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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

NANCY SALINAS, individually, and on behalf of all other aggrieved employees,

Plaintiff,

vs.

HOF'S HUT RESTAURANTS, INC., a California corporation; and DOES 1 through 50, inclusive,

Defendants.

Case No. 22STCV19043

[Assigned for all purposes to the Hon. Kevin C. Brazile, Dept. 20]

PLAINTIFF'S NOTICE OF MOTION AND MOTION FOR APPROVAL OF PAGA SETTLEMENT; MEMORANDUM OF POINTS AND AUTHORITIES

Date: September 18, 2025
Time: 8:30 a.m.
Department: 20

Reservation ID: 339025516983

Complaint Filed: June 10, 2022
Trial Date: None Set

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

PLEASE TAKE NOTICE that on September 18, 2025 at 8:30 a.m., or as soon thereafter as this matter may be heard, in Department 20 of the Los Angeles County Superior Court, Stanley Mosk Courthouse, located at 111 North Hill Street, Los Angeles, California 90012, Plaintiff Nancy Salinas ("Plaintiff") will, and hereby does, move this Court, pursuant to Labor Code § 2699(s)(2), for entry of an order and judgment approving the parties' settlement agreement under the Labor Code Private Attorneys General Act of 2004 ("PAGA").

The motion is based on the fact that the proposed settlement of $1,565,500.00 is fair, reasonable, and adequate, it will provide genuine and meaningful relief, and it will fulfill PAGA's purpose to benefit the public.

The motion is based upon this notice, the attached Memorandum of Points and Authorities, the Declaration of Dalia Khalili and all exhibits thereto, the Declaration of Plaintiff, the complete files and records of this case, and any other evidence or oral argument which may be considered by the Court at the time of the hearing.

DATED: June 27, 2025

Respectfully submitted,

MATERN LAW GROUP, PC

By: Erin Hutchins

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Pursuant to the California Labor Code Private Attorneys General Act of 2004 ("PAGA"), Labor Code § 2698 *et seq.*, Plaintiff Nancy Salinas ("Plaintiff") seeks court approval of the Amended PAGA Settlement Agreement ("Amended Settlement Agreement" or "Settlement") which, if approved, will resolve this action entirely. Plaintiff alleges that Defendant Hof's Hut Restaurants, Inc. ("Defendant") (Plaintiff and Defendant are collectively referred to as the "Parties") failed to provide Plaintiff and other aggrieved employees with, among other things, lawful meal and rest periods, failed to pay all overtime and minimum wages, and failed to furnish accurate itemized wage statements. The Settlement resolves all claims for PAGA penalties based on the alleged Labor Code violations, on behalf of approximately 7,185 individuals who worked for Defendant as non-exempt employees in California at any time between April 6, 2021 through February 12, 2025 ("Aggrieved Employees").[1]

Under the terms of the Settlement, Defendant will pay a Gross Settlement Amount of $1,565,500 to settle Plaintiff's PAGA claims against the Released Parties. The civil penalties secured by the Settlement are significant and fulfill PAGA's underlying purpose to benefit the public and to deter future labor law violations. As such, the Court should approve the Settlement. Plaintiff's request for attorneys' fees in the amount of $521,833.33 (i.e., one-third of the Gross Settlement Amount), reimbursement of costs in the amount of $17,665.62, a service payment to Plaintiff in the amount of $10,000, and settlement administration costs to Phoenix Settlement Administrators ("Phoenix") in the amount of $20,000 are also reasonable and should be approved by the Court. Accordingly, Plaintiff respectfully requests that the Court enter an order and judgment granting approval of the Settlement, pursuant to Labor Code § 2699(s)(2).

