

Edwin Aiwazian (SBN 232943)
Joanna Ghosh (SBN 272479)
Vartan Madoyan (SBN 279015)
LAWYERS for JUSTICE, PC
450 North Brand Blvd., Suite 900
Glendale, California 91203
Tel: (818) 265-1020 / Fax: (818) 265-1021

Attorneys for Plaintiff

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

IFTIKHAR KHAN, individually, and on behalf of
other aggrieved employees pursuant to the
California Private Attorneys General Act;

Plaintiff,

vs.

PAC AUTO GROUP, INC., a California
corporation; and DOES 1 through 100, inclusive,

Defendants.

Case No.: CIVSB2132675

Honorable Stephanie Tanada
Department S33

**PLAINTIFF'S NOTICE OF MOTION AND
FIRST AMENDED MOTION FOR
APPROVAL OF PRIVATE ATTORNEYS
GENERAL ACT (CAL. LABOR CODE §
2698, ET SEQ.) SETTLEMENT
AGREEMENT AND AWARD OF
ATTORNEYS' FEES AND COSTS,
GENERAL RELEASE FEE, AND
SETTLEMENT ADMINISTRATION
COSTS; MEMORANDUM OF POINTS
AND AUTHORITIES**

Date: August 5, 2025
Time: 8:30 a.m.
Department: S33

Complaint Filed: November 17, 2021
Trial Date: None Set

PLEASE TAKE NOTICE that on August 5, 2025, at 8:30 a.m., or as soon thereafter as the matter may be heard before the Honorable Stephanie Tanada in Department S33 of the Superior Court of the State of California, for the County of San Bernardino, located at 247 West Third Street San Bernardino, California 92415, Plaintiff Iftikhar Khan ("Plaintiff") will and hereby do move for entry of the following orders:

1. Granting approval, pursuant to California Labor Code section 2699(l)(2), of the settlement between Plaintiff and Defendant PAC Auto Group, Inc. ("Defendant") of the claims brought pursuant to the Private Attorneys General Act of 2004 ("PAGA"), as set forth in the Private Attorneys General Act Settlement Agreement and Release ("Settlement," "Agreement," or "Settlement Agreement"), attached as "EXHIBIT 1" to the [Proposed] Order and Judgment Granting Approval of Private Attorneys General Act (Cal. Labor Code § 2698, *Et Seq.*) Settlement Agreement and Award of Attorneys' Fees and Costs, General Release Fee, and Settlement Administration Costs ("[Proposed] Order and Judgment"), including and not limited to, the plan of allocation and distribution of the Total Settlement Amount for payment of the LWDA Payment to the California Labor and Workforce Development Agency ("LWDA"), Individual Settlement Shares to the Aggrieved Employees, Attorneys' Fees and Costs to Plaintiff's Counsel, Settlement Administration Costs to the PAGA Settlement Administrator, and General Release Fee to Plaintiff;
2. Approving the Net Settlement Amount, estimated to be no less than \$161,846.78 which will be distributed to the LWDA and the Aggrieved Employees, pursuant to California Labor Code section 2699(i), of which 75% will be paid to the LWDA ("LWDA Payment") and 25% will be paid to the Aggrieved Employees ("Employees' Portion");
3. Appointing Phoenix Class Action Administration Solutions ("Phoenix" or "PAGA Settlement Administrator") as the third-party settlement administrator, to handle the administration of the Settlement;
4. Directing Defendant to fund the Total Settlement Amount, and directing the PAGA Settlement Administrator to distribute payments in accordance with the Settlement Agreement;

5. Directing the mailing of Individual Settlement Share checks to the Aggrieved Employees along with the Cover Letter (in both English and Spanish), which is substantially similar in content and form to that attached as “**EXHIBIT 2**” to the [Proposed] Order and Judgment filed concurrently herewith;
6. Awarding a General Release Fee of up to \$10,000 (“General Release Fee”), to Plaintiff Iftikhar Khan.
7. Awarding up to \$7,000 to the PAGA Settlement Administrator as Settlement Administration Costs; and
8. Awarding to Lawyers for Justice, PC (“Plaintiff’s Counsel”) the amount of \$105,000.00 as compensation for reasonable attorneys’ fees and the amount of \$16,153.22 for reimbursement of actual litigation costs and expenses (together, “Attorneys’ Fees and Costs”), pursuant to California Labor Code section 2699(g)(1).

Unless otherwise specified, all citations and references to the Private Attorneys General Act of 2004, California Labor Code sections 2698, et seq. (“PAGA”) are to the version of that statute prior to the recent amendment effective July 1, 2024; the amended statute does not apply to the Actions, or the Settlement pursuant to California Labor Code section 2699(v)(1), as amended, because the notice to the Labor and Workforce Development Agency (“LWDA”) was filed prior to June 19, 2024.

The Settlement Agreement and moving and supporting papers for this motion are being concurrently submitted to the California Labor and Workforce Development Agency in conformity with California Labor Code section 2699(l)(2).

This motion is made pursuant to California Labor Code section 2699(l)(2), which provides for review and approval by the Court of the settlement of a civil action filed pursuant to PAGA, and Rule 3.1113(e) of the California Rules of Court, which permits the Court to extend the page limit for memoranda.

///

///

///

///

1 This motion will be based upon the following Memorandum of Points and Authorities, the
2 Settlement Agreement, the Declarations of Plaintiff's Counsel (Vartan Madoyan) and Plaintiff Iftikhar
3 Khan in support thereof, as well as the pleadings and other records on file with the Court in this matter,
4 and such evidence and oral argument as may be presented at the hearing on this motion.

5
6 Dated: July 22, 2025

LAWYERS for JUSTICE, PC

7
8
9 By:



Joanna Ghosh
Vartan Madoyan
Attorney for Plaintiff

TABLE OF CONTENTS

I.	SUMMARY OF MOTION	1
II.	FACTUAL BACKGROUND AND RELEVANT PROCEDURAL HISTORY	2
III.	SUMMARY OF THE SETTLEMENT TERMS.....	2
A.	Scope of the Settlement	2
B.	Funding and Distribution of the Total Settlement Amount	2
C.	Standards for Approval of PAGA Settlement	4
IV.	THE SETTLEMENT IS FAIR AND SHOULD BE APPROVED	5
A.	The Factors Giving Rise to a Presumption of Fairness Exist	7
B.	The Relative Strengths and Weaknesses of the PAGA Claim and the Range of Possible Outcomes Strongly Favor Approval of the Settlement.....	8
C.	The Settlement Avoids Risky, Complex, and Lengthy Further Litigation	8
D.	The Settlement Is Fair, Adequate, and Reasonable.....	9
E.	The Experience and Views of Plaintiff’s Counsel Favor Approval of the Settlement.....	10
V.	THE REQUESTED ATTORNEYS’ FEES AWARD SHOULD BE APPROVED	10
A.	A Fee Award of a Percentage of the Entire Fund Is Appropriate.....	10
B.	The Requested Fee Award is Reasonable Based on the Factors Considered in Determination of Fee Awards.....	13
1.	<i>Time & Labor.....</i>	13
2.	<i>The Skill Required to Perform Legal Services Properly</i>	14
3.	<i>Whether the Fee Is Fixed or Contingent.....</i>	15
4.	<i>The Amount Involved and the Results Achieved.....</i>	15
5.	<i>The Reputation and Ability of the Attorneys.....</i>	16
VI.	REIMBURSEMENT OF PLAINTIFF’S COUNSEL LITIGATION COSTS AND EXPENSES SHOULD BE APPROVED	18
VII.	THE SETTLEMENT ADMINISTRATION COSTS SHOULD BE APPROVED.....	19

