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**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**IN AND FOR THE COUNTY OF LOS ANGELES**

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| NATASHA BARBEE, on behalf of the State of California, as a private attorney general,<br><br>Plaintiff,<br><br>v.<br><br>CARL WARREN & COMPANY, LLC, a California Limited Liability Company; and Does 1 through 50, inclusive,<br><br>Defendants. | Case No. **22VECV00841**<br><br>**NOTICE OF MOTION AND MOTION TO APPROVE PAGA SETTLEMENT;**<br><br>**MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION TO APPROVE PAGA SETTLEMENT**<br><br>Hearing Date: April 20, 2026<br>Hearing Time: 9:00 a.m.<br>Reservation Number is 551951327602<br><br>Judge: Hon. Eric Harmon<br>Dept.: 107<br><br>Action Filed: June 20, 2022<br>Trial Date: Not Set |

**TO ALL PARTIES AND THEIR RESPECTIVE ATTORNEYS OF RECORD:**

YOU ARE HEREBY NOTIFIED THAT on April 20, 2026 at 9:00 am in Department 107 of Van Nuys Courthouse West located at 14400 Erwin Street Mall Van Nuys, CA 91401, before the Honorable Eric Harmon, Plaintiff Natasha Barbee ("Plaintiff") will and hereby does move for an order approving the settlement of the PAGA claim alleged against Defendant Carl Warren & Company, LLC ("Defendant") in accordance with California Labor Code §2699(l) (2016) amended by Stats. 2024, c. 44 (A.B. 2288), § 1, eff. July 1, 2024.). The proposed settlement is set forth in the accompanying PAGA Settlement Agreement ("Agreement").

This Motion will be based on this notice, the accompanying points and authorities, the Declaration of Victoria B. Rivapalacio, the Agreement, and the complete files and records in this action. The Labor Workforce Development Agency has been served with this motion and the Agreement as set forth in the accompanying proof of service.

Respectfully submitted,

Dated: March 25, 2026

**BLUMENTHAL NORDREHAUG BHOWMIK DE BLOUW LLP**

By: */s/ Victoria B. Rivapalacio*
Victoria B. Rivapalacio

Attorneys for Plaintiff

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# MEMORANDUM OF POINTS AND AUTHORITIES

## I. INTRODUCTION

Plaintiff Natasha Barbee ("Plaintiff") reached a settlement of the California Private Attorneys General Act, Cal. Labor Code §2699, *et seq*. ("PAGA") claim asserted in this action against Defendant Carl Warren & Company, LLC ("Defendant") (collectively, the "Parties"), which provides for a "Gross PAGA Settlement Amount" payment in the amount of $130,000.00. In accordance with California Labor Code §2699(l) (2016), Plaintiff now asks this Court to review and approve the settlement of Plaintiff's PAGA claims.[1] This is a settlement of only PAGA claims for civil penalties and is not a class settlement and does not release the individual wage claims, if any, of the affected employees other than the Plaintiff herself. Cal. Labor Code § 2699(g)(1); *Iskanian v. CLS Transportation*, 59 Cal. 4th 348, 381 (2014); *ZB, N.A. v. Superior Court*, 8 Cal. 5th 175, 182 (2019) (unpaid wages are not recoverable under PAGA).

The PAGA settlement is set forth in the accompanying PAGA Settlement Agreement ("Agreement") and the form used for the Agreement is the Los Angeles Superior Court's model form. A true and correct copy of the Agreement which sets forth the terms for the settlement of the PAGA claims is attached as <u>Exhibit #1</u> to the Declaration of Victoria B. Rivapalacio, filed herewith. Capitalized terms shall have the same meaning as defined in the Agreement. The LWDA received notice of this Settlement, and this motion as set forth in the accompanying proof of service.

A proposed order confirming review and approval of the PAGA settlement is submitted herewith.

## II. RELEVANT FACTS

PAGA Counsel sent the necessary correspondence to the California Labor and Workforce Development Agency ("LWDA") on February 21, 2022, on behalf of Plaintiff Natasha Barbee, requesting authorization from the LWDA to seek civil penalties as provided by the Private Attorney General Act of 2004 ("PAGA") for the wage and hour violations alleged in the PAGA Notice.

