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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ALAMEDA

LILIANA SANDOVAL, on behalf of the State of California, *Plaintiff,* v. LAMPS PLUS, INC.; and DOES 1 through 100, inclusive, Defendants.	Case No. 22CV014052 [*Assigned to Hon. Ruben Sundeen, Dept 23*] **MEMORANDUM OF POINTS OF AUTHORITIES IN SUPPORT OF PLAINTIFFS' MOTION FOR APPROVAL OF PAGA SETTLEMENT** Date: April 30, 2026 Time: 2:30 p.m. Dept: 23 **Reservation ID.: 799595435151** Complaint Filed: July 11, 2022

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I. INTRODUCTION

On behalf of the State of California, Plaintiffs Liliana Sandoval, Elizeth Montes Soto and Flor Estrellita Arellano Petlacalco ("Plaintiffs") have reached a settlement of this action for civil penalties under the Private Attorneys General Act ("PAGA"), Cal. Lab. Code §§ 2698, *et seq.*, against Defendants Lamps Plus, Inc. ("Lamps Plus"), Pacific Coast Lighting, Inc. ("Pacific Coast"), and Lamps Plus/Centennial, Inc. ("Centennial," and together with Lamps Plus and Pacific Coast, "Defendants" together with Plaintiff, the "Parties"). The Parties have memorialized the terms of their settlement in the PAGA Settlement and Release Agreement ("Settlement") attached as **Exhibit 1** to the Declaration of Esther L. Bylsma ("Bylsma Decl."), filed concurrently herewith.[1] In accordance with California Labor Code § 2699(s)(2), Plaintiffs now respectfully request that the Court review and approve the Settlement. As shown below, approval is warranted because the Settlement is fair, reasonable, and adequate in view of PAGA's purposes to remediate and deter violations and maximize enforcement of the Labor Code.

II. FACTUAL AND PROCEDURAL BACKGROUND

1. Facts

This action is a straightforward PAGA claim for civil penalties based on (i) failure to pay overtime wages; (ii) failure to authorize and permit and/or make available meal periods or pay premium wages in lieu thereof; (iii) failure to authorize and permit and/or make available rest periods or pay premium wages in lieu thereof; (iv) failure to pay minimum wages; (v) failure to pay wages at separation; (vi) failure to timely pay earned wages during employment; (vii) failure to provide accurate itemized wage statements; (viii) failure to provide suitable seating; (ix) failure to comply with Labor Code 6404; and (x) failure to reimburse business expenses. Defendants, operate, own and manage the largest lighting retailer in the United States of America. Bylsma Decl., ¶8. Plaintiffs and Aggrieved Employees in this matter are all current and former exempt and non-exempt employees of Defendants who worked for Defendants in California at any time during the period from April 27, 2021 to May 3, 2025 (the "PAGA Period"). Settlement, ¶¶ B, P. Defendants have represented that there are approximately 1,427 Covered

[1] Unless otherwise indicated, all capitalized terms have the same meaning as defined in the Settlement.

Employees who worked approximately 91,628 Eligible Pay Periods[2] in the aggregate from April 27, 2021 through January 24, 2025. Settlement, ¶ III.A.2.

Plaintiffs' main claims are premised on the following factual allegations. Plaintiffs allege that (i) Defendants' failed to compensate employees for all hours worked, including at minimum wages and overtime wages; as well as for time employees spent undergoing COVID-19 temperature checks for Defendants' benefit and post-shift bag checks; (ii) Defendants maintained a business environment that discouraged and prevented timely, full, compliant meal and rest breaks free from Defendants' control; (iii) Defendants failed to properly calculate shift differentials and other forms of non-discretionary income into employees' regular rate; and (iv) Defendants employed unlawful reimbursement policies, including a failure to compensate employees for their uniform maintenance during the PAGA Period. Bylsma Decl., ¶ 10.

2. Procedural History

On July 11, 2022, Plaintiff Sandoval filed her initial complaint against Defendant Lamps Plus in Alameda County Superior Court. Bylsma Decl., ¶ 13. On December 27, 2022, Plaintiff Sandoval filed an Amendment to her Complaint naming Pacific Coast and Centennial as Defendants. *Id*., ¶ 16. On January 2, 2024, Plaintiffs Soto and Petlacalco filed a PAGA action asserting various violations of the California Labor Code against Defendant Lamps Plus, Inc. *Id*., ¶ 20.