1	VIII. THE GENERAL RELEASE FEE SHOULD BE APPROVED.....	19
2	IX. CONCLUSION.....	21
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		

TABLE OF AUTHORITIES

Cases

<i>Amalgamated Transit Union, Local 1756, AFL-CIO v. Superior Court.</i> (2009) 46th Cal.4th 993	4
<i>Apple Computer, Inc. v. Superior Court</i> (2005) 126 Cal.App.4th, 1253	12
<i>Arias v. Superior Court</i> (2009) 46 Cal.4th 969.....	4
<i>Bell v. Farmers Ins. Exch.</i> (2004) 115 Cal.App.4th 715	19
<i>Boyd v. Bechtel Corp.</i> (N.D. Cal. 1979) 485 F.Supp. 610.....	7
<i>Casida v. Sears Holdings Corp.</i> (E.D. Cal. Jan. 26, 2012) 2012 WL 253217.....	5
<i>Consumer Privacy Cases</i> (2009) 175 Cal. App. 4th 545	12
<i>Dunk v. Ford Motor Co.</i> (1996) 48 Cal. App. 4th 1794	11
<i>edroza v. PetSmart, Inc.</i> (C.D. Cal. Jan. 28, 2013) 2013 WL 1490667	5
<i>Fireside Bank v. Superior Court</i> (2007) 40 Cal.4th 1069	4
<i>Iskanian v. CLS Transportation Los Angeles, LLC</i> , (2014) 58 Cal.4th 348.....	4
<i>Kirkorian v. Borelli</i> (N.D. Cal. 1988) 695 F.Supp. 446	7
<i>Laffitte v. Robert Half Int’l, Inc.</i> (2016) 1 Cal.5th 480.....	11, 16
<i>Lealao v. Beneficial Cal., Inc.</i> (2000) 82 Cal.App.4th 19	11, 12
<i>Ochoa-Hernandez v. CJADERS Foods, Inc.</i> (N.D. Cal. Apr. 2, 2010) 2010 WL 1340777	6
<i>Officers for Justice v. Civil Service Comm’n</i> (9th Cir. 1981) 688 F.2d 615	9
<i>Resendez v. Bridgestone Retail Operations, LLC</i> , Los Angeles Superior Court, Case No. BC596892 (June 2016)	5
<i>Richmond v. Dart Industries, Inc.</i> (1981) 29 Cal.3d 462,.....	4
<i>Satchell v. Fed. Express Corp.</i> (N.D. Cal. Apr. 13, 2007) 2007 WL 1114010	7
<i>Thomas v. Aetna Health of Cal., Inc.</i> (E.D. Cal. June 2, 2011) 2011 WL 2173715	5
<i>Vizcaino v. Microsoft Corp.</i> , (9th Cir. 2002) 290 F.3d 1043.....	16
<i>Vo v. Las Virgenes Municipal Water Dist.</i> (2000) 79 Cal.App.4th 440	16
<i>Wershba v. Apple Computer, Inc.</i> (2001) 91 Cal.App.4th 224	7
<i>Williams v. Superior Court</i> (2017) 3 Cal.5th 531	4, 5, 10

Statutes

Cal. Code Civ. Proc. § 1021.5.....	10
Cal. Lab. Code § 2698	1
Cal. Lab. Code § 2699(g)(1)(i)	10
Cal. Lab. Code § 2699(i).....	11
Cal. Lab. Code § 2699(j)	6
Cal. Lab. Code § 2699(l)(2)	1, 5
Cal. Lab. Code § 2699.3	5

Other Authorities

A. Conte, <i>Attorney Fee Awards</i> (2d ed. 1993) 104	11
<i>Civil Procedure Before Trial</i> , Chapter 14, section 14.....	11

Rules

California Rules of Court, Rule 3.1113(d).....	2
--	---

MEMORANDUM OF POINTS AND AUTHORITIES

I. SUMMARY OF MOTION

Plaintiff Iftikhar Khan (“Plaintiff”) seeks approval of the Private Attorneys General Act Settlement Agreement and Release (“Settlement,” “Agreement,” or “Settlement Agreement”) entered into between Plaintiff, individually and on behalf of the State of California with respect to Aggrieved Employees, and Defendant PAC Auto Group, Inc. (“Defendant”), pursuant to California Labor Code section 2699(l)(2).¹ Plaintiff and Defendant (together, the “Parties”) have agreed to resolve the above-captioned action, brought pursuant to the Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* (“PAGA”), for a Total Settlement Amount of \$300,000.² Importantly, this is not a class action lawsuit which requires a two-step process for preliminary and final approval, but rather a PAGA-only settlement which has only a single round of Court approval for the Settlement.

The Settlement is fair, adequate, and reasonable, as it represents a reasoned compromise of a disputed claim that has been reached through arm’s-length negotiations, in light of the risks, complexity, and expense of further litigation, and the strengths of the PAGA claim. The Settlement meets the requirements for Court approval based upon the relevant fairness factors. The Court is respectfully requested to approve the Settlement, award the Attorneys’ Fees and Costs, Settlement Administration Costs, and General Release Fee and approve the LWDA Payment.

The Settlement Agreement and moving and supporting papers for this motion are being concurrently submitted to the LWDA and Plaintiff now moves for an order granting approval of the Settlement, in conformity with California Labor Code section 2699(l)(2). The Proof of Service, filed concurrently with this Motion, confirms submission of the papers to the LWDA.³

¹ The Private Attorneys General Act Settlement Agreement and Release (“Settlement Agreement”) is attached as “**EXHIBIT 1**” to the [Proposed] Order and Judgment Granting Approval of Private Attorneys General Act (Cal. Labor Code § 2698, *Et Seq.*) Settlement Agreement and Award of Attorneys’ Fees and Costs, General Release Fee, and Settlement Administration Costs. It is also attached as “EXHIBIT 6” to the Declaration of Vartan Madoyan (“Madoyan Decl.”) which is being filed concurrently herewith.

² Settlement Agreement, § 3(a). The Total Settlement Amount is subject to possible increase pursuant to Section 3(b) of the Settlement Agreement.

³ The documents submitted regarding the initial motion for approval of the Parties’ PAGA settlement, which was filed on December 17, 2024, were also served on the LWDA on that date as reflected in the Proof of Service filed with the initial motion on December 17, 2024.

In order to efficiently present the Court with adequate information, Plaintiff also moves for an order permitting the filing of this memorandum, although it exceeds the page limit set forth in California Rules of Court, Rule 3.1113(d).

II. FACTUAL BACKGROUND AND RELEVANT PROCEDURAL HISTORY

For a discussion of relevant procedural history and facts regarding this case, please see the Declaration of Vartan Madoyan at Paragraphs 7 to 18.

III. SUMMARY OF THE SETTLEMENT TERMS

A. Scope of the Settlement

If the Court grants approval of the Settlement, Plaintiff and the State of California with respect to Aggrieved Employees⁴ will release the Released Parties⁵ from the Released Claims.

