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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SACRAMENTO

ALFRED APPIAH, as a private attorney general,

Plaintiff,

vs.

GRAIL, INC., a Delaware corporation; and DOES 1 through 50, inclusive,

Defendants.

Case No. 25CV012765

[Hon. Lauri A. Damrell, Department 22]

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

[*Filed concurrently with Declaration of Simon L. Yang; William L. Marder; Declaration of Alfred Appiah; [Proposed] Order*]

Date: August 21, 2026
Time: 9:00 a.m.
Department: 22

Complaint Filed: May 29, 2025

TO THE COURT, DEFENDANT, AND ITS COUNSEL OF RECORD:

PLEASE TAKE NOTICE that on August 21, 2026, at 9:00 a.m., or as soon thereafter as the matter may be heard in Department 22 of the above-entitled court, Plaintiff, Alfred Appiah, will and hereby does move for an Order approving the Joint Stipulation of PAGA Settlement (the "Agreement") entered into between Plaintiff and Defendant, Grail, Inc.[1]

The motion is made pursuant to Labor Code section 2699(s)(2), which requires a court to "review and approve any settlement of any civil action filed pursuant to [the Labor Code Private Attorneys General Act of 2004, Lab. Code §§ 2698 et seq. ("PAGA")]." Lab. Code § 2699(s)(2). The motion is made on the grounds that the Agreement and the Parties' settlement are fundamentally fair, adequate, and reasonable in light of PAGA's policies and in furtherance of PAGA's purposes. As set forth in the concurrently filed declaration of Simon L. Yang, a copy of the Agreement and the motion have been electronically submitted to the Labor and Workforce Development Agency in accordance with Labor Code sections 2699(s)(2) and 2699(s)(4).

The motion is based on this notice, the memorandum of points and authorities, the Agreement, the supporting Declarations of Simon L. Yang, William L. Marder, and Alfred Appiah, all pleadings and papers on file herein, and any further oral and documentary evidence as may be presented before or at the hearing of this matter.

DATED: July 27, 2026

DIVERSITY LAW GROUP, P.C.

By: ______________________
Simon L. Yang
Attorneys for Plaintiff

[1] The Agreement is attached as Exhibit 1 to the concurrently filed Declaration of Simon L. Yang.

MEMORANDUM OF POINTS AND AUTHORITIES

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SUMMARY OF MOTION

As a proxy for the State of California pursuant to the Labor Code Private Attorneys General Act of 2004, Lab. Code §§ 2698 et seq. ("PAGA"), Plaintiff, Alfred Appiah, sues Defendant, Grail, Inc., for Labor Code claims arising from Defendant's alleged failures to (i) pay overtime wages, (ii) pay sick pay wages, (iii) timely pay all wages during employment or upon termination of employment, and (iv) provide complete and accurate itemized wage statements. Based on investigation during the litigation, Plaintiff also alleges that Defendant failed to pay the required rate of pay for an additional hour of pay for missed, short, interrupted, or late meal periods and rest periods. All of Plaintiff's theories are based on Defendant's alleged miscalculation of employees' regular rates of pay.

Through the litigation, Plaintiff discovered that the alleged Labor Code violations affected approximately 58 employees in about 1,409 relevant pay periods from March 24, 2024, through March 16, 2026. Declaration of Simon L. Yang ("Yang Decl.") ¶ 5. Plaintiff negotiated and obtained an excellent result for the State that requires Defendant to pay $70,225.00 for the resolution of the alleged PAGA claims—or approximately $49.84 for each of the relevant pay periods at issue at the time of mediation. Significantly, the entire settlement amount is non-reversionary; none of the settlement amount will revert back to Defendant. The terms of the settlement are memorialized in the Joint Stipulation of PAGA Settlement ("Agreement"), which is attached as Exhibit 1 to the concurrently filed Declaration of Simon L. Yang.

Under PAGA, the Court must review and approve the proposed settlement. Lab. Code § 2699(s)(2). Plaintiff thus moves for approval of the Agreement:

- The Agreement provides for an award of Attorneys' Fees and Costs in the amount of $23,408.33 in fees, plus $15,378.02 in actual litigation costs.
- It also provides for $4,000.00 in Administration Costs to a settlement administrator for effectuating the payments contemplated by the Agreement.
- Finally, it provides for all remaining funds to constitute a PAGA Penalty Fund, 65% of which would be distributed to the Labor and Workforce Development Agency ("LWDA") and 35% of which would be distributed to allegedly aggrieved employees.