On April 15, 2024, the parties agreed to mediate the matter. In advance of the mediation, the Parties engaged in informal discovery. Over the course of several months, the parties extensively met and conferred, and during a subsequent informal discovery process, Defendants produced all documents relating to the relevant policies and procedures; certain data points and statistics regarding Aggrieved Employees; and time and payroll information and records for putative Aggrieved Employees. It was based on this information that the parties extrapolated some data points as a basis for mediation. Said data points included the total number of Aggrieved Employees (1,427); the number of Aggrieved Employees who are also former employees (871); the aggregate number of PAGA pay periods at that point in time (83,472); the aggregate number of PAGA pay periods that include overtime hours (41,050);

[2] Undefined capitalized terms have the meanings given to them in the Settlement.

the total number of Aggrieved Employees who worked at the Distribution Center (566); the total number of Aggrieved Employees who worked at the retail stores (616). *Id*., ¶ 22.

The Parties attended mediation before mediator Steve Serratore, Esq. on January 24, 2025. Bylsma Decl., ¶ 23. The mediation concluded without a settlement. However, following mediation, with the assistance of mediator Serratore, the Parties continued negotiations. *Id.* ¶ 24. On March 12, 2025, the Parties agreed to a mediator's proposal to resolve the Actions. After several subsequent weeks of negotiations, the Parties then fully executed the Settlement on March 6, 2026. The Settlement globally resolves all claims in the Actions. *Id.* ¶ 25.

III. TERMS OF THE SETTLEMENT

1. Monetary Terms

The Settlement provides for a non-reversionary total Settlement Amount of $1,760,000. Settlement, ¶ III.A.1. From this amount, Plaintiffs' counsel seeks fees not to exceed $616,000.00, or approximately 35% of the Settlement Amount, and costs in the amount of $30,000.00 Settlement, ¶ III.J.8.; Bylsma Decl., ¶ 53. The Settlement also provides for settlement administration costs to the settlement administrator of $11,250.00 and a $15,000.00 service award to each Plaintiffs for the efforts and risks they undertook on behalf of the Aggrieved Employees and as compensation for Plaintiffs' general release. Settlement, ¶ III.J.7.; Bylsma Decl., ¶ ¶ 55-57.

The remainder of the total Settlement Amount after these deductions will form the Net Settlement Amount,[3] which will be paid to the Aggrieved Employees and the Labor and Workforce Development Agency ("LWDA") as follows. Twenty-five percent (25%) of the Net Settlement Amount (approximately $264,437.50) will be paid to the Aggrieved Employees. Settlement, ¶ I.L. Seventy-five percent (75%) of the Net Settlement Amount (approximately $793,312.50) will be paid by the Settlement Administrator to the LWDA. *Id*; Bylsma Decl., ¶ 34.

2. Settlement Administration and Distribution of Funds

The parties have agreed to retain Phoenix Class Action Administrators ("Phoenix") as the

[3] The Net Settlement Amount of $1,057,750 consists of the $1,760,000.00 Settlement Amount minus deductions for Plaintiff's counsel's attorneys' fees and costs ($616,000.00 and $30,000.00, respectively); settlement administration costs ($11,250.00); and Plaintiffs' service awards ($45,000.00). Settlement, ¶I.L.

Settlement Administrator. Settlement, ¶ I.AA. Plaintiff's counsel has used Phoenix to administer dozens of settlements. Bylsma Decl., ¶ 30.