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[1] Section 2699(1)(2) provides as follows: "The superior court shall review and approve any settlement of any civil action pursuant to this part." Cal. Lab. Code § 2699 (2016) (*amended by* Stats. 2024, c. 44 (A.B. 2288), § 1, eff. July 1, 2024.).

(Declaration of Victoria B. Rivapalacio ("Rivapalacio Decl."), at ¶ 3, Agreement at ¶ 1.3) This PAGA Notice is attached as Exhibit 5 to the Rivapalacio Decl. The 65-day notice period for the LWDA to notify of its intent to investigate expired on April 27, 2022. On June 20, 2022, Plaintiff Barbee filed a Representative Action Complaint in this Court against Defendant Carl Warren & Company, LLC, alleging a cause of action for recovery of civil penalties for Violation of the PAGA [Labor Code §§ 2698, *et seq*.]. (Rivapalacio Decl. at ¶ 3(a).)

Plaintiff and Defendant agreed to mediate with Gig Kyriacou, Esq. Prior to the mediation, the Parties conducted significant investigation and discovery of the facts and law. Defendant produced documents and data relating to its policies, practices, and procedures regarding paying non-exempt employees for all hours worked, overtime, meal and rest period policies, payroll and operations policies, and more. Plaintiff was provided with sufficient records and data to determine the number of Aggrieved Employees and the number of pay periods in the PAGA Period. The Parties agree that the above-described investigation and evaluation, as well as the information exchanged during the settlement negotiations, are more than sufficient to assess the merits of the Parties' positions and to compromise the issues on a fair and equitable basis. (Rivapalacio Decl., at ¶ 3(a).)

Plaintiff's theory of PAGA liability as argued at mediation alleged that Defendant is liable for its failure to compensate for off-the-clock work, despite knowing that employees were required to carry out both pre shift and post shift duties, including the constant monitoring of their work phones. Defendant's own company handbook does not allow its employees to record the time they spent monitoring or using their personal or work phones for work purposes. (Rivapalacio Decl., ¶ 3(b).) Further, the following additional remunerations were not fully incorporated in the regular rate for paying overtime, sick pay, or meal premiums: B-BONUS (quarterly, 25 payments, $20,911 total), FLT-Floater Additional Earnings (9 payments, $1506.73 total), RFB-Referral BONUS Additional Earnings (Monthly) (5 payments, $4000 total). Approximately, 41.9% of employees and 7.1% of pay periods have overtime and any of the bonuses earned; 38.7% of employees and 2% of pay periods have sick pay and any bonuses earned; and 9.7% of employees and 0.4% of pay periods have meal premiums and any bonuses earned. (*Id.*)

There is also substantial liability for meal period violations evidenced in the records that have not been cured with the payment of a premium wage. The time punch records reflect a meal break violation rate assuming waiver of 56.2% of all shifts (12,500 unique violations out of shifts analyzed). The pay data reflects meal break premiums paid for 112 instances, therefore roughly 0.9% of facial violations have had a premium paid. (*Id.*) Lastly, Defendant failed to reimburse Plaintiff for the use of her personal cell phone for work purposes.

On July 18, 2024, the Parties engaged in an all-day mediation session with Gig Kyriacou, Esq., a respected and experienced mediator knowledgeable of both the wage and hour laws and representative claims at issue in this action. Through arms-length negotiations with the assistance of the mediator, the Parties reached an agreement to settle the PAGA claims in this action which led to the signing of a Memorandum of Understanding memorializing the settlement.[2] (Rivapalacio Decl., at ¶ 3.)

The settlement was negotiated in light of all known facts and circumstances and the uncertainty associated with litigation – including the risk of Plaintiff not being able to maintain representative claims, the difficulty of proving Plaintiff's claims in a manageable trial, the merits of Defendant's potential defenses, and the significant delay and potential appellate issues inherent to litigation – and was reached after extensive arm's length negotiations, with the assistance of Mr. Kyriacou as Mediator. (Rivapalacio Decl., at ¶¶ 3(c), 6.)