B. Funding and Distribution of the Total Settlement Amount

Under the terms of the Settlement Agreement, Defendant will pay a Total Settlement Amount of \$300,000⁶, which is inclusive of the following: (1) Attorneys' Fees and Costs to be paid to Lawyers for Justice, PC ("Plaintiff's Counsel"), (2) General Release Fee to Plaintiff (3) Settlement Administration Costs to be paid to the PAGA Settlement Administrator, and (4) Net Settlement Amount to be paid to the California Labor and Workforce Development Agency ("LWDA") and Aggrieved Employees. The Net Settlement Amount will be the Total Settlement Amount less the Court-approved Attorneys' Fees and Costs, General Release Fee, and Settlement Administration Costs; the Net Settlement Amount is currently estimated to be no less than \$161,846.78.⁷ The Net Settlement Amount will be distributed as follows: 75% of the Net Settlement Amount (or approximately \$121,385.09) will be distributed to the LWDA ("LWDA Payment") and 25% of the Net Settlement Amount (or approximately \$40,461.69) ("Employees' Portion") will be distributed to the Aggrieved Employees on a *pro rata* basis, based on their Compensable Pay Periods.⁸

⁴ Settlement Agreement, § 3(a)(1)-(5). "PAGA Period" is defined as the period of September 19, 2020 to January 15, 2025. *Id.*, § 3(a)(5); and Madoyan Decl. ¶ 34.

⁵ The definition of the "Released Parties" and "Released Claims" is set forth in the Settlement Agreement, § 8(a).

⁶ Settlement Agreement, § 3(a).

⁷ *Id.*, § 3(a)(4).

⁸ Settlement Agreement, § 7(b)(1).

No later than 7 calendar days after the Court's order granting approval of the Settlement, Defendant will provide the PAGA Settlement Administrator with the Aggrieved Employees List (the "Aggrieved Employees List"), containing the contact information and other information required to calculate payment for each Aggrieved Employee.⁹ Within 14 calendar days of the Court's order granting approval of the Settlement, Defendant will transmit the Total Settlement Amount to a qualified settlement account established by the PAGA Settlement Administrator for administration of the Settlement.¹⁰

No later than 14 calendar days after the PAGA Settlement Administrator receives the Aggrieved Employees List and Total Settlement Amount, the PAGA Settlement Administrator shall mail the agreed-upon Cover Letter (in English and Spanish)¹¹ and Individual Settlement Share¹² checks (together, the "PAGA Settlement Package") to all Aggrieved Employees by first-class United States mail.¹³ For each PAGA Settlement Package that is returned as undeliverable within 30 calendar days of the initial mailing, the PAGA Settlement Administrator will promptly attempt to locate an alternate, updated address for the Aggrieved Employee at issue, by using a skip-trace search and shall attempt one (1) re-mailing of the PAGA Settlement Package.¹⁴

The Individual Settlement Share checks issued to Aggrieved Employees will remain valid for 90 calendar days, and thereafter, will be canceled.¹⁵ Funds associated with canceled checks will be transmitted to the State Controller's Office Unclaimed Property Division in the name of the Aggrieved Employee(s) at issue and in the amount of their respective Individual Settlement Share(s).¹⁶

⁹ *Id.*, § 7(b)(1).

¹⁰ Settlement Agreement, § 7(a).

¹¹ The Parties have prepared a simple Cover Letter for transmission to the Aggrieved Employees along with their Individual Settlement Share checks, substantially in the form attached as "EXHIBIT 2" to the [Proposed] Order and Judgment and as "EXHIBIT A" to the Settlement Agreement. The Cover Letter informs the Aggrieved Employees about the Action and the Settlement. A Spanish-language translation will also be provided. *Madoyan Decl. Id.*, ¶ 41.

¹² Each Aggrieved Employee's share of the Employees' Portion ("Individual Settlement Share"), will be calculated by the PAGA Settlement Administrator based on their Compensable Pay Periods. *Id.*, § 7(b). The payments to Aggrieved Employees for their Individual Settlement Share are considered 100% penalties to be reported on IRS Form 1099, if required. *Id.*, § 7(b)(1).

¹³ *Id.*, § 7(c)(3).

¹⁴ *Ibid.*

¹⁵ *Id.*, § 7(c)(4).

¹⁶ *Ibid.*

(citations omitted); see also *Robinson v. Southern Counties Oil Co.* (2020) 53 Cal.App.5th 476 (aggrieved employee cannot opt out of a PAGA settlement).

As such, the Settlement is consistent with the law, and there is no requirement that the Aggrieved Employees be provided with a mechanism to opt out of or object to the Settlement.

IV. STANDARDS FOR APPROVAL OF PAGA SETTLEMENT

PAGA allows an “aggrieved employee” to bring a civil action on behalf of himself or herself and on behalf of other aggrieved employees and the State of California to recover civil penalties which, outside of PAGA, only the LWDA can assess upon and collect from an employer (Cal. Lab. Code § 2699(a)). Before bringing a civil action under PAGA, an employee must comply with California Labor Code section 2699.3. See Cal. Lab. Code § 2699(a). Plaintiff has complied.

The settlement of a PAGA action requires court approval. See Cal. Lab. Code § 2699(l)(2) (“The superior court shall review and approve any settlement of any civil action filed pursuant to this part.”). However, “[a] PAGA claim asserted on a non-class representative basis . . . is not considered a class action but a law enforcement action” and therefore does not have to meet the requirements of a class action. *Casida v. Sears Holdings Corp.* (E.D. Cal. Jan. 26, 2012) 2012 WL 253217, at *3; *Thomas v. Aetna Health of Cal., Inc.* (E.D. Cal. June 2, 2011) 2011 WL 2173715, at *11; *Arias, supra*, 46 Cal.4th at 980-88 (affirming lower court’s holding that “plaintiff need not satisfy class action requirements” to assert a PAGA claim); *Pedroza v. PetSmart, Inc.* (C.D. Cal. Jan. 28, 2013) 2013 WL 1490667, at *15. As such, a court’s review of a PAGA settlement involves analysis of several unique features that render the approval process distinct from, and simpler than, the process for approval of a class action settlement. A court reviewing a PAGA settlement need only “ensur[e] that a negotiated resolution is fair to those affected.” *Williams, supra*, 549 (citing Cal. Lab. Code § 2699(l)(2)). Although California Labor Code section 2699(l) does not set forth the criteria on which a PAGA settlement is to be judged, courts have approved settlements of PAGA claims. See, e.g., *Resendez v. Bridgestone Retail Operations, LLC*, Los Angeles Superior Court, Case No. BC596892 (June 2016), *DCH Auto*

1 *Wage and Hour Cases*, Los Angeles Superior Court, Case No. JCCP4833 (May 2017); *Garcia v.*
2 *Gordon Trucking* (E.D. Cal. Oct. 31, 2012) 2012 WL 5364575, at *3; *Schiller v. David's Bridal,*
3 *Inc.* (E.D. Cal. June 11, 2012) 2012 WL 2117001, at *14; *Chu v. Wells Fargo Invs., LLC* (N.D.
4 Cal. Feb. 16, 2011) 2011 WL 672645, at *1; *Franco v. Ruiz Food Prods.* (E.D. Cal Nov. 27,
5 2012) 2012 WL 5941801, at *14; *Nordstrom Commissions Case* (2010) 186 Cal.App.4th 576,
6 589.