II. FACTUAL AND PROCEDURAL BACKGROUND

A. The Parties

Defendant operates approximately three Hof's Hut Restaurant and Bakery restaurants and

[1] A copy of the Amended Settlement Agreement is attached as Exhibit D to the Declaration of Dalia Khalili ("Khalili Decl.").

approximately sixteen Lucille's Smokehouse Bar-B-Que restaurants in California. Khalili Decl. ¶ 3. Plaintiff was hired by Defendant as a cook in or around July 2017. Declaration of Plaintiff Nancy Salinas ("Salinas Decl.") ¶ 3. Plaintiff resigned in or around October 2020 and was rehired as a cook in or around April 2021. *Id.* Plaintiff resigned for the second time in or around January 2022. *Id.* Plaintiff worked at Defendant's Lucille's Smokehouse Bar-B-Que locations in Santa Ana, Orange, Chino Hills, and Brea, California. *Id.*

B. Procedural History

1. Plaintiff's PAGA Notice and Complaint

Pursuant to Labor Code § 2699.3, on March 22, 2022, Plaintiff gave written notice to the California Labor and Workforce Development Agency ("LWDA") and Defendant of the specific provisions of the Labor Code alleged to have been violated, including the facts and theories to support the alleged violations. Khalili Decl. ¶ 4, Ex. A. The LWDA did not provide notice that it intended to investigate the alleged violations. *Id.* Accordingly, on June 10, 2022, Plaintiff filed a representative action against Defendant. *Id.* ¶ 5.

2. Defendant's Motion to Compel Arbitration

On or about September 26, 2022, Defendant filed a Motion to Compel Arbitration. *Id.* ¶ 6. On February 7, 2023, this Court denied Defendant's Motion to Compel Arbitration. *Id.* On April 18, 2023, Defendant served a Notice of Filing a Notice of Appeal. *Id.* On September 25, 2023, Defendant served an Abandonment of Appeal. *Id.*

C. Discovery and Investigation

Prior to mediation, Plaintiff obtained timekeeping and payroll data for approximately 668 non-exempt employees during the time period of April 6, 2021 to November 6, 2024. *Id.* ¶ 7. Plaintiff's counsel hired a data expert to analyze the data, which consisted of time records for 131,845 shifts. *Id.* The analysis of Plaintiff's data expert assisted Plaintiff's counsel in preparing a model of the maximum potential civil penalties prior to the mediation. *Id.* In addition, Defendant produced all relevant written wage-and-hour policies and procedures. *Id.* Based on this discovery and investigation, Plaintiff's counsel was able to act intelligently and effectively in negotiating the Settlement. *Id.*

D. Settlement Negotiations

On December 10, 2024, the Parties participated in a private mediation with Monique Ngo-Bonnici, Esq. at Signature Resolution *Id.* at ¶ 8. At the end of a full day of mediation, the Parties accepted the mediator's proposal to resolve the action, subject to the Parties entering into a comprehensive written settlement agreement and Defendant providing a declaration outlining its current financial hardships. *Id.* On January 21, 2025, Defendant provided a declaration from Chris Crawley, its Chief Financial Officer, regarding its financial condition. *Id.,* Ex. B.

On March 11, 2025, the Parties fully executed the PAGA Settlement Agreement. *Id.* at ¶ 9, Ex. C. On May 16, 2025, upon learning that Defendant inadvertently provided the incorrect number of pay periods during the mediation and, as a result, agreeing to a reduced settlement amount, the Parties fully executed an Amended Settlement Agreement that supersedes the PAGA Settlement Agreement. *Id.* at ¶ 10, Ex. D. On June 27, 2025, Plaintiff submitted a copy of the Amended Settlement Agreement to the LWDA. *Id.* at ¶ 45, Ex. E.

III. SUMMARY OF SETTLEMENT

A. Aggrieved Employees

The Aggrieved Employees consist of any and all persons who worked for Defendant in California as non-exempt employees at any time from April 6, 2021 to February 12, 2025 (the "PAGA Period"). Amended Settlement Agreement ¶¶ 1.4, 1.24. Defendant estimates that there are approximately 7,185 Aggrieved Employees who worked a total of 194,246 PAGA Pay Periods. *Id.* ¶ 4.1. The escalator clause has not been triggered. *See id.* ¶ 8.1.