## III. TERMS OF THE PAGA SETTLEMENT

The PAGA settlement is subject to Court approval consistent with Labor Code §2699(1)(2) (2016). (Agreement at ¶ 6.1). The Agreement negotiated by the Parties provides for a "Gross PAGA Settlement Amount" payment in the amount of $130,000 to resolve the Released PAGA Claims (hereinafter referred to as the "PAGA Settlement"). From this Gross PAGA Settlement Amount of

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[2] In addition to the Gross PAGA Settlement Amount, Defendant has agreed to separately settle Plaintiff's individual non-PAGA claims arising out of her employment pursuant to separate confidential Individual Settlement Agreement ("Individual Settlement") (Rivapalacio Decl, ¶ 3(d); Agreement at ¶ 2.6). The individual claims are not at issue in this action and exist independent and apart from the PAGA claims at issue before the Court. *See Kim v. Reins Int'l Cal., Inc.*, 9 Cal. 5th 73, 80 (2020) (the "[s]ettlement of individual claims does not strip an Aggrieved Employee of standing, as the state's authorized representative, to pursue PAGA remedies" nor resolve the PAGA claims.).

$130,000, there is a deduction of attorneys' fees ("PAGA Counsel Expenses Payment") up to $43,333 (which is one-third of the PAGA Settlement), reimbursement of incurred costs ("PAGA Counsel Litigation Expenses Payment") in an amount not more than $24,000, and Settlement Administration Costs ("Administration Expenses Payment") not to exceed $5,000. (Agreement at ¶¶1.5, 1.21-1.22, 3.2.1-3.2.3).[3] After these deductions, the amount remaining is the "PAGA Payment", which is estimated to be no less than $57,667.

Of the PAGA Payment amount, seventy-five percent (75%) (no less than $43,250.25) will be paid to the LWDA and the remaining twenty-five percent (25%) (no less than $14,416.75) will be paid to the Aggrieved Employees (Agreement at ¶ 1.23).[4] This 75/25 allocation is required by Labor Code §2699 as explained by *ZB, N.A. v. Superior Court*, 8 Cal.5th 175 (2019), and the prior 75/25 split still applies because this Action was filed before June 2024. *See* Cal. Lab Code § 2699 (v) (2024).

The Individual PAGA Payment for each Aggrieved Employee shall be based on the number of pay periods each Aggrieved Employee worked during the PAGA Period as an Aggrieved Employee, as a percentage of the total pay periods worked by all Aggrieved Employees during the PAGA Period.[5] The PAGA Period is the time period from April 16, 2021 through December 31, 2024. (Agreement at ¶ 1.25).

As of approximately December 29, 2025, Defendant has represented that the Aggrieved Employees consist of approximately 59 Aggrieved Employees who collectively worked approximately 2,438 PAGA Pay Periods during the PAGA Period. (Rivapalacio Decl. ¶¶ 4,14(b)(c));

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[3] If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder of these amounts to the PAGA Payment. (Agreement at ¶¶ 1.21-1.22). To the extent the Administration Expenses are less, or the Court approves payment less than $5,000, the Administrator will allocate the remainder of this amount to the PAGA Payment (*Id*. at ¶ 1.5).

[4] "Aggrieved Employees" means all individuals who are or previously were employed by Defendants in California and classified as a non-exempt employee at any time during the PAGA Period. (Agreement at ¶¶ 1.7).

[5] See Agreement at ¶ 3.2.3 ("The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Payment by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods.")

Agreement at ¶ 8.1).

Upon entry of final judgment, the Released Parties shall be entitled to a release from the Aggrieved Employees for any "Released PAGA Claims", which means all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Related Actions,[6] which occurred during the PAGA Period. (collectively the "Released PAGA Claims"). (Agreement at ¶ 5). The Released PAGA Claims expressly exclude all other claims, including claims for vested benefits, unemployment insurance, disability, social security, workers' compensation, and Plaintiff's individual claims which are subject to a separate release. (*Id.*)

Upon full funding of the Gross Settlement Amount, the State of California, LWDA and all Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the "Released Parties" which means Defendant and each of its past and present subsidiaries, parents, affiliates, divisions, predecessors and successors in interest, assignees, nominees, authorized franchisees, servants, agents, investors, stockholders, directors, officers, members, owners, employees, representatives, insurers, consultants, advisors, and attorneys (and the servants, agents, directors, officers, consultants, advisors, members, owners, employees, representatives, insurance carriers and attorneys of any past or present subsidiaries, parents, or affiliates), and all persons acting by, through, under or in concert with Defendant and its respective heirs, successors, and assigns, the "Released PAGA Claims." (Agreement at ¶¶ 1.30, 5.1.)