7 In a PAGA case, the court's focus is not the monetary amount which aggrieved
8 employees or the State stand to receive, but instead, whether the total settlement amount achieves
9 the PAGA's objectives. The purpose of the PAGA is "to incentivize private parties to recover
10 civil penalties for the government that otherwise may not have been assessed and collected by
11 overburdened state enforcement agencies." *Ochoa-Hernandez, supra*, 2010 WL 1340777, at *4
12 (citing *Arias, supra*, 46 Cal.4th at 986). Penalties recovered under the PAGA are, in part, to "be
13 distributed to the [LWDA] for enforcement of labor laws . . . and for education of employers and
14 employees about their rights and responsibilities under this code, to be continuously appropriated
15 to supplement and not supplant the funding to the agency for those purposes." Cal. Lab. Code §
16 2699(j). The recovery of penalties on behalf of the State, by way of a PAGA claim, is essentially
17 a law enforcement action. *Amalgamated, supra*, 46 Cal.4th at 1003 (stating that the PAGA is a
18 mechanism for "an aggrieved employee to recover civil penalties—for Labor Code violations—
19 that otherwise would be sought by state labor law enforcement agencies"); *see also Iskanian,*
20 *supra*, at 381.

21 A PAGA settlement is a settlement of claims for penalties and other remedies which the
22 LWDA could assess and collect on behalf of employees without their involvement or approval.
23 "[U]nnamed employees need not be given notice of the PAGA claim, nor do they have the
24 ability to opt-out of the representative PAGA claim." *Ochoa-Hernandez, supra*, 2010 WL
25 1340777, at *5. This renders the approval process of a PAGA settlement distinct from a class
26 action settlement, and the Court need not employ the two-step approval process that applies to a
27 class action settlement, under both state and federal law.

V. THE SETTLEMENT IS FAIR AND SHOULD BE APPROVED

The Settlement resulted from hard-fought negotiations, fulfills the objectives of the PAGA statute, is fair, adequate, and reasonable, and meets all of the criteria for approval for the reasons discussed below.

A. The Factors Giving Rise to a Presumption of Fairness Exist

The Parties reached the Settlement after conducting extensive, arm's-length settlement negotiations with the assistance of a neutral mediator Steven Rottman, Esq.¹⁷ A settlement that is "the product of extensive and hard-fought adversarial negotiations between the parties" is entitled to a presumption of fairness. *Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 245.

As discussed in the Declaration of Vartan Madoyan, the Settlement is presumptively fair because: (1) it is the product of adversarial non-collusive, and arm's-length negotiations with the assistance of an independent mediator knowledgeable in complex labor and employment matters; (2) it was negotiated by counsel with significant experience in similar complex labor and employment matters; and (3) it occurred after counsel for the Parties engaged in significant investigation to evaluate the strength and potential value of the PAGA claim, and risks and expenses of litigating this claim through trial.¹⁸

Based on all of the information available to the Parties, the Parties agree that this matter is well-suited for settlement given the strengths and weaknesses of the PAGA claim and the facts and circumstances of the case.¹⁹ Plaintiff's Counsel has extensive experience handling representative and class action wage-and-hour litigation and used that experience to achieve a settlement recovery for Plaintiff, the State of California, and the Aggrieved Employees.²⁰ Therefore, the Court should give considerable weight to the competency, experience, and opinion of counsel and the involvement of a neutral mediator in assuring that the settlement is a product of arm's length bargaining.²¹

¹⁷ Madoyan Decl., ¶¶ 13, 37.

¹⁸ *Id.*, ¶¶ 2-13, 33-59.

¹⁹ *Id.*, ¶¶ 33-59.

²⁰ *Id.*, ¶¶ 2-6.

²¹ *Kirkorian v. Borelli* (N.D. Cal. 1988) 695 F.Supp. 446, 451 (opinion of experienced counsel is entitled to considerable weight); *Boyd v. Bechtel Corp.* (N.D. Cal. 1979) 485 F.Supp. 610, 616-17, 622 (recommendations of plaintiff's counsel should be given a presumption of reasonableness); *Satchell v. Fed. Express Corp.* (N.D. Cal. Apr. 13, 2007) 2007 WL 1114010, at *4 (stating that the "assistance of an experienced mediator in the settlement process confirms that the settlement is non-collusive").

B. The Relative Strengths and Weaknesses of the PAGA Claim and the Range of Possible Outcomes Strongly Favor Approval of the Settlement

For a detailed discussion of the relative strengths and weaknesses of the PAGA claim, range of possible outcomes, and value of the settlement, see the Declaration of Vartan Madoyan at Paragraphs 36-59. As also discussed in the Declaration of Vartan Madoyan, with respect to the payment to Aggrieved Employees (which pursuant to the PAGA statute must be only one-third of the payment to the LWDA), the payments range from a high of approximately \$622.40, an average of approximately \$88.17, and a low of approximately \$5.46 (for employees who only worked a single pay period).²²

C. The Settlement Avoids Risky, Complex, and Lengthy Further Litigation

Courts favor voluntary conciliation and settlement of complex litigation. *Class Plaintiffs v. City of Seattle* (9th Cir. 1992) 955 F.2d 1268, 1276. Generally, unless the settlement is clearly inadequate, its acceptance and approval are preferable to lengthy and expensive litigation with uncertain results. *Nat'l Rural Telecomms. Coop. v. DIRECTV, Inc.* (C.D. Cal. Jan. 5, 2004) 221 F.R.D. 523, 526.

Prior to reaching the Settlement, the Parties investigated the veracity, strength, and scope of the PAGA claim and allegations and considered a large volume of information, documents, and data relevant to Plaintiff's claim and Defendant's defenses thereto.²³ The Parties thoroughly and sufficiently evaluated the PAGA claim and related allegations, including, and not limited to, calculating the potential monetary recovery under PAGA.²⁴ Plaintiff's Counsel performed other work as well, which is discussed in the Declaration of Vartan Madoyan.²⁵

Had the case not settled, the Parties would have conducted additional extensive formal discovery, including propounding additional written discovery requests as well as taking multiple additional depositions of party and percipient witnesses all over the State of California, to prepare the case for trial. From the inception of this litigation, Defendant indicated that it would aggressively litigate this case.²⁶ Even if Defendant failed on its defenses, litigating a complex PAGA action is inherently expensive, and

²² Madoyan Decl., ¶ 23.

²³ *Id.*, ¶¶ 37-38.

²⁴ *Ibid.*

²⁵ *Id.*, ¶¶ 37-38, 61, and Exhibit 3.

²⁶ *Id.*, ¶ 42.

the litigation could continue beyond entry of judgment if either party were to appeal adverse rulings.²⁷ Additionally, there is a real possibility that Plaintiff could recover nothing, either for himself or on behalf of the State of California or other Aggrieved Employees after years of costly and labor-intensive litigation. Avoiding these risks and the likelihood of future contentious litigation, which would involve significant costs, favors settlement.