The terms of the Agreement are fundamentally fair, adequate, and reasonable. In light of PAGA's policies and in furtherance of PAGA's purposes, the Court should approve the settlement.

RELEVANT BACKGROUND

On May 29, 2025, Plaintiff filed the complaint initiating this matter. Declaration of Simon L. Yang ("Yang Decl.") ¶ 2.[2] The operative complaint alleges Defendant fails to (i) pay overtime wages, (ii) pay sick pay wages, (iii) timely pay all wages during employment or upon termination of employment, and (iv) provide complete and accurate itemized wage statements. *Id.* The claims arise from alleged failures by Defendant to properly calculate the required regular rate of pay. *Id.*[3]

The Parties met and conferred about the claims and Defendant's defenses, including those based on an arbitration agreement. Yang Decl. ¶ 3. On July 29, 2025, the Parties jointly agreed to stay litigation of representative PAGA claims pending individual arbitration. *Id.* On August 13, 2025, Plaintiff initiated arbitration with JAMS as JAMS Case No. 5130001293, and Hon. Lynn Duryee (Ret.) was appointed as the Parties' Arbitrator. *Id.*

The Parties continued to meet and confer about the alleged claims and also about Defendant's defenses. Yang Decl. ¶ 4. For example, the Parties met and conferred about additional alleged failures to pay the required rate of pay for an additional hour of pay for missed, short, interrupted, or late meal periods and rest periods. *Id.*[4] The Parties engaged in informal discovery about the alleged and discovered claims. *Id.* Ultimately, the Parties agreed to schedule a mediation to potentially resolve Plaintiff's alleged and discovered claims. *Id.*

Plaintiff requested (and Defendant provided) additional informal discovery to enable the Parties to explore the possibility of an informal resolution. Yang Decl. ¶ 5. For example, Defendant provided the relevant numbers of pay periods in which alleged Labor Code violations occurred, among other

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[2] On March 24, 2025, Plaintiff submitted a notice of Labor Code violations to the Labor and Workforce Development Agency ("LWDA") via online filing and to Defendant via certified mail. Yang Decl. ¶ 20, Ex. 4.

[3] On March 24, 2025, Plaintiff had separately filed a putative class action complaint alleging the same Labor Code violations (Sacramento County Superior Court, Case No. 25CV006724). Yang Decl. ¶ 2. On August 22, 2025, the Court entered an Order dismissing the class claims without prejudice, and staying the individual claims pending completion of arbitration. *Id.*

[4] On April 13, 2026, Plaintiff submitted a supplemental notice of Labor Code violations to the LWDA via online filing and to Defendant via certified mail. Yang Decl. ¶ 20, Ex. 5.

things—enabling Plaintiff to assess the full value of the PAGA claims. *Id.* Defendant's willingness to produce this information enabled Plaintiff to evaluate the full scope of Defendant's potential liability. *Id.*

On March 16, 2026, the Parties attended a mediation with Michael Loeb, an experienced mediator knowledgeable of both the wage and hour laws and PAGA claims at issue in the Action. Yang Decl. ¶ 6. With the mediator's assistance and based on a mediator's proposal, the Parties were able to agree to settlement terms, which were negotiated in light of all known facts and circumstances including the uncertainty associated with litigation, the risks of significant delay, and numerous potential appellate issues. *Id.* The settlement was achieved only after extensive arm's length negotiations. *Id.* The settlement terms are memorialized in the Joint Stipulation of PAGA Settlement. *Id.* Ex. 1 (the "Agreement").