Within thirty (30) days after Defendant funds the Gross PAGA Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Expenses Payment, and the PAGA Counsel Expenses Payment. (Agreement at ¶ 4.4).[7] The face of each check shall prominently state the void date, which is 180 days after the date of mailing when the check will be voided. The Administrator

[6] "Related Actions" are defined collectively as the *Barbee* PAGA Action, the PAGA Notice, and the *Barbee* Arbitration Action. (Agreement at ¶ 1.28.)

[7] Disbursement of the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment, shall not precede disbursement of Individual PAGA Payments. (Agreement at ¶ 4.4).

will cancel all checks not cashed by the void date. (*Id*. at ¶ 4.4.1) For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the State Controller Unclaimed Property Fund in the name of the individual who failed to cash their check. (*Id*. at ¶ 4.4.3)

Pursuant to California Labor Code Section 2699(1), Plaintiff is providing a copy of the Agreement and this motion to the LWDA concurrently with the filing of the instant motion for settlement approval as set forth in the accompanying proof of service in compliance with Labor Code section 2699(1). In addition, Plaintiff shall submit to the LWDA a copy of the Court's judgment and order approving the Agreement within ten (10) days after entry of judgment or order.

## IV. THE PARTIES HAVE SETTLED THE PAGA CLAIMS

The claim before this Court on this motion is solely the representative claim under PAGA on behalf of the State of California for civil penalties pursuant to the PAGA. The Parties have agreed to settle this PAGA claim in its entirety after investigation and an arm's length mediation session. (Rivapalacio Decl., at ¶¶ 2, 3.) The settlement is intended to fully and finally resolve the Released PAGA Claims asserted by Plaintiff on behalf of the State of California. This is only a settlement of the PAGA claims for civil penalties and is not a class settlement and does not release the individual claims, if any, of the Aggrieved Employees, other than any claims under PAGA. This settlement does not release any claim that is not a PAGA claim.[8] PAGA Counsel Fees equal to one-third of the Gross PAGA Settlement amount ($43,333), and PAGA Counsel Litigation Expenses in an amount not to exceed $24,000 will also be paid to PAGA Counsel as part of the settlement in accordance with California Labor Code § 2699(g)(1), as set forth in the Agreement.[9] Lastly, payment to the Administrator in an amount not to exceed $5,000 to perform the administrative duties to distribute the settlement money shall also be paid. (Rivapalacio Decl., at ¶ 4, Agreement at ¶ 1.5, 3.2.2.)

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[8] As explained by the Supreme Court in *ZB, N.A.*, 8 Cal. 5th at 196: "Nonparty employees are bound by the judgment in an action under the PAGA, but only with respect to recovery of civil penalties."

[9] As set forth in the accompanying Declaration of Victoria B. Rivapalacio, PAGA Counsel incurred costs in the current amount of $21,421.55, which is less than the cost allocation in the Agreement. See Rivapalacio Decl. at ¶ 8.

## V. THE PARTIES REQUEST REVIEW AND APPROVAL OF THE SETTLEMENT OF THE PAGA CLAIM

Labor Code § 2699(l) requires that the Court "shall review and approve any settlement of any civil [PAGA] action filed pursuant to this part. The proposed settlement shall be submitted to the agency at the same time that it is submitted to the court." Cal. Lab. Code § 2699 (1) (2016). Consequently, the Parties respectfully ask the Court to review and approve the settlement of the PAGA claims and the PAGA Payment to be paid as part of the proposed settlement.