B. Settlement Terms

Under the terms of the Settlement, the claims of all Aggrieved Employees shall be settled for the Gross Settlement Amount of $1,565,500, which is inclusive of Individual PAGA Payments, the LWDA PAGA Payment, the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, the PAGA Plaintiff Service Payment, and the Administration Expenses Payment. *Id.* at ¶ 1.11. The Gross Settlement Amount shall be allocated as follows:

1. PAGA Penalties. The "Net Settlement Amount" means the Gross Settlement Amount, less the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, the PAGA

Plaintiff Service Payment, and the Administration Expenses Payment. *Id*. at ¶ 1.16. Seventy-five percent (75%) of the Net Settlement Amount shall be distributed to the LWDA ("LWDA PAGA Payment"), and twenty-five percent (25%) of the Net Settlement Amount shall be distributed to Aggrieved Employees as Individual PAGA Payments. *Id*. at ¶ 1.15, 1.23, 3.2.4. There will be no reversion to Defendant. *Id.* at ¶ 3.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties by the total number of pay periods worked by all Aggrieved Employees during the PAGA Period ("PAGA Pay Periods") and (b) multiplying the result by each respective Aggrieved Employee's number of PAGA Pay Periods. *Id.* ¶ 3.2.4.1.

2. Plaintiff's Service Payment. Subject to Court approval, in exchange for executing a general release of her claims against Defendant and in recognition of her efforts and risks in prosecuting the Action, Plaintiff shall be paid up to $10,000 as an enhancement for her service as a PAGA representative. *Id*. at ¶¶ 1.25, 3.2.2.

3. PAGA Counsel's Attorney Fees and Costs. Subject to Court approval, PAGA Counsel shall receive a PAGA Counsel Fees Payment in an amount not to exceed one-third of the Gross Settlement Amount, which equals $521,833.33, plus reimbursement of reasonable costs and expenses ("PAGA Counsel Litigation Expenses Payment") not to exceed $25,000.00. Id. at ¶ 3.2.1. PAGA Counsel's actual costs are $17,665.62. Khalili Decl. ¶ 42.

4. Administrative Expenses Payment. Subject to Court approval, the Administrator, Phoenix, shall be paid for the reasonable costs and expenses incurred for administration of the Settlement, not to exceed $25,000. Amended Settlement Agreement at ¶ 1.3, 3.2.3.

C. The Release

Upon Defendant's funding of the entire Gross Settlement Amount, all Aggrieved Employees shall be deemed to release the Released Parties from all claims, demands, rights, liabilities, and causes of action for civil penalties under PAGA, arising during the PAGA Period, that were pled in the Operative Complaint in the Action and/or Plaintiff's PAGA Notice or that reasonably could have been pled based upon the factual allegations in the Operative Complaint and/or Plaintiff's PAGA Notice ("Released PAGA Claims"). *Id*. at ¶¶ 1.27, 5.1.

"Released Parties" means Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates, including BARD Associates LLC. *Id*. at ¶ 1.28.

Plaintiff's Release includes a general release of all claims, known or unknown, and a waiver of her rights under California Civil Code § 1542. *Id.* at ¶ 5.2.

D. Settlement Administration

Within 14 calendar days after the Effective Date, Defendant shall provide the Administrator with a Microsoft Excel spreadsheet containing the Aggrieved Employee Data. *Id*. at ¶¶ 1.10, 4.2. The Aggrieved Employee Data consists of identifying information in Defendant's possession and/or the possession of Defendant's payroll vendors during the PAGA Period, including each Aggrieved Employees' name, last-known mailing address, Social Security number, and number of PAGA Pay Periods. *Id*. at ¶ 1.5.

Defendant shall fund the Gross Settlement Payment in four installments as follows: (1) the first installment of $400,000 shall be made within 30 days of the Effective Date, (2) the second installment of $400,000 shall be made within 75 days of the first installment, (3) the third installment of $400,000 shall be made within 75 days of the second installment, and (4) the fourth and final installment of $365,500 shall be made within 75 days of the third installment. *Id*. at ¶ 4.3.

Within 14 calendar days after Defendant fully funds the Gross Settlement Amount, the Administrator will mail checks and/or wire payment for all Individual PAGA Payments, the LWDA PAGA Payment, the PAGA Plaintiff Service Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment, and the PAGA Counsel Litigation Expenses Payment. *Id*. at ¶ 4.4. Disbursement of the PAGA Counsel Litigation Expenses Payment and PAGA Counsel Fees Payment shall not precede disbursement of Individual PAGA Payments. *Id*.