D. The Settlement Is Fair, Adequate, and Reasonable

The Settlement provides significant benefits to the State of California and the Aggrieved Employees and falls well-within the range of acceptable settlements under the circumstances. “[T]he very essence of a settlement is compromise, ‘a yielding of absolutes and an abandoning of highest hopes.’” *Officers for Justice v. Civil Service Comm’n* (9th Cir. 1981) 688 F.2d 615, 624. “The proposed settlement is not to be judged against a hypothetical or speculative measure of what might have been achieved by the negotiators.” *Id.* at 625.

The Settlement is a compromise of highly disputed claims. Plaintiff and his counsel recognize the expense and delay of continued proceedings necessary to pursue the matter through trial and any possible appeals, the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation.²⁸ Plaintiff and his counsel are also aware of the burdens of proof necessary to establish liability, both generally and in response to Defendant’s defenses thereto, and the difficulties in establishing Defendant’s liability for, and the right to recover, penalties on behalf of Plaintiff, the State of California, and other Aggrieved Employees.²⁹ Plaintiff and his counsel have also taken into account Defendant’s agreement to enter into a settlement that confers significant relief upon the Aggrieved Employees and the State of California.³⁰

Considering all of the facts in this case, Plaintiff and his counsel have determined that the Settlement represents a fair, adequate, and reasonable resolution of the PAGA claim, and that it is in the best interests of the Aggrieved Employees and the State of California.³¹

²⁷ *Ibid.*

²⁸ *Id.* ¶¶ 37-59.

²⁹ *Ibid.*

³⁰ *Ibid.*

³¹ *Ibid.*

The result achieved in this case, and the monetary recovery provided by this settlement, are well-within the range of an acceptable settlement under the circumstances, especially when compared to trial court penalties assessments in contested cases and the settlement of PAGA claims in other cases. Here, the value obtained for settlement of the PAGA claim is significant, and it will be distributed in accordance with and in fulfillment of the objectives of the PAGA statute.

In addition, settlement approval is warranted because this Settlement does not impact any other lawsuit alleging the same or similar claims and there are no other related matters in any jurisdiction in California.³²

E. The Experience and Views of Plaintiff's Counsel Favor Approval of the Settlement

Plaintiff's Counsel is highly experienced in complex representative and class action wage-and-hour litigation.³³ In the view of Plaintiff's Counsel, the benefits conferred by the settlement are eminently fair and reasonable, and in the best interests of the State of California and the Aggrieved Employees in light of the risk, delay, and uncertainty of continued litigation and the substantial monetary benefits provided for by the Settlement.³⁴ Furthermore, courts have acknowledged that "the interests of plaintiff, counsel and other potentially aggrieved employees are largely aligned. All stand to gain from proving as convincingly as possible as many Labor Code violations as the evidence will sustain[.]" *Williams, supra*, 548 (citing Cal. Lab. Code § 2699(g)(1)(i)).

VI. THE REQUESTED ATTORNEYS' FEES AWARD SHOULD BE APPROVED

A. A Fee Award of a Percentage of the Entire Fund Is Appropriate

The Settlement provides for attorneys' fees in an amount of up to 35% of the Total Settlement Amount, which is \$105,000 if the Total Settlement Amount remains \$300,000.00, subject to approval and award by the Court.³⁵ The requested attorneys' fees award is commensurate with: (1) the risk that Plaintiff's Counsel took in bringing and litigating the case, (2) the time, effort, and expense dedicated to the case, (3) the skill and determination that Plaintiff's Counsel has shown, (4) the results that Plaintiff's

³² *Id.*, ¶ 20.

³³ *Id.*, ¶¶ 2-6.

³⁴ *Id.*, ¶¶ 33-59, 71.

³⁵ Settlement Agreement, § 3(a)(1).

Counsel has achieved in the case, (5) the value that Plaintiff's Counsel has achieved in the case, and (6) the other cases that Plaintiff's Counsel has turned down in order to work on this matter.

Plaintiff's Counsel is entitled to recover reasonable attorneys' fees and costs as a matter of right under PAGA. See Cal. Lab. Code § 2699(g)(1) ("Any employee who prevails in any [PAGA] action shall be entitled to an award of reasonable attorney's fees and costs"). Plaintiff's Counsel is also entitled to fees and costs under California Code of Civil Procedure section 1021.5, as the instant PAGA action is by definition "for the benefit" of others and secures monetary recovery for a large number of allegedly aggrieved employees, as well as the State of California.³⁶ The settlement will also provide funds to the state labor agency, to enhance enforcement of labor laws and education of "employers and employees about their rights and responsibilities under [the California Labor Code]." Cal. Lab. Code § 2699(i).

Courts may calculate and award attorneys' fees as a percentage of a monetary fund that has, by litigation, been preserved or recovered for the benefit of others. *Laffitte v. Robert Half Int'l, Inc.* (2016) 1 Cal.5th 480 at 486 & 506. Trial courts "retain the discretion to forgo a lodestar cross-check and [may] use other means to evaluate the reasonableness of a requested percentage fee." *Id.* (internal quotes omitted); see also *Wershba, supra*, 91 Cal.App.4th at 253.

Courts award fees as an economic incentive for lawyers to pursue litigation that will enhance and facilitate access to the judicial system for meritorious claims, deter wrongdoing, and address multiple similar alleged wrongs that would not be economically feasible to pursue individually, such as here. See A. Conte, *Attorney Fee Awards* (2d ed. 1993) 104, at 6.

The percentage method is particularly appropriate where a monetary settlement has been recovered and "the benefit [recovered can be] easily quantified." *In re Bluetooth Headset Prods. Liab. Litig.* (9th Cir. 2011) 654 F.3d 935, 942. Where the amount of a settlement is a "certain easily calculable sum of money," California courts may calculate attorneys' fees as a reasonable percentage of the settlement created. Weil and Brown, California Practice Guide, *Civil Procedure Before Trial*, Chapter 14, section 14:145; *Dunk v. Ford Motor Co.*(1996) 48 Cal. App. 4th 1794, 1808.

³⁶ See *Estrada v. FedEx Ground Package Sys. Inc.* (2007) 154 Cal.App4th 1, 16-17 (recognizing that recovery obtained on behalf of 209 individuals satisfies the "significant benefit," "public interest," and "large class of persons" requirements of Code of Civil Procedure section 1021.5, regardless of plaintiff's personal motivation).

1 The percentage fee method is preferred in representative actions because “it better approximates
2 the workings of the marketplace than the lodestar approach.” *Lealao v. Beneficial Cal., Inc.* (2000) 82
3 Cal.App.4th 19, 49. California law provides that the award for attorneys’ fees should be equivalent to
4 fees freely negotiated in the legal marketplace and paid in comparable litigation based on the result
5 achieved and risk incurred. *See Lealao, supra*, 82 Cal.App.4th at 47-50; *Laffitte, supra*, 1 Cal.5th 480 at
6 503. In cases where the settlement agreement provides that the defendant will pay the plaintiff’s attorneys
7 a percentage of the fund created by the settlement, use of that percentage method is appropriate. *Lealao,*
8 *supra*, 82 Cal.App.4th at 32. Fee awards that are too small will “chill the private enforcement essential to
9 the vindication of many legal rights and obstruct the representative actions that often relieve the courts of
10 the need to separately adjudicate numerous claims.” *Id.* at 53. Therefore, fees in representative actions
11 should approximate the probable terms of a contingent fee contract negotiated by a sophisticated attorney
12 and client in comparable litigation. *Id.* at 48. “The ultimate goal . . . is the award of a ‘reasonable’ fee to
13 compensate counsel for their efforts, irrespective of the method of calculation.” *Consumer Privacy Cases*
14 (2009) 175 Cal.App.4th 545, 557-58 (quoting *Apple Computer, Inc. v. Superior Court* (2005) 126
15 Cal.App.4th, 1253, 1270).