The Court of Appeal in *Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, defined the standard of review for PAGA settlements, finding that the trial court must consider whether the settlement is "fair, reasonable, and adequate in view of PAGA's purposes to remediate present labor law violations, deter future ones, and to maximize enforcement of state labor laws." *Id.* at 77; *see also O'Connor v. Uber Techs., Inc.* (N.D. Cal. 2016) 201 F.Supp.3d 1110, 1133 (adopting guidance from the LWDA providing that "when a PAGA claim is settled, the relief provided for under the PAGA [must] be genuine and meaningful, consistent with the underlying purpose of the statute to benefit the public")

In making this assessment, the court's focus is not the monetary amount which the aggrieved employees or the State stand to receive, but on whether the total amount achieves PAGA's objective, (See *Ochoa- Hernandez v. CJADERS Foods, Inc.,* (N.D. Cal. Apr. 2, 2010) 2010 WL 1340777 at *4 [citing *Arias v. Sup. Ct.* (2009) 46 Cal.4th 969, 986]), and is not the product of fraud, collusion or unfairness. (*Moniz, supra,* 72 Cal.App.5th at 77.) And because a PAGA claim is "a statutory action for penalties brought as a proxy for the State," "there is no need to protect absent employees' due process rights[.]" *Williams v. Sup. Ct.* (2017) 3 Cal.5th 531, 546.)

### A. The PAGA Settlement Amount To Be Paid Is Fair And Reasonable

The Parties believe that the PAGA Settlement amount is fair, reasonable, and adequate in view of PAGA's purposes to remediate present labor law violations, deter future ones, and to maximize enforcement of state labor laws, and therefore "shall" be reviewed and approved. As discussed above, the PAGA settlement was the result of arms-length, non-collusive negotiations, sufficient investigation and discovery was conducted by experienced counsel, and the settlement is reasonable. Here, the Gross PAGA Settlement Amount of $130,000 is more than other PAGA settlements as it constitutes approximately $57.77 per pay period. (Rivapalacio Decl., at ¶ 5.)

This PAGA Settlement amount compares favorably to the estimated amount of PAGA penalties. With the assistance of an expert, Plaintiff calculated that the maximum amount of statutory

PAGA civil penalties was potentially $225,000 based on 2,250 pay periods applicable to the Aggrieved Employees during the PAGA Period.[10] (Rivapalacio Decl., at ¶¶ 5,14(b)-(c)). Importantly, however, these calculations were performed at the maximum statutory rate for the penalties, when in fact, it is likely that any penalties awarded would be at a lower rate. California Labor Code Section 2699(e)(1) permits a Court to award a lesser amount than the maximum civil penalty if based on the facts and circumstances to do otherwise would result in an award that is "unjust, arbitrary and oppressive or confiscatory."

In *Carrington v. Starbucks Corp*., 30 Cal. App. 5th 504 (2018), the Court of Appeal affirmed a judgment after trial which only provided for a PAGA penalty of $5 per pay period. Therefore, at trial, any PAGA penalties awarded could be significantly less than Plaintiff's calculation even where Plaintiff prevailed on the PAGA claim. If the amount of $5 per pay period from *Carrington v. Starbucks* is used, the potential recovery of civil penalties would be only $11,250, which is far less than this settlement provides. (Rivapalacio Decl., at ¶¶ 5, 14(d).)

Under PAGA, Courts have considerable discretion to reduce the penalty award. In *Fleming v. Covidien*, 2011 U.S. Dist. LEXIS 154590 (C.D. Cal. 2011), a federal court reduced PAGA penalties from $2,800,000 to $500,000, a reduction of 82.2%, because the court found maximum penalties "unjust" because the employees had suffered no injuries. Some trial courts have actually awarded no civil penalties, even when Labor Code violations are established. See *Makabi v. Gedalia*, 2016 Cal. App. Unpub. 1489, *5-7 (2nd Dist. Ct. of App. Mar. 6, 2016) (no PAGA penalties were awarded by the Los Angeles County Superior Court) (unpublished decision); *In re Taco Bell Wage & Hour Actions*, 2016 U.S. Dist. LEXIS 48557, *40-43 (E.D. Cal. Apr. 6, 2016) (PAGA penalties denied after trial).

