded from pursuing other potential  
11 sources of fees because of work in connection with this Action. The Court observed that this is not a  
12 class action. It is more akin to contingent representation with an additional requirement of Court review  
13 due to the qui tam nature of a PAGA claim. Attorneys' fees that are fifty percent of a common fund are  
14 typically considered the upper limit, with thirty to forty percent commonly awarded in cases where the  
15 settlement is relatively small. *See Van Vranken v. Atlantic Richfield Company*, 901 F. Supp. 294 (N.D.  
16 Cal. 1995) (stating that most cases where 30-50 percent was awarded involved "smaller" settlement  
17 funds of under \$10 million). Using class action fee awards as a comparison, the custom and practice in  
18 class actions is to award approximately one-third of a fund as a fee award. *See Chavez v. Netflix, Inc.*,  
19 162 Cal. App. 4th 43, 66, n.11 (2008) ("Empirical studies show that, regardless whether the percentage  
20 method or the lodestar method is used, fee awards in class actions average around one-third of the  
21 recovery."). Counsel's current lodestar is approximately \$70,149.00, and Counsel indicates that not all  
22 tasks performed in this matter were recorded, and additional work will be required in the matter. Based  
23 on these considerations, including the lodestar cross-check, a fee award of 35% of the total settlement  
24 amount is reasonable.

25 8. The Court hereby awards Counsel litigation costs in the amount of **\$12,500.00**, based  
26 upon the cap on costs under the Settlement.

27 9. Upon entry of this Order, the Parties shall effectuate all terms of the Settlement based on  
28 the provisions and timelines set forth in the Agreement.

10. This action is hereby DISMISSED WITH PREJUDICE.

11. All pending motion dates are removed from the Court's calendar and vacated as moot.

12. The Court shall retain jurisdiction with respect to all matters related to the administration and consummation of the Settlement, and any and all claims asserted in, arising out of, or related to the subject matter of the lawsuit, including but not limited to all matters related to the Settlement and the determination of all controversies relating thereto.

**IT IS SO ORDERED.**

Dated: January 10, 2023



A handwritten signature in black ink, appearing to read "Armen Tamzarian".

Armen Tamzarian / Judge

Hon. Armen Tamzarian  
LOS ANGELES COUNTY SUPERIOR COURT  
JUDGE

1 **PROOF OF SERVICE**

2 **STATE OF CALIFORNIA, COUNTY OF LOS ANGELES**

3 I am employed in the State of California, County of Los Angeles. I am over the age of 18 and not a party  
4 to the within suit; my business address is 1055 W. 7<sup>th</sup> Street, Suite 1880, Los Angeles, CA 90017.

5 On the date indicated below, I served the document described as: **[PROPOSED] ORDER GRANTING**  
6 **PLAINTIFF'S MOTION FOR AN ORDER APPROVING SETTLEMENT OF CLAIMS BROUGHT**  
7 **PURSUANT TO THE PRIVATE ATTORNEYS GENERAL ACT OF 2004** on the interested parties in this  
8 action by sending ☐ the original [or] ☒ a true copy thereof ☒ to interested parties as follows [or] ☐ as stated  
9 on the attached service list:

10 Jeffrey S. Ranen  
11 jeffrey.ranen@lewisbrisbois.com  
12 Daniel D. Spencer  
13 daniel.spencer@lewisbrisbois.com  
14 LEWIS BRISBOIS BISGAARD & SMITH, LLP  
15 633 West 5th Street, Suite 4000  
16 Los Angeles, California 90071  
17 Facsimile: (213) 250-7900

18 *Counsel for Defendant Arrowhead Central Credit Union*

19 ☐ **BY MAIL (ENCLOSED IN A SEALED ENVELOPE):** I deposited the envelope(s) for mailing in  
20 the ordinary course of business at Los Angeles, California. I am "readily familiar" with this firm's  
21 practice of collection and processing correspondence for mailing. Under that practice, sealed  
22 envelopes are deposited with the U.S. Postal Service that same day in the ordinary course of business  
23 with postage thereon fully prepaid at Los Angeles, California.

24 ☒ **BY E-MAIL:** I hereby certify that this document was served from Los Angeles, California, by e-mail  
25 delivery on the parties listed herein at their most recent known e-mail address or e-mail of record in  
26 this action.

27 ☐ **BY ELECTRONIC SERVICE:** Pursuant to the Court's Order directing Electronic Service, the  
28 above-named document(s) has (have) been electronically served on counsel of record by an approved  
electronic service provider. The transmission of these documents was reported complete and a copy of  
the service confirmation will be maintained, along with the original document(s) and proof of service  
in our office.

☐ **BY PERSONAL SERVICE:** I delivered the document, enclosed in a sealed envelope, by hand to the  
offices of the addressee(s) named herein.

☐ **BY OVERNIGHT DELIVERY:** I am "readily familiar" with this firm's practice of collection and  
processing correspondence for overnight delivery. Under that practice, overnight packages are  
enclosed in a sealed envelope with a packing slip attached thereto fully prepaid. The packages are  
picked up by the carrier at our offices or delivered by our office to a designated collection site.

25 I declare under penalty of perjury under the laws of the State of California and the United States that the  
26 foregoing is true and correct. Executed this **December 14, 2022** at Los Angeles, California.

27 H. Scott Leviant  
28 Type or Print Name

  
Signature