16 Plaintiff’s Counsel’s application for attorneys’ fees in light of the facts and circumstances
17 surrounding the case is well-within the range of reasonableness. Courts have awarded fees as high as
18 50% of the settlement in complex actions, depending on the circumstances of the case.³⁷

19 Plaintiff’s Counsel has performed significant work in this matter, as discussed in the Declaration
20 of Vartan Madoyan, with the very real possibility of an unsuccessful outcome and no fee recovery of any
21 kind.³⁸ In the present case, Plaintiff’s Counsel has borne all of the risks and costs of litigation and will not
22 receive any compensation until recovery is obtained.³⁹ Plaintiff’s Counsel is experienced in complex
23 wage-and-hour litigation and used that experience to obtain a significant settlement recovery for Plaintiff,

24 ³⁷ *See In re Ampicillin Antitrust Litig.* (D.D.C. 1981) 526 F.Supp. 494 (awarding attorneys’ fees in the amount of
25 45% of the \$7.3 million total settlement amount); *Beech Cinema, Inc. v. Twentieth-Century Fox Film Corp.*
26 (S.D.N.Y. 1979) 480 F.Supp. 1195 (awarding approximately 53% of the settlement as attorneys’ fees). California
27 courts routinely approve attorneys’ fees awards “average[ing] around one-third of the recovery.” *Chavez v. Netflix,*
28 *Inc.* (2008) 162 Cal.App.4th 43, 66 n.11 (lower court found the range of contingency fees in marketplace to be 20%-
40% and determined such a percentage fee was appropriate).

³⁸ Madoyan Decl., ¶¶ 33-63.

³⁹ *Id.*, ¶ 63.

the Aggrieved Employees, and the State of California.⁴⁰ Considering the amount of fees requested, work performed, risks incurred, results obtained, and experience of Plaintiff's Counsel in handling similar matters, Plaintiff maintains that the requested attorneys' fees are reasonable and should be awarded.

B. The Requested Fee Award is Reasonable Based on the Factors Considered in Determination of Fee Awards

The factors which courts consider in determining whether fee awards are reasonable, all of which support the fee award requested by Plaintiff's Counsel, are: the time and labor required; the novelty and difficulty of the questions involved; the skill requisite to perform the legal services properly; the preclusion of other employment by the attorney due to the acceptance of the case; the customary fee; whether the fee is fixed or contingent; the time limitation imposed by the client or the circumstances; the amount involved and results obtained; the experience, reputation, and ability of the attorney; the undesirability of the case; the nature and length of the professional relationship with the client; and awards in similar cases. *Camden I Condominium Association, Inc. v. Dunkel* (11th Cir. 1991) 946 F.2d 768, 772. Some of the most relevant factors to this Court's fee determination will be addressed below.

It should be highlighted that the percentage award sought is commensurate with the time, effort, and expense dedicated to the case, the contingent nature of Plaintiff's Counsel's representation and the risks taken in commencing the case, the skill and determination required, the results that Plaintiff's Counsel has achieved, and the value of the settlement that Plaintiff's Counsel has obtained on behalf of Plaintiff, the Aggrieved Employees, and the State of California. For the reasons discussed herein, an award of attorneys' fees in the amount of 35% of the Total Settlement Amount is reasonable.

1. Time & Labor

Plaintiff's Counsel has used its experience and skills in litigating complex wage-and-hour actions to bring this matter to a successful conclusion. Prior to commencing this lawsuit, Plaintiff's Counsel conducted a significant amount of investigation into the factual and legal issues, Defendant's business, and its operations and employment policies, practices, and procedures.⁴¹ During the litigation of the case, Plaintiff's Counsel interviewed and obtained information from Plaintiff, Defendant, and other sources,

⁴⁰ *Id.*, ¶¶ 2-6.

⁴¹ *Id.*, ¶¶ 36-39.

1 conducted legal research, engaged in formal written discovery, conducted depositions, reviewed and
2 analyzed a large volume of pages of documents and data, prepared for and participated in mediation and
3 robust settlement discussions, evaluated the PAGA claim, and calculated the potential monetary recovery
4 under PAGA.⁴² Plaintiff's Counsel also met and conferred with Defendant's counsel regarding the
5 pleadings, case management, discovery, depositions, arbitration agreements, mediation, and settlement
6 negotiations, among other issues.⁴³ Plaintiff's Counsel performed other work including, *inter alia*, case
7 strategy and analysis; and engaging in extensive settlement negotiations.⁴⁴

8 Plaintiff's Counsel dedicated the full extent of staffing and monetary resources necessary to
9 prosecute the case with maximum efficiency and has fully and actively participated in the litigation
10 process. The Attorney Task and Time Chart, which is attached as "EXHIBIT 3" to the accompanying
11 Declaration of Vartan Madoyan, sets forth in detail the hours that Plaintiff's Counsel has spent
12 performing tasks in this matter. Attorneys at Lawyers for Justice, PC have spent **240.70 hours** to obtain a
13 recovery on behalf of Plaintiff, the Aggrieved Employees, and the State of California. These hours were
14 required to bring the case to its successful conclusion.

15 In light of the value of time expended and the carrying of costs involved in this litigation, the
16 requested attorneys' fees award is fair, adequate, and reasonable

17 **2. The Skill Required to Perform Legal Services Properly**

18 The skill required to properly litigate this case is evident not only in the results achieved, but in
19 the steps necessary to reach the same. Defendant retained highly-respected counsel to represent its
20 defenses. Plaintiff's Counsel's effort and skill were used to, among other things, investigate the
21 allegations and gather facts, research the legal issues, analyze data, documents, and information obtained
22 from Defendant, Plaintiff, and through other sources, to evaluate the PAGA claim and negotiate the
23 settlement. Despite all of the obstacles that had to be overcome, Plaintiff's Counsel used its extensive
24 experience and skill in the handling of complex wage-and-hour matters to advocate for and obtain a

25
26 ⁴² *Ibid.*

27 ⁴³ *Ibid.*

28 ⁴⁴ *Ibid.*

recovery now, with maximum efficiency, as opposed to the possibility of recovery in the future, after significant expense and time.⁴⁵

3. *Whether the Fee Is Fixed or Contingent*

Plaintiff's Counsel has provided representation on a contingency basis, has borne all of the risks and costs of litigation, and will not receive any compensation until recovery is obtained.⁴⁶ Plaintiff's Counsel have invested **240.70 hours** performing work in this matter.⁴⁷ Plaintiff's Counsel is also requesting reimbursement of its reasonable and actual litigation costs and expenses of \$16,153.22.⁴⁸ If Plaintiff's Counsel had not been successful, the time that they have devoted to litigating the case would have been for naught and would not have produced any fee or any reimbursement of costs or expenses. Plaintiff's Counsel is well-experienced in complex wage-and-hour litigation and used that experience to obtain a great result in this matter.⁴⁹ The skill and determination that Plaintiff's Counsel has shown throughout the prosecution of the case justifies the requested attorneys' fees and costs. Considering the amounts requested, work performed, and risks incurred, the requested fees and costs are reasonable and should be awarded.