The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail. *Id*. at ¶ 4.4.1. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. *Id*. The Administrator will cancel all checks not cashed by the void date. *Id*.

Before mailing any checks, the Administrator will update the recipients' mailing addresses

using the National Change of Address Database. *Id*. For all Aggrieved Employees whose checks are retuned undelivered without a forwarding address, the Administrator will conduct an Aggrieved Employee Address Search. *Id*. at ¶¶ 1.6, 4.4.2. Within 7 days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. *Id*. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date. *Id*.

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 Safe Place For Youth as a cy pres recipient, after entry of an amended judgment. *Id.* ¶ 4.4.3. Safe Place for Youth is an appropriate cy pres recipient. *See generally* Declaration of Safe Place for Youth Inc.'s Chief Impact Officer Mary McGuire.

IV. THE COURT SHOULD GRANT APPROVAL OF THE PAGA SETTLEMENT

A. The Standard for Review and Approval of PAGA Settlements

The PAGA statute specifically provides that "[t]he superior court shall review and approve any settlement of any civil action filed pursuant to this part." Lab. Code § 2699(s)(2). The statute, however, does not require a two-step (preliminary and final approval) process or otherwise mimic the class action approval requirements when the parties reach a settlement only as to PAGA civil penalties. *See Arias v. Superior Court* (2009) 46 Cal.4th 969, 975 (class action requirements "need not be met when an employee's representative action against an employer is seeking civil penalties" under PAGA). "[A] trial court should evaluate a PAGA settlement to determine whether it 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." *Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, 77.

A PAGA representative action to recover civil penalties "is fundamentally a law enforcement action designed to protect the public and not to benefit private parties." *Iskanian v. CLS Transportation, Los Angeles* (2014) 59 Cal.4th 348, 381. When evaluating a PAGA settlement, a trial court "must scrutinize whether, in resolving the action, a PAGA plaintiff has adequately represented

the state's interests, and hence the public interest." *Moniz*, 72 Cal.App.5th at 89. In addition, a court must independently determine whether a PAGA settlement is fair, adequate, and reasonable using similar factors that apply to the evaluation of the fairness of a class action settlement, "including the strength of the plaintiff's case, the risk, the stage of the proceeding, the complexity and likely duration of further litigation, and the settlement amount." *Id*. at 77.

B. The Settlement is Fair, Reasonable, and Adequate

Here, the Settlement is consistent with PAGA's goal of penalizing Defendant for the alleged violations, deterring future violations, and providing a benefit to the public through enforcement of state labor laws.

The Gross Settlement Amount of $1,565,500 is significant enough to deter Defendant from future violations, creating an effective disincentive for Defendant to engage in unlawful business practices. Khalili Decl. ¶ 16. The Settlement provides a substantial benefit to the State of California, with the LWDA receiving approximately $747,000.79, as 75 percent of the Net Settlement Amount, to assist with the future enforcement of state labor laws. *Id.* The Settlement also provides a substantial benefit to the Aggrieved Employees, who will share approximately $249,000.26 as 25 percent of the Net Settlement Amount. *Id.* It is currently estimated that each Aggrieved Employee, on average, will receive an Individual PAGA Payment of approximately $34.66 as part of the Settlement. *Id.* Accordingly, the Settlement fulfills the underlying purposes of the statute and confers a substantial benefit on the public.

In assessing whether the Settlement is fair, reasonable, and adequate, the Court may balance the amount in penalties with the risks of further litigation. Here, Plaintiff obtained a meaningful amount in civil penalties despite facing significant challenges and risks had the litigation continued. *Id.* at ¶¶ 12-17. Plaintiff considered several factors in reaching the decision to settle at this point in the litigation. *Id.* at ¶ 12. Plaintiff risked the Court finding merit in Defendant's affirmative defenses. *Id.* Plaintiff recognizes that proving liability and PAGA penalties at trial would be an expensive, time-consuming, and extremely uncertain proposition. *Id.* Moreover, continued litigation would very likely reduce and substantially delay any recovery to the state and the Aggrieved Employees. *Id.* Even if Plaintiff were to obtain a favorable judgment at trial, Defendant would likely appeal the judgment,

which would further delay any recovery. *Id.* Additionally, this area of the law is constantly evolving, creating uncertainty for employees. *Id.*

Plaintiff also considered the reality that courts have discretion to substantially reduce any award of civil penalties on the grounds that "to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory," pursuant to Labor Code § 2699(e)(2). *Id.* at ¶ 13.