Within 21 days after the Effective Date,[4] Defendants will provide Phoenix with a confidential list setting forth the name, last known addresses, Social Security number, and number of Eligible Pay Periods for each Covered Employee. Settlement, ¶ III.I. Phoenix will perform a National Change of Address search on all Covered Employees to update their addresses as needed. *Id.* ¶ I.C. Within 60 days after the Effective Date, Defendants will transfer the Settlement Amount to Phoenix, who will deposit the funds into the bank account of the Qualified Settlement Fund established by Phoenix for purposes of the Settlement. Settlement, ¶ I.I. All amounts to be paid to Plaintiffs, the Aggrieved Employees, Plaintiff's Counsel, Phoenix, and LWDA will be paid from this Qualified Settlement Fund. *Id.*

Within 15 days after receiving the Settlement Amount from Defendants, Phoenix will: (1) mail the settlement checks to the Aggrieved Employees; (2) mail a check for the LWDA Settlement Proceeds to the LWDA; (3) mail checks for Plaintiffs for their service awards (subject to Court approval); and (4) pay Plaintiffs counsel's approved attorneys' fees and costs award. Settlement, ¶ III.J.4-8. The settlement checks mailed to each Aggrieved Employee will be accompanied by a notice (similar in form and content to the sample attached as **Exhibit A** to the Settlement) explaining each Aggrieved Employee's payment and the deadline to cash his or her settlement check. *Id.*

The Aggrieved Employees will have 180 days after mailing to cash their settlement checks. Settlement, ¶ III.J.5. If any Aggrieved Employee's check is not cashed within 90 days, Phoenix will send a letter to that person advising that the check will expire after the 180th day. If any Aggrieved Employee's check is not cashed within that period, the check will be void, and a stop-payment will be issued. *Id.* In such event, the Aggrieved Employee will be deemed to have irrevocably waived any right in or claim to his or her share, the monies will revert to a *cy pres*. The *cy pres* recipient shall be proposed by the parties and approved by the Court. The Parties propose Legal Aid Foundation of Los Angeles. *Id.*

[4] "Effective Date" means the date of entry by the Court of an order and judgment finally approving this Settlement. If there is a timely appeal of the judgment, the Effective Date shall be extended until such time as the appeal is finally resolved and the judgment becomes final. Settlement, ¶ I.G.

3. Tax Treatment

The Covered Employees' share of the Net Settlement Amount will be allocated 100% as alleged penalties and interest, and the Settlement Administrator will issue IRS Forms 1099 in connection with these payments. The Settlement Administrator will also issue an IRS Form 1099 to Plaintiffs' Counsel in connection with the payment of the attorneys' fees and costs award. Settlement, ¶ III.J.8. Plaintiffs' Counsel will be solely responsible for paying any and all applicable taxes on this payment. *Id.* Finally, the Settlement Administrator will issue an IRS Form 1099 to Plaintiff in connection with the payment of any Court-approved service award. Settlement, ¶ III.J.7. Plaintiffs will be solely responsible for paying any and all applicable taxes on their service awards. *Id.*

4. Releases

As of the Effective Date, Plaintiffs on behalf of the State of California and the Aggrieved Employees, will release the Released Parties from all claims for civil penalties under PAGA that were alleged or could have been alleged in this action based on the facts in Plaintiffs' notices to the LWDA and in the complaints in the action, arising from Plaintiffs' and the Aggrieved Employees' employment during the PAGA Period, including claims based on alleged violations of the Labor Code (the "Released Claims"). Settlement, ¶ I.B.[5]

In addition, Plaintiffs will release the Released Parties from any and all claims, actions, demands, causes of action, suits, debts, obligations, damages, rights, or liabilities of any nature and description whatsoever, known or unknown, that Plaintiffs individually may possess against the Released Parties arising from Plaintiffs' employment with Defendants or the renumeration for or termination of such employment. Settlement, ¶ I.C. This individual release includes a waiver of rights under California Civil Code § 1542.[6] *Id.*

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[5] Aggrieved Employees are not eligible to opt out of the Settlement. As a result, the parties have agreed to the "one-step" approval process common in PAGA settlements.

[6] Section 1542 provides: "A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

IV. THE SETTLEMENT IS FAIR, REASONABLE AND ADEQUATE

1. PAGA Settlement Approval Standard

The Labor Code provides that "[t]he superior court shall review and approve any settlement of any civil action pursuant to [PAGA]." Cal. Lab. Code § 2699(s)(2). In seeking approval of a PAGA settlement, parties are not obligated to "satisfy class action requirements" such as commonality and typicality or abide by class action procedures such as notice and opt-out rights. *Arias v. Superior Court* (2009) 46 Cal.4th 969 at 975; *O'Connor v. Uber Techs., Inc.* (N.D. Cal. 2016) 201 F.Supp.3d 1110, 1133. Instead, the Court's role in reviewing the settlement of a PAGA claim is 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. The Settlement satisfies this standard.