SUMMARY OF PROPOSED SETTLEMENT

I. Settlement Payments

The Agreement requires Defendant to pay a non-reversionary Settlement Amount of $70,225.00. Agreement § 3.1. From the Settlement Amount, the Parties will request that the Court approve a PAGA Penalty Fund, Administration Costs, and Attorneys' Fees and Costs Award. *Id.* §§ 3.1.1-3.1.3. It is expected that the PAGA Penalty Fund will be $27,438.65, which amounts to approximately $19.47 per pay period; the LWDA would receive $17,835.12 as its share of PAGA Penalties, and employees would split $9,603.53 as their share of PAGA Penalties. Yang Decl. ¶ 12.[5]

II. Settlement Releases

Only Plaintiff is subject to a general release. Agreement § 6.3. PAGA Settlement Members release "all claims for civil penalties under PAGA arising during the PAGA Period from the same facts and/or claims alleged in the complaint as to all Aggrieved Employees as well as those included in all of Plaintiff's letters to the LWDA as to all Aggrieved Employees, or claims that were pled or that could have been pled based on the facts alleged as to all Aggrieved Employees in the said complaint or PAGA letters to the LWDA." *Id.* § 6.2.[6]

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[5] Based on 58 PAGA Settlement Members, each individual employee is estimated to receive approximately $165.58; each pay period for a PAGA Settlement Member will be worth approximately $6.82. Yang Decl. ¶ 12.

[6] The settlement of this matter does not impact any other pending PAGA matter. Yang Decl. ¶ 22.

LEGAL STANDARD

PAGA requires courts to "review and approve" the settlement of any action filed under PAGA. Lab. Code §2699(s)(2). The California Supreme Court has explained that a court's review of a PAGA settlement is to ensure "that any negotiated resolution is fair to those affected." *Williams v. Superior Court*, 3 Cal. 5th 531, 549 (2017). But "PAGA does not establish a standard for evaluating PAGA settlements." *Griffin v. Consolidated Commc'ns*, 2023 WL 3853643, at *3 (E.D. Cal. June 6, 2023) (quoting *Smith v. H.F.D. No. 55, Inc.*, 2018 WL 1899912, at *2 (E.D. Cal. Apr. 20, 2018)). Indeed, the Legislature, California Supreme Court, California Courts of Appeal, and LWDA have not definitively established the standards for review. *E.g., Haralson v. U.S. Aviation Servs. Corp.*, 383 F. Supp. 3d 959, 971 (N.D. Cal. 2019) (noting the absence of a "definitive" guidance for approval of a PAGA settlement). The LWDA acknowledges the lack of a "specific benchmark" and has stated only that the relief provided under PAGA must be "genuine and meaningful," "consistent with the underlying purpose of the statute to benefit the public" and, in the context of a class action, "meet[] the standards of being 'fundamentally fair, reasonable, and adequate' with reference to the public policies underlying the PAGA." *See O'Connor v. Uber Techs., Inc.,* 201 F. Supp. 3d 1110, 1133 (N.D. Cal. 2016) (quoting California Labor and Workforce Development Agency's Comments on Proposed PAGA Settlement).

Federal district courts have typically followed the LWDA's limited guidance by requiring settlements to be "fundamentally fair, adequate, and reasonable in light of PAGA's policies and purposes." *See Haralson*, 383 F. Supp. 3d at 972 (collecting cases). When applying this test, federal district courts often consider factors such as strength of a Plaintiffs' case; the risk, expense, complexity, and likely duration of further litigation; the amount offered in settlement; the extent of discovery completed; and the expertise and views of counsel. *See Smith*, 2018 WL 1899912, at *3. Federal district courts have also been mindful of the fact that trial courts have broad discretion to award civil penalties in amounts that are less than the maximum amounts authorized by PAGA. *Id.* at *3; *see also* Lab. Code § 2699(e)(2).[7]

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[7] A party asserting a PAGA claim is not required to meet the requirements of a class action. *Arias v. Superior Court*, 46 Cal. 4th 969, 984 (2009). Due process concerns with respect to absent class members are not present in a PAGA action. *Williams*, 3 Cal. 5th at 547 n.4. Unnamed employees need not be

"Given PAGA's purpose to protect the public interest, [authoritative California courts] also agree with the LWDA and federal district courts that have found it appropriate to review a PAGA settlement to ascertain whether a settlement is fair in view of PAGA's purposes and policies." *Moniz v. Adecco USA, Inc.*, 72 Cal. App. 5th 56, 77 (2021).