4. *The Amount Involved and the Results Achieved*

The Settlement represents an excellent resolution of this lawsuit, given the uncertainty and risks of further litigation.⁵⁰ Had the case not settled, Defendant would have vigorously defended the case, and would have challenged manageability and liability, and also sought a reduction in the amount assessed as civil penalties. Defendant, however, faced risks too, including and not limited to, the risk of trial and the risk of having the Court assess civil penalties. Additionally, preparing for trial would have been extraordinarily expensive for the Parties. At this stage, the settlement is preferred over continued litigation because such resolution saves time and money that would otherwise go to litigation. The risks and expenses of further litigation outweighed any benefit that might have been gained otherwise. The Settlement provides an immediate recovery and avoids an uncertain result in the future and additional

⁴⁵ *Id.*, ¶¶ 36-59.

⁴⁶ *Id.*, ¶¶ 60-63.

⁴⁷ *Id.*, ¶ 61, and Exhibit 3.

⁴⁸ *Id.*, ¶ 63, and Exhibit 7.

⁴⁹ *Id.*, ¶¶ 2-6.

⁵⁰ *Id.*, ¶¶ 36-59.

1 risk, expense, and delay (e.g., prolonged expert discovery, trial preparation, and appellate review of those
2 proceedings).

3 The results achieved, in light of the difficulties inherent in similar cases and the specific
4 difficulties faced in this case, are considerable. Plaintiff's Counsel obtained a settlement that provides for
5 a Total Settlement Amount of \$300,000, and it is currently estimated that the Net Settlement Amount
6 available for distribution to the Aggrieved Employees and the State of California, is approximately
7 \$161,846.78.⁵¹

8 **5. The Reputation and Ability of the Attorneys**

9 Plaintiff's Counsel is a recognized class action and complex litigation law firm, and its attorneys
10 employed their knowledge, skill, and experience to bring the case to a successful conclusion. Plaintiff's
11 Counsel has years of wage-and-hour class action and complex litigation experience, has recovered
12 millions of dollars on behalf of thousands of individuals in California, and has successfully handled
13 numerous significant wage-and-hour class action and representative action cases.⁵²

14 **C. The Lodestar Methodology Also Justifies Approval of the Requested Fees.**

15 While the percentage-of-the-benefit approach is endorsed as the better approximation of the
16 workings of the marketplace than the lodestar approach, courts may also use the lodestar method to
17 "cross-check" the results of the other.⁵³ The lodestar is calculated based on reasonable hours at
18 reasonable prevailing hourly rates for the attorneys, and counsel is entitled to compensation for every hour
19 reasonably spent on the matter. *Ketchum v. Moses* (2001) 24 Cal.4th 1122, 1131-33.

20 The reasonableness of hours is assessed by "the entire course of the litigation, including pretrial
21 matters, settlement negotiations, discovery, litigation tactics, and the trial itself[.]" *Vo v. Las Virgenes*
22 *Municipal Water Dist.* (2000) 79 Cal.App.4th 440, 447. As set forth above and also discussed in the
23 Declaration of Vartan Madoyan, Plaintiff's Counsel performed significant work in this matter. The

24 ⁵¹ Settlement Agreement, § 3(a); Madoyan Decl. *Id.*, ¶ 35.

25 ⁵² Madoyan Decl., ¶¶ 2-6.

26 ⁵³ *Laffitte, supra*, 1 Cal.5th at 505 (explaining that "[a] lodestar cross-check is simply a quantitative method for
27 bringing a measure of the time spent by counsel into the trial court's reasonableness determination" and "the
28 lodestar calculation . . . does not override the trial court's primary determination of the fee as a percentage" and
"does not impose an absolute maximum or minimum on the potential fee award."); *see also, e.g., Vizcaino v.*
Microsoft Corp., (9th Cir. 2002) 290 F.3d 1043, 1050 ("[W]hile the primary basis of the fee award remains the
percentage method, the lodestar may provide a useful perspective on the reasonableness of a given percentage
award.").

1 Attorney Task and Time Chart sets forth in detail the numerous tasks that Plaintiff's Counsel performed
2 in this case, and the time required for completing those tasks.⁵⁴ The chart demonstrates that Lawyers for
3 Justice, PC has spent a total of **240.70 hours** on this matter, which is reasonable.

4 Both California and federal courts recognize that attorneys should be compensated for providing
5 representation on a contingency basis and for taking on the risks associated with said representation, and
6 be provided with financial incentives to enforce important rights and protections like those at issue here.
7 See *Ketchum, supra*, 24 Cal.4th at 1132-33. In awarding attorneys' fees, the aim is to mirror "the
8 established practice in the private legal market of rewarding attorneys for taking the risk of nonpayment
9 by paying them a premium over their normal hourly rates for winning contingency cases." See *id.*

10 Plaintiff's Counsel has been actively involved in the prosecution of this case and their work on
11 this matter has precluded other employment. Here, Plaintiff's Counsel bore the risk that, despite all of
12 their efforts and skills employed, there may be no recovery. Ultimately, Plaintiff's Counsel was
13 successful in reaching a settlement of no less than \$300,000.00.

14 As set forth in the Declaration of Vartan Madoyan, the professional backgrounds and experience
15 of Plaintiff's Counsel support a reasonable blended hourly rate of compensation of at least \$850 per hour
16 for services provided by Plaintiff's Counsel.⁵⁵ Lawyers for Justice, PC has been awarded attorneys' fees,
17 compensating the firm at the rate of at least \$850 for legal services performed, by courts of this state.⁵⁶
18 While the circumstance of every case is unique, the fact remains that the work performed and efforts
19 undertaken by Plaintiff's Counsel in this matter justify the requested attorneys' fees award.

20 Applying the rate of \$850 per hour to 240.70 hours worked by Plaintiffs' Counsel, would place a
21 base lodestar value of \$204,595.00 on the services provided by Plaintiffs' Counsel. However, Plaintiff's
22 Counsel only seeks an attorneys' fee award of \$105,000.00 (equal to 35% of the Total Settlement
23 Amount based on the Settlement Agreement). In other words, Plaintiff's Counsel only seeks a fee award
24 of about half of it's base lodestar value.

25 The lodestar method as a cross-check to the percentage figure sought strongly supports the
26 reasonableness of the requested attorneys' fees. Accordingly, Plaintiffs respectfully request that the

27 ⁵⁴ Madoyan Decl. ¶ 61, and Exhibit 3.

⁵⁵ Madoyan Decl., ¶ 62.

⁵⁶ *Ibid.*

Court approve and grant an attorneys' fees award in the amount of \$105,000.00 to Plaintiff's Counsel, which is reasonable and justified on a percentage-basis, and also based on a lodestar cross-check.