2. PAGA's Purpose

PAGA provides a mechanism to enforce the Labor Code by enlisting individual plaintiffs as private attorneys general to recover civil penalties for the State, with a share also going to the plaintiffs and other aggrieved employees. Prior to PAGA, civil penalties for Labor Code violations could only be recovered by the California Department of Labor. *See Arias* at 980–81.

The Labor Code's primary purpose is to "ensure employees are not required or permitted to work under substandard unlawful conditions … and to protect employers who comply with the law from those who attempt to gain a competitive advantage at the expense of their workers by failing to comply with minimum labor standards." Cal. Lab. Code § 90.5(a). In enacting PAGA, the Legislature expressly stated that "the only meaningful deterrent to unlawful conduct is the vigorous assessment and collection of civil penalties as provided in the Labor Code." Stats. 2003 ch. 906, § 1. The Legislature determined that it was "in the public interest to allow aggrieved employees, acting as private attorneys general, to recover civil penalties for Labor Code violations, with the understanding that labor law enforcement agencies were to retain primacy over private enforcement efforts." *Arias*, 46 Cal.4th at 980.

Within this framework, Plaintiffs, acting as a private attorney general and proxy for the State, filed this action seeking civil penalties for Defendants' alleged violation of the Labor Code. Because the Settlement provides meaningful recovery to the Aggrieved Employees and the State and furthers the above legislative goals, it should be approved.

3. The Settlement Enforces PAGA's Purpose

PAGA is not a restitution statute, and a PAGA action does not seek damages. "A PAGA action is at heart a civil enforcement action filed on behalf of and for the benefit of the state." *Baumann v. Chase Inv. Servs. Corp.* (9th Cir. 2014) 747 F.3d 1117, 1124. The Court's focus in evaluating a PAGA settlement, therefore, is not the amount aggrieved employees ultimately receive as a result of a settlement, but whether the total settlement achieves PAGA's objectives, even if it represents only a portion of Defendants' total exposure. *See* Cal. Lab. Code §§ 2699(m)–(n),(s); *Rosario v. Inter-Con Sec. Sys.* (Super. Ct. Alameda Cnty. Jan. 28, 2019) No. RG17849836, 2019 Cal. Super. LEXIS 95638, at *7.

If approved by the Court, the $1,760,000.00 penalty will achieve PAGA's objectives by (1) holding Defendants accountable for their violations of the Labor Code; (2) deterring future violations of the Labor Code by Defendants and other employers; (3) collecting penalties from Defendants and recovering 75% of the penalties (*i.e.*, $793,312.50) on behalf of the State of California for purposes of enforcement and education; and (4) distributing 25% of the penalties (*i.e.*, $264,437.50) to the Aggrieved Employees as remediation for their injuries.

The $1,760,000.00 penalty in this case serves as a warning to Defendants and to employers throughout California that failing to ensure strict compliance with the California Labor Code will lead to costly repercussions. The Settlement encourages employers to expend additional resources to ensure that, in policy and practice, they are complying with the law. In doing so, the Settlement will deter Defendants and other employers from violating the Labor Code.

In addition, the Settlement is fair, reasonable and adequate as it is consistent with and furthers the purpose of PAGA in its mission of protecting workers, as well as reasonable payments to the Aggrieved Employees, who are not required to release their individual claims. Bylsma Decl., ¶ 32. Covered Employees will receive an estimated average net payment of $185.31 each in civil penalties (25% of the Net Settlement Amount of $264,437.50 divided by 1,427 Aggrieved Employees), which is within the range of penalties provided by other PAGA settlements approved by courts in California.[7] *Id.*,

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[7] *See Hartley v. On My Own, Inc.* (E.D. Cal. Aug. 25, 2020) No. 2:17-cv-00353-KJM-EFB, 2020 U.S. Dist. LEXIS 154315, at *11 (approving settlement of PAGA claims resulting in $61.18 per PAGA settlement group member);

¶ 30.