DISCUSSION

I. The Settlement Complies with Statutory Requirements.

PAGA states that any "proposed settlement shall be submitted to the agency at the same time that it is submitted to the court." Lab. Code. § 2699(s)(2). In satisfaction of that requirement, Plaintiff submitted a copy of the Agreement and this motion to the LWDA through the LWDA's online filing system in conjunction with filing this motion. Yang Decl. ¶ 21, Ex. 6.

II. The Settlement Should Be Approved as Fair in Light of PAGA's Purposes and Policies.

A. The Settlement Is Entitled to a Presumption of Fairness.

In the class action context, a trial court must determine a class action settlement is fair to "prevent fraud, collusion or unfairness to the class." *Consumer Advocacy Grp., Inc. v. Kintetsu Enters. of America*, 141 Cal. App. 4th 46, 60 (2006). Courts presume the absence of fraud or collusion in the negotiation of settlement unless there is evidence to the contrary. *Priddy v. Edelman*, 883 F.2d 438, 447 (6th Cir. 1989); *Mars Steel Corp. v. Continental Illinois Nat'l Bank & Trust Co.*, 834 F.2d 677, 682 (7th Cir. 1987); *In re Chicken Antitrust Litig.*, 560 F. Supp. 957, 962 (N.D. Ga. 1980).

While the recommendations of counsel proposing the settlement are not conclusive, the Court can properly take them into account, particularly where, as here, they have been involved in thorough investigation, are experienced with this type of litigation, and agreed to a resolution through arm's length negotiation. *See* 4 Alba Conte & Herbert B. Newberg, *Newberg on Class Actions* § 11.47 (4th ed. 2002); *National Rural Telecomms. Coop. v. DIRECTV, Inc.*, 221 F.R.D. at 528 (C.D. Cal. 2004) ("So

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given notice of the PAGA claim, nor do they have the ability to opt out of the representative PAGA claim. *E.g., Baumann v. Chase Inv. Servs. Corp.*, 747 F.3d 1117, 1123 (9th Cir. 2014) (noting that unnamed employees need not be given notice of the PAGA claim or settlement approval) (citing *Ochoa-Hernandez v. Cjaders Foods, Inc.*, 2010 WL 1340777, at *4 (N.D. Cal. Apr. 2, 2010)). "The court does not have to approve the named PAGA plaintiff, nor does the court inquire into the adequacy of counsel's ability to represent the unnamed employees." *Ochoa-Hernandez*, 2010 WL 1340777, at *4. "[T]he purpose of PAGA is to incentivize private parties to recover civil penalties for the government that otherwise may not have been assessed and collected by overburdened state enforcement agencies." *Id.*

long as the integrity of the arm's length negotiation process is preserved, however, a strong initial presumption of fairness attaches to the proposed settlement … and 'great weight' is accorded to the recommendations of counsel, who are most closely acquainted with the facts of the underlying litigation.") (citations omitted). In such circumstances, courts do not substitute their judgment for that of the proponents. *National Rural Telecomms. Coop.*, 221 F.R.D. at 528; *accord Hammon v. Barry*, 752 F. Supp. 1087 (D.D.C. 1990); *Steinberg v. Carey*, 470 F. Supp. 471 (S.D.N.Y. 1979); *In re Armored Car Antitrust Litig.*, 472 F. Supp. 1357 (N.D. Ga. 1979); *Sommers v. Abraham Lincoln Federal Sav. & Loan Ass'n*, 79 F.R.D. 571 (E.D. Pa. 1978).

The factors that would give rise to a presumption of fairness in the context of a class action settlement are present in this PAGA action. Here, both Plaintiff's counsel and Defendant's counsel have a great deal of experience in wage and hour and PAGA litigation. Plaintiff's counsel have extensive class action and PAGA litigation experience and have been approved as class counsel in numerous wage and hour class actions. Yang Decl. ¶¶ 13-16; Declaration of William L. Marder ("Marder Decl.") ¶¶ 3-10. Each side has apprised the other of their respective factual contentions and legal theories, and each side has considered the other's contentions and theories. Yang Decl. ¶ 6. Defendant provided the relevant numbers of pay periods in which alleged Labor Code violations occurred, among other things—enabling Plaintiff to assess the full value of the PAGA claims and further enabling negotiations to take place between the Parties. *Id.* ¶ 5. As the settlement is the result of extensive arm's length negotiations between the Parties and their counsel, it is entitled to a presumption of fairness. *Id.* ¶ 6.