VII. REIMBURSEMENT OF PLAINTIFF'S COUNSEL LITIGATION COSTS AND EXPENSES SHOULD BE APPROVED

The Settlement provides for reimbursement of litigation costs and expenses of \$18,500.00. As set forth in the Declaration of Vartan Madoyan, Plaintiff's Counsel seeks reimbursement of \$16,153.22 in litigation costs and expenses.⁵⁷ On February 7, 2025, the issued an Order which among other things, raised points of inquiry regarding Plaintiff's original Motion for Approval of Settlement ("February 7, 2025 Order"). One of these points of inquiry was in regard to Plaintiff Counsel's request for reimbursement of its litigation costs and expenses, stating that the Court would not approve \$12,500 in mediation fees as a "cost." Since mediation is an routine and basic event in complex wage and hour cases (if not routine for most contested litigations), which results in a cost that is recoverable through settlement and/or a judgment, Plaintiff is unclear as to the reason why this might be an issue in the first place. Plaintiff, however, provides further information regarding the mediation cost in this First Amended Motion and in the accompanying Declaration of Vartan Madoyan.

The Parties engaged well-respected mediator Steve Rottman, Esq. of Steve J. Rottman, LLC, to conduct the mediation on July 10, 2023 in this action, as outlined in the January 26, 2023 Invoice attached to the Declaration of Vartan Madoyan (Paragraph 26) as "**EXHIBIT 4.**" Plaintiff's counsel paid its portion of the mediation costs (i.e. 50% of the total mediation costs). A copy of the payment check for this cost item is attached to the Declaration of Vartan Madoyan as the last page of "**EXHIBIT 4.**"

As discussed above, this mediation expense was reasonable and necessary in the prosecution of this matter and to obtain the Settlement (which is also true of the other reasonable and actual costs and expenses incurred by Plaintiff's Counsel). Were it not for the mediation and the continued efforts of the mediator after the mediation, the Parties might never have settled this matter or, in all likelihood, settled it for a lower amount without the benefit of the mediator's expertise. Or, potentially, the Parties might have settled the case at a much later date thereby delaying payment to the Aggrieved Employees or the State of California. In contrast, the Settlement reached here through mediation provides real and significant

⁵⁷ Madoyan Decl., ¶ 31 and Exhibit 7.

benefits for the State of California and the Aggrieved Employees here and now, while avoiding the further expenses, risks, and delay of prolonged litigation with only the possibility of recovery.

Further, the litigation costs and expenses for which reimbursement are being sought in this First Amended Motion are less than the maximum amount allocated under the Settlement Agreement.⁵⁸ The cost savings of \$2,346.78 will be part of the Net Settlement Amount for payment to Aggrieved Employees and the State of California.⁵⁹ Accordingly, the Court is requested to award reimbursement of litigation costs and expenses to Plaintiff's Counsel in the amount of \$16,153.22.

VIII. THE SETTLEMENT ADMINISTRATION COSTS SHOULD BE APPROVED

As set forth in the Settlement Agreement, the Parties have agreed to retain, subject to approval by the Court, Phoenix to handle the administration of the Settlement. The fees and expenses of the PAGA Settlement Administrator are estimated not to exceed \$7,000. These costs include, but are not limited to, expenses for preparing, translating into Spanish, printing, and mailing the Cover Letter and Individual Settlement Shares checks to the Aggrieved Employees (i.e., PAGA Settlement Packages); performing skip-trace searches; re-mailing the returned PAGA Settlement Packages; and handling inquiries from Aggrieved Employees regarding the Settlement, among other things. Accordingly, the Court should grant approval of the Settlement Administration Costs in the amount of up to \$7,000 to Phoenix, a necessary third-party for handling the settlement process.

IX. THE GENERAL RELEASE FEE SHOULD BE APPROVED

The Settlement provides for a General Release Fee to be paid to Plaintiff in the amount of \$10,000 for his broader individual waiver and release of claims with a California Civil Code Section 1542 waiver (set forth in Section 8(b) of the Settlement Agreement).⁶⁰ The purpose of the PAGA Representative Release fee is to incentivize aggrieved employees to step into the shoes of the state labor agency and undertake the responsibilities associated with initiating a lawsuit and serving in a representative capacity. *See Bell v. Farmers Ins. Exch.* (2004) 115 Cal.App.4th 715, 726 ("service

⁵⁸ *Ibid.*

⁵⁹ *Ibid.*

⁶⁰ Settlement Agreement, §§ 3(a)(2) & 8(b). The PAGA statute recognizes that a plaintiff employee may pursue or recover other remedies and relief available to the plaintiff employee under state or federal law through an action under PAGA. *See*, Cal. Lab. Code § 2699(k)(1) (formerly Cal. Lab. Code § 2699(g)(1)). As such, it is appropriate for Plaintiff to receive a payment for his broader individual release of claims.

payments” compensate named plaintiff “for [her] efforts in bringing the action”); *Clark v. Am. Residential Servs., LLC* (2009) 175 Cal.App.4th 785, 804 (“an incentive award is appropriate ‘if it is necessary to induce an individual to participate in the suit’”); accord *Ingram v. The Coca-Cola Co.* (N.D. Ga. 2001) 200 F.R.D. 685, 694 (internal quotation marks omitted) (“Courts routinely approve incentive awards to compensate named plaintiffs for the services they provided and the risks they incurred during the course of the [...] litigation.”); see also, e.g., *Resendez, supra*, Los Angeles County Superior Court, Case No. BC59689 (approving \$10,000 enhancement award in a PAGA action). It is reasonable and just for Plaintiff to receive this payment. Plaintiff contributed considerable time and effort to the litigation of this case in order to enforce the California Labor Code on behalf of the State of California and for the benefit of other Aggrieved Employees. Plaintiff discussed his employment with his counsel, gathered and produced relevant documents and information, and provided the facts and evidence necessary to attempt to prove the allegations.⁶¹ Plaintiff was available whenever his counsel needed him and tried to obtain and provide documents and information that would aid in the litigation of the PAGA claim and pursuit of recovery on behalf of the State of California and Aggrieved Employees.⁶² The LWDA has been a proponent of plaintiffs in PAGA representative actions receiving incentive awards for their work in prosecuting PAGA lawsuit because PAGA representatives bear risks in bringing such actions, which also take up considerable time and resources, and because the aggrieved employees will only a small portion of whatever the net settlement amount may be in a given PAGA settlement since PAGA gives the State of California the lion’s share.⁶³

Further, the general release of claims is very significant in the circumstances of this case. Defendant would not settle if not for the peace of mind that no other lawsuits would be filed by Plaintiff; and Plaintiff experienced harassment, fear, retaliation, and wrongful termination which he details for the Court in the Declaration that he submits concurrently with this First Amended Motion.⁶⁴ The general release would release those claims for nothing if not for the fact that Plaintiff seeks the General Release Fee in order to at least have some minimal form of compensation for his claims.

⁶¹ Madoyan Decl., ¶ 66; Declaration of Iftikhar Khan (“Khan Decl.”), ¶¶ 10-15.

⁶² *Ibid.*

⁶³ Madoyan Decl., ¶ 69 and Exhibit 8.

⁶⁴ Khan Decl., ¶¶ 5-9, 13.

Accordingly, it is appropriate and just for Plaintiff to receive a General Release Fee for his broader release of claims and for his work in the action, as is also recognized by the LWDA.

X. CONCLUSION

For the reasons discussed above and in the accompanying declarations, the Court is respectfully requested to approve the Settlement, including the plan of allocation and distribution of the Total Settlement Amount, and permit the filing of this memorandum that exceeds the page limit.

Dated: July 22, 2025

LAWYERS for JUSTICE, PC

By:



Joanna Ghosh
Vartan Madoyan
Attorneys for Plaintiff