Further, while Plaintiff and MLG remain confident in the merits of the case, a legitimate controversy exists as to each predicate Labor Code claim. *Id.* at ¶ 14. Defendant contends that Aggrieved Employees received meal and rest periods and were paid for all hours worked. *Id.* Defendant further contends that it maintained lawful meal and rest break policies. *Id.* Defendant also contends there were no daily overtime violations because of a valid alternative workweek schedule. *Id.* As a result, Defendant contends that, throughout the PAGA Period, it complied with applicable California law. *Id.* Moreover, many of the claims regarding rest breaks and off-the-clock work are based on anecdotal evidence, which Plaintiff recognizes could be challenged as being manageably presented in trial. *Id.* The Settlement obviates all of these risks. *Id.* at ¶ 15.

Here, Plaintiff has calculated the maximum potential penalties in an "everything goes right" scenario to be approximately $55,406,020. *Id*. at ¶ 11. Considering the risks of continued litigation, the burdens of proof necessary to establish liability, the unsettled state of the law, the possibility that the Court would reduce an award of civil penalties, and the probability of appeal of a favorable judgment, it is clear that the non-reversionary settlement amount of $1,565,500 is fair, adequate, and reasonable in light of PAGA's purpose to remediate present labor law violations, to deter future violations, and to maximize enforcement of the Labor Code. *Id*. at ¶ 17.

For these reasons, the Court should find that the Settlement is fair, reasonable, and adequate.

V. THE REQUESTED SERVICE AWARD IS REASONABLE

The State of California and the Aggrieved Employees are beneficiaries of a settlement that would not have been made possible but for the effort and commitment of Plaintiff. Khalili Decl. ¶¶ 18-23; Salinas Decl. ¶¶ 4-11. The Settlement provides that Plaintiff shall be paid an enhancement award in an amount not to exceed $10,000, in recognition of her efforts and risks in prosecuting the Action and for her general release of all claims. Settlement ¶ 3.2.2. The amount of the requested

service award is reasonable in light of incentive payments approved in other PAGA settlements. *See, e.g., Blanchard v. BJ's Restaurants, Inc.,* Orange County Superior Court Case No. 30-2014-00761961-CU-OE-CXC (Sept. 26, 2016) (approving $10,000 service award); *Bui v. Vitamin Shoppe Industries Inc.,* Los Angeles County Superior Court Case No. BC518486 (Aug. 31, 2016) (approving $10,000 service award); *Miranda v. HomeDeliveryLink, Inc.,* San Bernardino County Superior Court Case No. CIV DS1505393 (Aug. 9, 2016) (approving $10,000 service award); *Sheldon v. AHMC Monterey Park Hospital LP,* Los Angeles County Superior Court Case No. BC440282 (March 2, 2016) (approving $10,000 service award).

Plaintiff has actively participated in this action, including reviewing and signing a declaration opposing Defendant's Motion to Compel Arbitration, attending telephonic meetings with her attorneys, searching for and producing relevant documents to her attorneys, preparing for and responding to questions from her attorneys in preparation for mediation, reviewing and signing the Amended Settlement Agreement with her attorneys to ensure that its terms are fair and achieve PAGA's objectives, and reviewing and signing her declaration in support of this Motion. Khalili Decl. ¶¶ 18-23; Salinas Decl. ¶¶ 4-11. Plaintiff also faced the real risk that future employers may not hire her because she brought a representative action against her employer, as well as the real risk that she could have been liable for Defendant's litigation costs if the action went to trial and she lost. *Id.* In addition, Plaintiff has entered into a much broader release (with a Civil Code § 1542 waiver) than the other Aggrieved Employees. *Id.*; Amended Settlement Agreement ¶ 5.2.