4. The Settlement is fair, reasonable, and adequate

It is well-settled that a proposed settlement is not to be measured against a hypothetical ideal result that might have been achieved. *See, e.g., 7-Eleven Owners for Fair Franchising v. Southland Corp.* (2000) 85 Cal.App.4th 1135, 1150 (quoting *Linney v. Cellular Alaska P'ship* (9th Cir. 1998) 151 F.3d 1234, 1242 with approval: "This court has aptly held that 'it is the very uncertainty of outcome in litigation and avoidance of wasteful and expensive litigation that induce consensual settlements. The proposed settlement is not to be judged against a hypothetical or speculative measure of what might have been achieved by the negotiators."). A settlement that represents only a fraction of the potential recovery is still reasonable. *See, e.g., In re Mego Fin. Corp. Sec. Litig.* (9th Cir. 2000) 213 F.3d 454, 459 ("It is well-settled law that a cash settlement amounting to only a fraction of the potential recovery does not per se render the settlement inadequate or unfair.") (internal quotation marks omitted).

That said, the Settlement Amount compared to Defendants' estimated exposure further supports the reasonableness of the Settlement. Based on data provided by Defendants, Plaintiff estimated Defendants' undiscounted total exposure to be as high as $27,429,800.00. Bylsma Decl., ¶ 38. This estimate is based on Defendants' representation that 1,427 Covered Employees worked 91,628 Eligible Pay Periods during the Covered Period. *Id.*, ¶ 35. This undiscounted exposure number is unrealistic, however, considering Class Counsel's factual and legal analyses in this case.

Throughout this litigation, Defendants have vigorously denied the allegations in Plaintiffs' complaint and have denied any and all liability. Defendants have asserted numerous legal and factual grounds available to defend this action, all of which present difficult hurdles for Plaintiff. For example, regarding the bag security checks, Defendants contended that many workers simply walked by without stopping. Defendants have argued that the security check claim was unmanageable and would require

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Whitworth v. Solarcity Corp. (N.D. Cal. May 1, 2023) No. 16-cv-01540-JSC, 2023 U.S. Dist. LEXIS 75564, at *12–13 (approving PAGA settlement resulting in approximately $35.00 per aggrieved employee); *Patel v. Nike Retail Servs.* (N.D. Cal. May 8, 2019) No. 14-cv-04781-RS, 2019 U.S. Dist. LEXIS 77988 (approving settlement award amounting to an average of approximately $30 per aggrieved employee); *Ducote v. HSS, Inc.*, Alameda County Superior Court, Case No. HG19036564, February 13, 2024 Order (approving PAGA settlement resulting in approximately $60 per aggrieved employee).

the individual testimony of every worker and therefore there is no meaningful PAGA exposure. Bylsma Decl., ¶ 37.

Although Plaintiffs believe their case is strong, trials are inherently risky, and fees and costs would increase significantly if the Action were to go to trial. Plaintiffs' claims would require substantial additional preparation and discovery. They would require depositions of experts, the presentation of percipient and expert witnesses at trial, as well as the consideration, preparation, and presentation of voluminous documentary evidence and the preparation and analysis of expert reports. *Id.*, ¶ 40. Plaintiffs are aware of the risk that ultimately, the Court may impose limitations on trial that would make it difficult for them to prove their case. Defendants contend that the factual circumstances under which Aggrieved Employees worked for Defendants were varied so that Plaintiffs would not be able to overcome manageability issues. Although manageability is not a basis for the Court to dismiss the action, Plaintiffs still face the risk that the Court may limit the evidence in these circumstances. *See e.g., Estrada v. Royalty Carpet Mills, Inc*., 15 Cal. 5th 582, 619 (2024) ("We also emphasize that our holding that trial courts lack inherent authority to strike a PAGA claim on manageability grounds does not preclude trial courts from limiting the types of evidence a plaintiff may present or using other tools to assure that a PAGA claim can be effectively tried.") Moreover, there is a significant risk that even if liability is found, the Court may choose to exercise its discretion to reduce PAGA penalties. *See* Cal. Lab. Code § 2699(e)(2) ("a court may award a lesser amount than the maximum civil penalty amount …if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory"). *See also, e.g., Fleming v. Covidien, Inc*., 2011 U.S. Dist. LEXIS 154590, *2 (C.D. Cal., Oct. 13, 2011) (reducing penalties by approximately 82% from $2,800,000 to $500,000). By contrast, resolving this case by means of the Settlement will yield a prompt, certain, and substantial recovery for the Aggrieved Employees and the State. Such a result will benefit the parties and the court system and will bring finality to over four years of litigation.