B. The Settlement Obtains an Excellent Result for the State.

1. The Settlement Amount Is Reasonable.

At mediation Plaintiff contended that Defendant's alleged Labor Code violations implicated up to $50 or $100 in penalties per pay period for approximately 1,409 relevant pay periods that potentially had Labor Code violations. Yang Decl. ¶ 7; Lab. Code §§ 558, 2699(f).[8] The Agreement requires Defendant to pay $70,225.00—or approximately $49.84 per pay period for the 1,409 relevant pay periods in which Plaintiff contended Labor Code violations occurred. *Id.*

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[8] Under "New PAGA," derivative untimely payment and wage statements violations are not subject to penalties.

Of course, Defendant contested the merits and denied it was liable at all. Yang Decl. ¶ 8. For example, Defendant contended that there was no potential liability for unpaid overtime, sick pay wages, or meal and rest period premiums in the majority of pay periods. *Id.* Moreover, even if Plaintiff prevailed on the merits, Defendant contested the extent of liability. *Id.* Specifically, Defendant contended that PAGA penalties would be subject to discretionary reductions. *Id.*

While the Parties disagree on the application of the law to the facts, each Party recognized in negotiations that, if taken to trial, the other Party would at least have reasonable arguments, such that the Settlement Amount to which the Parties eventually agreed was reasonable. Yang Decl. ¶ 9. Ultimately, as referenced above, based on a review of Defendant's records, the higher $100 penalty could be applicable to sick pay violations only that occurred in 41 pay periods, so even if a $50 penalty for either an overtime or sick pay violation arose for each remaining pay period, the total potential penalty recovery amounted to $72,500.00. *Id.* ¶ 7. Plaintiff contends that the Settlement Amount of $70,225.00—approximately 96.86% of the potential penalty recovery—is an excellent result. *Id*.

Although Plaintiff and his counsel are confident that litigation of the claims would result in a judgment against Defendant, they recognize the inherent risks in litigation, including the specific risks that the applicable law could change, that liability could not be established at trial, or that penalties awarded after trial would be reduced. Yang Decl. ¶ 10. The settlement is fair, reasonable, and adequate, given the inherent risks of litigation, as well as the potential for appeals and the costs of pursuing litigation. *Id.*

2. The Settlement Releases Are Appropriate.

As discussed above, only Plaintiff is subject to a general release. Agreement § 6.3. PAGA Settlement Members release "all claims for civil penalties under PAGA arising during the PAGA Period from the same facts and/or claims alleged in the complaint as to all Aggrieved Employees as well as those included in all of Plaintiff's letters to the LWDA as to all Aggrieved Employees, or claims that were pled or that could have been pled based on the facts alleged as to all Aggrieved Employees in the said complaint or PAGA letters to the LWDA." *Id.* § 6.2.

Plaintiff alleged targeted claims in the Action, and any settlement releases also are specifically tailored to the targeted claims alleged. The settlement releases are thus appropriate. *Cf. Carter v. City of*

Los Angeles, 224 Cal. App. 4th 808, 820 (2014) ("A general release—covering 'all claims' that were or could have been raised in the suit—is common in class action settlements.").

C. The Requested Payments and Allocations Are Reasonable and Should Be Approved.

The Agreement provides for a Settlement Amount of $70,225.00. Agreement § 3.1. From the Settlement Amount, attorneys' fees will be no more than $23,408.33, and Plaintiff's Counsel also seeks reimbursement of $15,378.02 in actual litigation costs only. *Id.* §§ 3.1.1-3.1.2; Yang Decl. ¶ 11, Ex. 2. The requested Administration Costs are $4,000.00. *Id.* § 3.1.3. The PAGA Penalty Fund thus will be $27,438.65, and pursuant to statute, 65% of the PAGA Penalty Fund (or $17,835.12) would constitute the LWDA Payment, and 35% of the PAGA Penalty Fund (or $9,603.53) would be payable to PAGA Settlement Members based on the number of relevant pay periods worked by each PAGA Settlement Member. *Id.* § 3.1.3.[9]

1. The Requested Attorneys' Fees and Costs Award Is Reasonable.

Plaintiff requests an attorneys' fees award of 33⅓% of the Settlement Amount. Agreement § 3.1.1. Further, the Parties have agreed to reimbursement of Plaintiff's Counsel's litigation costs. *Id.* Plaintiff's Counsel have incurred costs at their own risk, for example, for filing the lawsuit, service of process, mediation fees, and payment of other litigation related costs. Yang Decl. ¶ 11.

a. The percentage of the fund method supports the requested fees.