As part of the Settlement, the LWDA will receive approximately $747,000.79 as 75 percent of the Net Settlement Amount, which is a substantial amount to assist with the enforcement of state labor laws. Khalili Decl. ¶ 16. In addition, without Plaintiff's efforts in bringing a PAGA action, those Aggrieved Employees who worked for Defendant at any time from April 6, 2021 to February 12, 2025 likely would not have received any payment for civil penalties. *Id.* at ¶ 19. Accordingly, Plaintiff respectfully requests that the Court approve a service award in the amount of $10,000.

VI. THE REQUESTED ATTORNEYS' FEES AND COSTS ARE REASONABLE

The Settlement provides for attorneys' fees to PAGA Counsel in an amount up to one-third of the Gross Settlement Amount, for a maximum fee award of $521,833.33, plus reasonable litigation

costs not to exceed $25,000. Amended Settlement Agreement ¶ 3.2.1. Plaintiff request attorneys' fees pursuant to the "common fund theory." *See Laffitte v. Robert Half Int'l, Inc*. (2016) 1 Cal. 5th 480, 504 ("[t]he lodestar method better accounts for the amount of work done, while the percentage of the fund method more accurately reflects the results achieved").

A. Plaintiff's Counsel Are Entitled to Attorneys' Fees and Costs Under PAGA

Labor Code § 2699(k)(l) provides that "[a]ny employee who prevails in any [PAGA] action shall be entitled to an award of reasonable attorney's fees and costs." Lab. Code § 2699(k)(1). It is undisputed that Plaintiff is the prevailing party with a net monetary recovery. *See DeSaulles v. Cmty Hosp. of Monterey Peninsula* (2016) 62 Cal.4th 1140, 1157 ("the rule is that a partial recovery, as long as it is a net monetary recovery, entitles a plaintiff to costs."). Accordingly, Plaintiff is entitled to recover reasonable attorneys' fees and costs.

B. The Requested Fees Are Reasonable Under the Common Fund Method

A request for attorneys' fees as a percentage of the gross settlement amount is supported by the "common fund theory," where "one who expends attorney fees in winning a suit which creates a fund from which others derive benefits, may require those passive beneficiaries to bear a fair share of the litigation costs." *Serrano v. Priest* (1977) 20 Cal.3d 25, 35 (citing *Quinn v. State of California* (1975) 15 Cal.3d 162); *Laffitte*, 1 Cal.5th at 503 (trial court "may determine the amount of a reasonable fee by choosing an appropriate percentage of the fund created"). The percentage is properly based upon the maximum settlement amount, rather than upon the amount of funds distributed to class members. *Williams v. MGM-Pathe Communications Co*. (9th Cir. 1997) 129 F.3d 1026. In *City and County of San Francisco v. Sweet* (1995) 12 Cal.4th 105, the California Supreme Court recognized that the common fund doctrine has been applied "consistently in California when an action brought by one party creates a fund in which other persons are entitled to share." *Id.* at 110, fn. omitted.

The lodestar analysis may be used to cross-check a percentage-of-recovery award. *In re Consumer Privacy Cases* (2009) 175 Cal.App.4th 545, 556-558. However, the Supreme Court of California clarified that:

> [W]hen an attorney fee is awarded out of the common fund preserved or recovered by means of litigation [citation], the award is not per se unreasonable merely because it is calculated as a percentage of the common fund.

Laffitte, 1 Cal.5th at 486. The *Laffitte* court further held that "trial courts have discretion to conduct a lodestar cross-check on a percentage fee . . . [and] also retain the discretion to forego a lodestar cross-check and use other means to evaluate the reasonableness of a requested percentage fee." *Id*. at 506.

California courts routinely award attorneys' fees equaling one-third or more of the common fund. *See*, *e.g.*, *Laffitte*, 1 Cal.5th at 506 (affirming fee award representing one-third of a non-reversionary fund); *Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 66, n.11 ("fee awards in class actions average around one-third of the recovery"); Eisenberg & Miller, *Attorney Fees in Class Action Settlements: An Empirical Study*, J. of Empirical Legal Studies, Vol. 1, Issue 1, 27-78, March 2004, at 35 (independent studies of class action litigation nationwide conclude that fees representing one-third of the total recovery is consistent with market rates). In addition, a fee award in the amount of one-third of the common fund is reasonable because it best reflects the market rate for contingency fees. *See Lealao v. Beneficial California, Inc.* (2000) 82 Cal.App.4th 19, 47 ("[A]ttorneys providing the essential enforcement services must be provided incentives roughly comparable to those negotiated in the private bargaining that takes place in the legal marketplace.").