[10] Stacking is where more than one civil penalty is imposed in a pay period for the same conduct. The valuation of $225,000 is the civil penalty amount without stacking. If stacking is permitted, then the valuation increases with each additional penalty added to each pay period. Plaintiff, however, is not aware of any PAGA award which permitted stacking and in the cases cited herein, only one penalty per pay period was assessed. In addition, the recent amendment of PAGA casts further doubt on the availability of stacking penalties.

In order to recover any PAGA penalties, Plaintiff would be required at trial to prove each of the underlying Labor Code violations. See *Cardenas v. McLane Foodservice, Inc*., 2011 U.S. Dist. LEXIS 13126, *10 (C.D. Cal. 2011) ("Given the statutory language [of PAGA], a plaintiff cannot recover on behalf of individuals whom the plaintiff has not proven suffered a violation of the Labor Code by the defendant."). Here, Plaintiff would need to prove that each Aggrieved Employee suffered a violation for each period the employee worked in relation to meal or rest period violations, failure to pay minimum wages, failure to pay overtime and sick pay wages, failure to provide accurate itemized wage statements, failure to reimburse employees for required expenses, and failure to pay wages when due.

Defendant maintains that Plaintiff and the Aggrieved Employees were properly compensated, and that it did not violate the Labor Code. Accordingly, Defendant disputes and denies Plaintiff's allegations and claims asserted in both the PAGA Notice and the Operative Complaint, which are resolved by the Agreement. Defendant asserted additional defenses to the PAGA claim, not only as to liability but also as to the amount of the penalties. Defendant could argue that no penalties prior to the PAGA notification should be awarded because the violations were not intentional. These defenses present a risk to the PAGA claims and the potential that some or all of the PAGA penalties sought may not be awarded. (Rivapalacio Decl., at ¶¶ 6, 14(g).)

Given Defendant's potential defenses to the violations at issue, the risks and costs of continued litigation, Plaintiff and her attorneys believe that the PAGA Settlement is fair and reasonable. (Declaration of Rivapalacio, at ¶¶ 5,6,14(g).) Defendant has similarly concluded that it is desirable that the action is settled in the manner and upon the terms and conditions set forth in the Agreement in order to avoid further expense, inconvenience and distraction of further legal proceedings, as well as the uncertainty of litigation. Defendant has determined that it is desirable and beneficial to put to rest the claims in this action and Defendant agrees that the PAGA Settlement is fair, reasonable, and adequate.

PAGA Counsel have significant experience litigating wage and hour claims including claims for PAGA penalties, and the PAGA Settlement here is similar to or greater than similar settlements that courts have approved. (Rivapalacio Decl., at ¶ 6.) The PAGA Settlement, along with the other terms of the proposed settlement, were negotiated by experienced counsel at arm's length with the assistance of a private mediator, Gig Kyriacou, Esq. (*Id.*, at ¶¶ 2,3,6.)

As set forth in the accompanying proof of service, the LWDA has been provided notice of this motion and the PAGA settlement. The decision of the LWDA to accept the PAGA Settlement and not oppose the motion should be given considerable weight. This is not a situation where the Court needs to be concerned about the rights of absent employees as in a class settlement, as this PAGA-only settlement does not release the individual claims of absent employees other than PAGA claims, and the LWDA is a sophisticated government entity that is more than able to look out for its own rights.

**B. The Remaining Settlement Terms Are Fair And Reasonable**

Although PAGA requires that a court approve the proposed PAGA settlement, Labor Code § 2699(1) does not require that a court approve any other elements of the proposed settlement. See Cal. Lab. Code § 2699 (2016). Because there are no class allegations for which Plaintiff seeks approval, the approval provisions applicable to class settlements under Cal. Code Civil Proc. § 382 do not apply. Accordingly, the Court only needs to approve the settlement of the civil penalties sought in the PAGA claim. Nevertheless, as explained herein, the settlement terms for attorneys' fees and costs are reasonable.