PAGA allows a prevailing Plaintiff to recover reasonable attorneys' fees. Lab. Code § 2699(k)(1). As discussed below, the requested attorneys' fees of $23,408.33 are reasonable in light of the standards established in the class action context. There, California state and federal courts have recognized that an appropriate method for determining award of attorneys' fees is based on a percentage of the total value of benefits to settlement beneficiaries. *Wershba v. Apple Computer, Inc.*, 91 Cal. App. 4th 224, 254 (2001); *Serrano v. Priest*, 20 Cal. 3d 25, 34 (1977); *Boeing Co. v. Van Gemert*, 444 U.S. 472, 478 (1980); *Vincent v. Hughes Air West, Inc.*, 557 F.2d 759, 769 (9th Cir. 1997).

Indeed, under California law, the award of attorneys' fees in common fund wage and hour class action settlements should start with the percentage method. *See Laffitte v. Robert Half Int'l*, 1 Cal. 5th 480, 503 (2016) ("We join the overwhelming majority of federal and state courts in holding that when

[9] Plaintiff files this motion with the Court and with the LWDA via online submission. Yang Decl. ¶ 21.

class action litigation establishes a monetary fund for the benefit of the class members, and the trial court in its equitable powers awards class counsel a fee out of that fund, the court may determine the amount of a reasonable fee by choosing an appropriate percentage of the fund created"). Under the percentage of the fund method, a court's objective remains to "mimic the market" in fixing a reasonable fee. *See Gaskill v. Gordon*, 160 F.3d 361, 363 (7th Cir. 1998) (Posner, J.) ("When a fee is set by a court rather than by contract, the object is to set it at a level that will approximate what the market will set … . The judge, in other words, is trying to mimic the market in legal services.").

The requested attorneys' fees of $23,408.33 should be awarded for several reasons:

First, the fee award representing 33⅓% of the fund clearly falls within the accepted range and is consistent with other rulings of other courts and comprehensive surveys of fee awards. Attorneys' fees awards of 35% of the fund are within the expected range in the "market in legal services." *See* Fitzpatrick, *An Empirical Study of Class Action Settlements and Their Fee Award*, 7 J. Empirical Leg. Stud. 811, 833 (2010) (analyzing 444 cases between 2006-2007 and concluding that "[m]ost fee awards were between 25 percent and 35 percent"); *see also Chavez v. Netflix, Inc*., 162 Cal. App. 4th 43, 66 n.11 (2008) ("[E]mpirical studies [that] show that … fee awards in class actions average around one-third of the recovery.").[10]

Second, it is recognized that one of the primary factors justifying an enhanced attorney's fees reward is the attendant risks inherent in the litigation. As observed in *City of Detroit v. Grinnell Corp*.:

> No one expects a lawyer whose compensation is contingent upon his success to charge, when successful, as little as he would charge a client who had agreed to pay for his services, regardless of success. Nor, particularly in complicated cases producing large recoveries, is it just to make a fee depend solely on the reasonable amount of time expended.

495 F.2d 448, 470 (2d Cir. 1974). Here, it is clear that a settlement fund of $70,225.00 has been created. For Plaintiff's Counsel, the fees here were wholly contingent in nature and the case presented substantial risk, as Defendant could have eliminated Plaintiff's ability to recover anything on the representative PAGA claims by prevailing at the individual arbitration. Nonetheless, despite the possibility of

[10] Such a fee award mimics the market and "is supported by the fact that typical contingency fee agreements provide that class counsel will recover 33% if the case is resolved before trial and 40% if the case is tried." *Fernandez v. Victoria Secret Stores LLC*, 2008 WL 8150856, at *16 n.59 (C.D. Cal. July 21, 2008) (citing Brickman, *Effective Hourly Rates of Contingency-Fee Lawyers: Competing Data and Non-Competitive Fees* (Fall 2003) 81 Wash U. L. Q. 653, 659 n. 11).

recovering nothing on the representative PAGA claims, Plaintiff's Counsel did not accept a too heavily discounted settlement. Instead, Plaintiff's Counsel continued litigating the claims to obtain an excellent result for the State.

b. The lodestar cross-check supports the requested fees.