Here, Plaintiff's request for attorneys' fees in the amount of one-third of the Gross Settlement Amount is reasonable given the significant result achieved on behalf of the State of California and Aggrieved Employees. Plaintiff's counsel has litigated the Action for three years on a purely contingent basis, incurring $17,665.62 in past and future costs with no guarantee of recovery. Khalili Decl. at ¶¶ 39, 40, 42. In addition, the requested fee percentage is less than that charged by Plaintiff's counsel for other employment cases. *Id*. at ¶ 25.

Accordingly, Plaintiff's request for attorneys' fees in the amount of $521,833.33, or one-third of the Gross Settlement Amount, is reasonable under California law.

C. Plaintiff's Counsel's Costs Are Reasonable

PAGA Counsel is entitled to reimbursement of reasonable litigation costs under PAGA. *See* Lab. Code § 2699(g)(l). The Settlement provides for reimbursement of costs not to exceed $25,000.00. Amended Settlement Agreement ¶ 3.2.1. To date, Plaintiff's counsel has incurred actual costs in the amount of $17,586.16. Khalili Decl. ¶ 42. PAGA Counsel will incur approximately $79.46 in future costs for the motion filing fee and One Legal charges, for a total of **$17,665.62** in

costs. *Id*. Because these costs were reasonably incurred in prosecuting the Action on behalf of the State of California and Aggrieved Employees, the costs should be approved by the Court. *Id*. Accordingly, Plaintiff's counsel respectfully requests the Court approve the reimbursement of costs in the amount of **$17,665.62**.

VII. THE REQUESTED ADMINISTRATIVE COSTS ARE REASONABLE

The Settlement provides for settlement administration costs up to $25,000 to be paid from the Gross Settlement Amount to Phoenix Settlement Administrators. Settlement ¶ 3.2.3. Phoenix has submitted a not-to-exceed estimate of $20,000. Declaration of Jodey Lawrence ¶ 16, Ex. B. Given the number of Aggrieved Employees and the scope of the duties to be performed by Phoenix, the Court should approve the settlement administration costs as reasonable. Khalili Decl. ¶ 44.

VIII. CONCLUSION

Based on the foregoing, Plaintiff respectfully requests that the Court grant approval of the Settlement and enter the proposed judgment.

DATED: June 27, 2025

Respectfully submitted,

MATERN LAW GROUP, PC

By: Erin Hutchins

MATTHEW J. MATERN
DALIA KHALILI
MATTHEW W. GORDON
ERIN R. HUTCHINS
Attorneys for Plaintiff
NANCY SALINAS, individually,
and on behalf of all other aggrieved employees

Make a Reservation

NANCY SALINAS vs HOF'S HUT RESTAURANTS, INC., A CALIFORNIA CORPORATION

Case Number: 22STCV19043 Case Type: Civil Unlimited Category: Other Employment Complaint Case
Date Filed: 2022-06-10 Location: Stanley Mosk Courthouse - Department 20

Reservation

Case Name: NANCY SALINAS vs HOF'S HUT RESTAURANTS, INC., A CALIFORNIA CORPORATION	Case Number: 22STCV19043
Type: Motion for Order (Approval of PAGA Settlement)	Status: RESERVED
Filing Party: Nancy Salinas (Plaintiff)	Location: Stanley Mosk Courthouse - Department 20
Date/Time: 09/18/2025 8:30 AM	Number of Motions: 1
Reservation ID: 339025516983	Confirmation Code: CR-CAFWPTVUD7VWYXUDV

Fees

Description	Fee	Qty	Amount
Motion for Order (name extension)	0.00	1	0.00
TOTAL			**$0.00**

Payment

Amount: $0.00	Type: NOFEE
Account Number: n/a	Authorization: n/a
Payment Date: n/a	

Print Receipt | + Reserve Another Hearing | View My Reservations

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