Accordingly, in light of the expense and risk of continued litigation, the Settlement is fair, reasonable, and adequate.

V. THE REQUESTED ATTORNEYS' FEES AND COSTS ARE REASONABLE

For their efforts and the substantial contingency risk Plaintiffs' counsel undertook in obtaining a common-fund settlement to benefit the LWDA and the Aggrieved Employees, the parties allocated 35% of the Settlement Amount to Plaintiffs' counsel for reasonable attorneys' fees, plus litigation costs. These fees and costs are warranted under the law and within the range commonly awarded in similar cases.

PAGA provides that a plaintiff is entitled to recover reasonable attorneys' fees, expenses, and costs. Cal. Lab. Code § 2699(k)(1) provides that "[a]ny employee who prevails in any action shall be entitled to an award of reasonable attorney's fees and costs." As discussed below, in a *qui tam* action (which PAGA actions have been compared to), reasonable attorneys' fees and costs are typically awarded under the common-fund doctrine where, as here, the litigation creates a common fund of money in a specific amount for the benefit of others.

1. Plaintiffs' Counsel Should Be Awarded the Requested Fees

The California Supreme Court held that "[a] PAGA representative action is … a type of qui tam action." *Iskanian v. CLS Transp. L.A., LLC* (2014) 59 Cal.4th 348, 382. A *qui tam* action allows a private person to sue to recover damages or penalties, all or part of which will be paid to the government. *People ex rel. Strathmann v. Acacia Research Corp.* (2012) 210 Cal.App.4th 487, 501. A PAGA action is a type of *qui tam* action because the statute allows a plaintiff, acting as the proxy of the State's labor law enforcement agency, to sue his employer for Labor Code violations and recover civil penalties that otherwise would have been assessed and collected by the LWDA. *See Iskanian*, 59 Cal.4th at 382. Indeed, a majority of the civil penalties recovered in a PAGA action are paid to the State, with a smaller portion paid to the employees. *See* Cal Lab. Code § 2699(m).

Where a common fund is created in a *qui tam* action by the successful litigation of a plaintiff, the plaintiff's attorneys are entitled to recover their fees from the common fund:

> Those benefiting from the recovery of the fund, in this case some depositors and eventually the People of the State of California, must bear their share of the cost of litigation. Fees for taxpayers' attorneys will be deducted from the judgment, and each claimant's share reduced proportionately. To the extent the judgment relies upon section 1021.5 for recovery of attorney fees, it must be modified to confine the award of fees to the common fund theory.

Bank of America v. Cory (1985) 164 Cal.App.3d 66, 91 (authorizing common fund fees in a *qui tam* taxpayer suit against certain banks). Likewise, in this case, through the successful efforts of Plaintiffs and their attorneys, a common fund was created in the amount of $1,760,000.00 for the benefit of the Aggrieved Employees and the State. Thus, these beneficiaries must bear their share of the costs and attorneys' fees, to be deducted from the Settlement Amount under the common fund theory. *See id.* Such fees are deducted as a percentage of the settlement amount. *See, e.g., Boeing Co. v. Van Gemert* (1980) 444 U.S. 772, 478–82; *Staton v. Boeing Co.* (9th Cir. 2003) 327 F.3d 938, 967.

The California Supreme Court upheld the use of the common-fund theory of recovery for attorneys' fees in *Laffitte v. Robert Half Int'l. Inc.* (2016) 1 Cal.5th 480, 506. In *Laffitte*, the settlement created a common fund of $19,000,000.00. The Court approved attorneys' fees in the amount of one third of the gross settlement (*i.e.*, $6,333,333.33) under the common-fund theory. *Id.* By awarding counsel a percentage of the total recovery, rather than fees based on hours worked, the common-fund method encourages attorneys to efficiently litigate to achieve the best results possible for the class. *See Laffitte*, 1 Cal.5th at 492–94. Indeed, the "percentage-of-recovery method is generally favored in common fund cases because it allows courts to award fees from the fund 'in a manner that rewards counsel for success and penalizes it for failure.'" *Id.* at 493 (quoting *In re Rite Aid Corp. Sec. Litig.* (3d Cir. 2005) 396 F.3d 294, 300).