The amount requested is reasonable for an additional reason. While the primary method employed to determine fees is the percentage method, courts have discretion to use the lodestar method to "cross-check" the amount of fees calculated by way of percentage. The *Laffitte* court emphasized, however, that "the lodestar calculation, when used in this manner, does not override the trial court's primary determination of the fee as a percentage of the common fund and thus does not impose an absolute maximum or minimum on the potential fee award." *Laffitte*, 1 Cal. 5th at 505 (emphasis added); *In re Rite Aid Corp. Secs. Litig*., 396 F.3d 294, 306-07 (3d Cir. 2005) ("[T]he lodestar cross-check does not trump the primary reliance on the percentage of common fund method").

Courts find reasonable multipliers in a lodestar cross-check can "range from 2 to 4 or even higher." *Wershba v. Apple Computer, Inc*., 91 Cal. App. 4th 224, 255 (2001).[11] Indeed, the intermediate court in *Laffitte*—after finding that "2 to 4" is a reasonable range for multipliers on a cross-check—affirmed a 2.13 multiplier. *Laffitte*, 231 Cal. App. 4th at 881-82.[12] Moreover, the Ninth Circuit has cited with approval a comprehensive study of fees awarded by the percentage method showing that the majority of multipliers awarded are "in the 1.5-3.0" range. *See Vizcaino v. Microsoft Corp*., 290 F.3d 1043, 1051 (9th Cir. 2002) (affirming a multiplier of 3.65 in an employment class action case and analyzing the multiplier awarded in over 30 cases).[13]

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[11] *Accord Chavez*, 162 Cal. App. 4th at 60 (applying a 2.5 multiplier on a lodestar cross-check); *Sutter Health Uninsured Pricing Cases*, 171 Cal. App. 4th 495, 512 (2009) (applying a 2.52 multiplier on a cross-check); *City of Oakland v. Oakland Raiders*, 203 Cal. App. 3d 78 (1988) (affirming a 2.34 multiplier without remand).

[12] The intermediate court opinion was affirmed in full upon review by the California Supreme Court.

[13] Federal district courts applying California law have likewise routinely approved cross-check multipliers between 2.0 and 3.0 in employment cases. *See*, *e.g*., *Willner v. Manpower Inc*., 2015 WL 3863625, at *7 (N.D. Cal. June 22, 2015) (affirming a 2.10 multiplier on settlement of California Labor Code violations); *Dyer v. Wells Fargo Bank, N.A*., 303 F.R.D. 326, 334 (N.D. Cal. 2014) (approving attorneys' fees that resulted in lodestar multiplier of 2.83); *Hopkins v. Stryker Sales Corp*., 2013 WL 496358, at *5 (N.D. Cal. Feb. 6, 2013) (approving a multiplier of 2.76 in settlement of Labor Code violations). Other courts have found even higher multipliers to be reasonable by comparison to other cases. *See Craft v. County of San Bernardino*, 624 F. Supp. 2d 1113, 1125-26 (C.D. Cal. 2008) (approving a 5.2 multiplier after surveying a large body of cases affirming a higher multiplier).

With respect to Plaintiff's Counsel's lodestar, at least 50.9 hours have been expended by Plaintiff's Counsel in litigating this case. Yang Decl. ¶ 17, Ex. 3; Marder Decl. ¶ 14, Ex. A. Moreover, Plaintiff's Counsel expects to incur approximately 3.0 hours of anticipated time spent to attend the settlement approval hearing, secure approval, and respond to post-approval phone calls and correspondence from the Administrator and defense counsel to effectuate the terms of the settlement. Yang Decl. ¶ 17. Courts are quite liberal in the evidence required to prove an attorney's hours; an attorney's testimony alone may suffice. *Martino v. Denevi*, 182 Cal. App. 3d 553, 559 (1986) ("Testimony of an attorney as to the number of hours worked on a particular case is sufficient evidence to support an award of attorney fees, even in the absence of detailed time records.").