## VI. THE ATTORNEYS' FEES AND COSTS ARE FAIR AND REASONABLE

PAGA Counsel seek approval of attorneys' fees from the PAGA settlement in the amount of $43,333 representing one-third of the $130,000.00 Gross PAGA Settlement Amount. PAGA does not have any requirements for reviewing attorneys' fees, and Plaintiff's position is that the payment of attorneys' fees and costs in this settlement is a matter of contract for contingent representation. Nevertheless, should this Court review the requested attorneys' fees, it is clear that the requested fees and costs are reasonable.

First, the requested fees are justified by the result achieved. PAGA Counsel negotiated a recovery of $130,000 and this result justifies the requested fees equal to one third of this recovery. This percentage is within the standard contingent recovery percentage of one-third, and this percentage is what was expressly approved by the Supreme Court in *Laffitte v. Robert Half Int'l Inc.*, 1 Cal.5th

480, 504, (2016); *Amaro v. Anaheim Arena Mgmt., LLC*, 69 Cal. App. 5th 521, 545 (2021) (recognizing that "'fee awards in class actions average around one-third of the recovery'" regardless of "'whether the percentage method or the lodestar method is used.'" (*quoting Chavez v. Netflix, Inc*., 162 Cal.App.4th 43, 66, fn. 11 (2008)).

Second, the fee award is justified by the work performed and contributions to the case. As detailed in the accompanying Rivapalacio Decl. at ¶ 7, PAGA Counsel's current lodestar of $81,066.25 represents a negative multiplier, with significant additional work to be performed.[11]

Generally, the Ninth Circuit and California Courts award positive multipliers between 2 to 4 times the lodestar to reward counsel for accepting the contingent risks of the litigation or obtaining good results. See, e.g., *Laffitte*, 1 Cal. 5th at 506 (approving one-third fee award with multiplier between 2.03 and 2.13); *Pellegrino v. Robert Half Intern., Inc.*, 182 Cal.App.4th 278 (2010) (noting reasonable multipliers of 2.0 to 4.0 are often applied and affirming 1.75 multiplier); *Wershba v. Apple Computer, Inc*., 91 Cal.App.4th 224, 254 (2001) (noting that multipliers can range from 2 to 4 or higher); *Vandervort v. Balboa Capital Corp*., 8 F. Supp. 3d 1200, 1210 (C.D. Cal. 2014) (awarding one-third of fund, which was a 2.52 multiplier of lodestar); *Boyd v. Bank of America*, 2014 WL 6473804, at *11 (C.D. Cal. 2014) (awarding one-third of fund, which was a 2.58 multiplier of lodestar); *Hopkins v. Stryker Sales Corp*., No. 11-CV-02786-LHK, 2013 WL 496358, at *6 (N.D. Cal. Feb. 6, 2013) (approving fee award that represented a multiplier of 2.76 as falling within the "majority" range for risk multipliers).

Third, consideration of the service factors justify the service of the lodestar. Courts multiply the lodestar by a factor to account for the risk of non-payment, delay in payment, the quality of work, and the novelty and difficulty of the issues involved. See *Ketchum v. Moses*, 24 Cal.4th 1122, 1132 (2001). Failure to apply a risk multiplier in cases that meet these criteria is an abuse of discretion. *Stetson v. Grissom*, 821 F.3d 1157, 1166 (9th Cir. 2016).

Finally, as to litigation expenses, PAGA Counsel will be recovering litigation expenses in the total amount of $21,831.48 which is less than the $24,000 allocation for costs in the Agreement, so

[11] A true and correct copy of PAGA Counsel's billing records are attached as Exhibit #2 to the Declaration of Victoria B. Rivapalacio, filed herewith.

the difference of $2,168.52 will be added to the PAGA Payment amount. These expenses are documented in the accompanying Declaration of Rivapalacio at ¶ 8.

## VII. CONCLUSION

Based on the foregoing, Plaintiff respectfully requests this Court approve the PAGA settlement as set forth in the Agreement and enter the proposed order and judgment submitted herewith.

Dated: March 25, 2026

**BLUMENTHAL NORDREHAUG BHOWMIK DE BLOUW LLP**

By: */s/ Victoria B. Rivapalacio*

Victoria B. Rivapalacio
Attorney for Plaintiff