California state and federal courts routinely award attorneys' fees in the range of 35% of the common fund. *See, e.g., Roos v. Honeywell Int'l, Inc.*, 241 Cal. App. 4th 1472, 1489 (2015) (affirming award of 37.5% of the common fund), disapproved on other grounds by *Hernandez v. Restoration Hardware, Inc.*, 4 Cal. 5th 260, 287 (2018); *Martin v. Ameripride Servs., Inc.* (S.D. Cal. June 9, 2011) No. 08cv440-MMA (JMA), 2011 U.S. Dist. LEXIS 61796, at *23 ("[C]ourts may award attorneys' fees in the 30–40% range in wage and hour … actions that result in recovery of a common fund under $10 million."); *Gomez v. H & R Gunlund Ranches*, No. CV F 10-1163 LJO MJS, 2011 U.S. Dist. LEXIS 135424, at *6, 14–16 (E.D. Cal. Nov. 22, 2011) (awarding fees representing 45% of the common fund); *Van Vranken v. Atlantic Richfield Co.*, 901 F. Supp. 294, 297–98 (N.D. Cal. 1995) ("Class Counsel have also cited 73 district court opinions in which fees in the range of 30–50 percent of the common fund were awarded."); *Pena v. Taylor Farms Pac., Inc.*, No. 2:13-cv-01282-KJM-AC, 2021 U.S. Dist. LEXIS 45326, at *13 (E.D. Cal. Mar. 10, 2021) (awarding fees amounting to 35% of the common fund).

2. The requested fee award is fair and reasonable under the relevant factors.

Among the factors considered in determining whether a requested fee percentage is reasonable are: (1) the results achieved; (2) the risk of further litigation; (3) the skill required of counsel and the quality of the work performed; (4) the contingent nature of the fee and the financial burden carried by the plaintiffs; and (5) awards made in similar cases. *Vizcaino v. Microsoft Corp.* (9th Cir. 2002) 290 F.3d 1043, 1048–50. For the reasons below, all these factors support an award here of 35% of the common fund.

First, Plaintiffs' counsel's efforts resulted in a total Settlement Amount of $1,760,000.00. This is a fair and reasonable settlement and an especially favorable result in light of the number of Aggrieved Employees and the challenges Plaintiffs may have faced at trial. Bylsma Decl., ¶ 46. This result was achieved by the work and success of Plaintiffs' counsel, who negotiated the Settlement after extensive preparation. *Id.* Second, Plaintiff faced risks and expense going forward with this litigation and Plaintiffs' counsel are experienced representative-action litigators. Bylsma Decl., ¶47. Third, this experience and expertise, combined with the high quality of work performed in this case by Plaintiffs' counsel, resulted in the Settlement. *Id.* at ¶ 48. Fourth, Plaintiffs' counsel has been representing Plaintiffs and the State in this matter on strictly contingency-fee basis. Bylsma Decl., ¶ 49. Plaintiffs' counsel have exposed themselves to the risk of zero recovery after a substantial investment of time, money, and resources, and have done so since the inception of the case without any payment or compensation. *Id.*

Courts generally find it reasonable to award fees in contingency cases reflecting a multiplier to lodestar. The lodestar for SWCK in this Action, as of April 3, 2026, is $386,167.00, reflecting 491.30 hours of work. A true and correct copy of detailed breakdown of SWCK's lodestar as of that date. Bylsma Decl., ¶ 50. The lodestar for the Karasik Law Firm is $54,575.00, reflecting 59 hours of work. Declaration of Gregory Karasik In Support of Motion for Approval of PAGA Settlement ("Karasik Decl.") The lodestar for the Majarian Law Group is $43,470.00, reflecting 48.30 hours of work. Declaration of Sahag Majarian In Support of Motion for Approval of PAGA Settlement

("Majarian Decl.") Together Plaintiffs counsel's lodestar is $484,212.00. Bylsma Decl., ¶ 51. A cross-check of Plaintiff's counsel's lodestar results in a 1.3 multiplier and confirms that the requested fee award is a reasonable and fair payment. *see Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 255; *see also Vizcaino*, 290 F.3d at 1047 (noting that multipliers "ranging from one to four are frequently awarded … when the lodestar method is applied" and affirming fees where the cross-check multiplier was 3.65).