Reasonable hours include, in addition to time spent during litigation, the time spent before the action is filed, including time spent interviewing the clients, investigating the facts and the law, and preparing the initial pleadings. *New York Gaslight Club, Inc. v. Carey*, 447 U.S. 54, 62 (1980). The fee award should also include fees incurred to establish and defend the attorneys' fee claim. *Serrano v. Unruh*, 32 Cal. 3d 621, 639 (1982). The hours for which Plaintiff's Counsel seeks compensation involve only these types of tasks. Thus, the number of hours for which fees are sought is reasonable.

A reasonable hourly rate is the prevailing rate charged by attorneys of similar skill and experience in the relevant community. *PLCM Group, Inc. v. Drexler*, 22 Cal. 4th 1084, 1095 (2000). The court may consider other factors when determining a reasonable hourly rate, *e.g.*, the attorney's skill and experience, the nature of the work performed, the relevant area of expertise and the attorney's customary billing rates. *Flannery v. California Highway Patrol*, 61 Cal. App. 4th 629, 632-33 (1998).

Here, Mr. Yang's hourly rate is $800. Yang Decl. ¶ 18. Mr. Marder's hourly rate is $900. Marder Decl. ¶ 13. Plaintiff's Counsel's skill and experience justify the requested rates. As shown in the supporting declarations, Plaintiff's Counsel has significant experience in the area of employment and wage and hour class and representative actions. Yang Decl. ¶¶ 13-16; Marder Decl. ¶¶ 7-10. Plaintiff's Counsel's practices focus on representing employees in employment matters, particularly wage and hour cases on a contingency basis. *Id.*

Based on the rates and 53.9 total hours, the lodestar for Plaintiff's Counsel through the finalization of this settlement will be approximately $44,150.00. Yang Decl. ¶ 19; Marder Decl. ¶ 14.

The requested attorneys' fees result in a negative multiplier of 0.53. Again, the requested fees are reasonable and fair, based on the factors described above. The cross-check also supports the requested fees.

c. The requested litigation costs are reasonable.

PAGA also allows a prevailing plaintiff to recover litigation costs. Lab. Code § 2699(k)(1). The Agreement permits Plaintiff's Counsel to request actual litigation costs. Agreement § 3.1.1. Plaintiff's Counsel now seeks $15,378.02 in costs. Yang Decl. ¶ 11, Ex. 2. As set forth in accompanying declarations of Plaintiff's counsel, these costs were all directly incurred it the prosecution of this action, including filing fees and service fees. *Id.* As such, Plaintiff's Counsel's request for costs in the amount of $15,378.02 is fair, adequate, reasonable, and consistent with PAGA's policies.

2. The Administration Costs Should Be Awarded.

Because the Agreement requires payments not only to Plaintiff's Counsel and the LWDA but also to other current and former employees, time and effort will be required to administer the Agreement if it is approved by this Court. Among other things, the Administrator will prepare and mail each absent employee's share and prepare appropriate tax forms for all parties who receive payments under the Agreement. Similarly, any uncashed checks must be voided so that the unclaimed amounts can be forwarded to the State Controller Unclaimed Property Fund. Agreement § 4.7.

Phoenix Settlement Administrators, a well-recognized settlement administrator, has quoted Administration Costs not to exceed $4,000.00 to administer the settlement. Agreement § 3.1.2. The Administration Costs are reasonable and should be approved.

CONCLUSION

The proposed settlement would result in a monetary benefit to the State, consistent with PAGA's purpose. It was the result of informed, arm's length negotiations conducted by counsel experienced in wage and hour class and representative action litigation. Its terms appear to be fair, adequate, and reasonable, and there is no reason to believe the proposal is outside the range of reasonableness for such a settlement. Accordingly, for the benefit of the State and in furtherance of PAGA's policies, Plaintiff respectfully requests that the Court grant approval of the settlement.

DATED: July 27, 2026

DIVERSITY LAW GROUP, P.C.

By: ______________________________

Simon L. Yang
Attorneys for Plaintiff