For the above reasons, a fee award in the amount of 35% of the Settlement Amount (or $616,000.00) is fair and reasonable.

3. The requested litigation costs are reasonable.

Plaintiff's counsel also seeks to recover their expenses incurred in the prosecution of this action, in the amount of $30,000.00. Reasonable litigation expenses are ordinarily included with an award of attorneys' fees pursuant to California wage-and-hour law. Bylsma Decl., ¶ 53; *see Serrano v. Priest* (1977) 20 Cal.3d 25, 35; *Rider v. County of San Diego* (1992) 11 Cal.App.4th 1410, 1424. Attorneys are also permitted to recover their litigation costs under PAGA. *See* Cal. Lab. Code § 2699(k)(1). Here, Plaintiffs counsel's expenses were reasonable, necessary to the prosecution, and of the type customarily billed to fee-paying clients. Accordingly, the requested attorneys' fees and costs are reasonable compensation for the successful result achieved and should be approved.

VI. THE REQUESTED SERVICE AWARD IS REASONABLE

Service awards "are intended to compensate … representatives for work done on behalf of the class, to make up for financial or reputational risk undertaken in bringing the action, and, sometimes, to recognize their willingness to act as a private attorney general." *Cellphone Termination Fee Cases* (2010) 186 Cal.App.4th 1380, 1393–94.

Here, Plaintiffs have substantially contributed their time and efforts over a period of nearly four years in pursuing claims on behalf of the Aggrieved Employees and the State, and Plaintiffs' roles were crucial in this case. Bylsma Decl., ¶ 55; Declaration of Liliana Sandoval ("Sandoval Decl."), ¶ 8; Declaration of Elizeth Montes Soto ("Soto Decl."), ¶ 4. Plaintiffs had discussions with their counsel, worked with their counsel to review facts and answer questions, prepared for a deposition, assisted their counsel in their mediation efforts, and has generally remained apprised of the case. Bylsma Decl., ¶ 56;

Sandoval Decl., ¶ 10.) Further, in agreeing to serve as PAGA representatives, Plaintiffs formally agreed to accept the responsibilities of representing the interests of all Aggrieved Employees and the risks of having their name associated with a wage-and-hour action. Bylsma Decl., ¶ 56; Sandoval Decl., ¶ 11. In addition, as set forth in the Settlement, Plaintiffs agreed to individual releases that cover potential claims that exceed the scope of the claims asserted in the operative complaint and released by the Aggrieved Employees. Bylsma Decl., ¶ 57; Sandoval Decl., ¶ 12; Settlement, ¶ I.C.

Plaintiffs requested service awards in the amount of $15,000.00 each are reasonable considering the efforts they made and the risks they took and is consistent with service awards approved by courts in California. *See, e.g., Amaraut v. Sprint/United Mgmt. Co.*, No. 19-cv-411-WQH-AHG, 2021 U.S. Dist. LEXIS 147176, at *16–22 (S.D. Cal. Aug. 5, 2021) (approving $15,000 and $10,000 service awards); *Villalpando v. Exel Direct, Inc.* (N.D. Cal. Dec. 9, 2016) No. 3:12-cv-04137-JCS, 2016 WL 7785852, at *2 (approving $15,000 service awards to each of three class representatives); *Schneider v. Catholic Healthcare W.* (Super. Ct. S.F. Cnty. Jan. 13, 2017) No. CGC-10-506243, 2017 Cal. Super. LEXIS 2077, at *2 (approving $15,000 service awards to two plaintiffs).

Accordingly, in light of these comparable awards and the efforts and risk undertaken by Plaintiffs, the Court should approve the requested service award.

VII. CONCLUSION

For the foregoing reasons, Plaintiffs respectfully requests that the Court grant this motion and enter an order consistent with the proposed order submitted herewith.

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