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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ORANGE

LAURA RODRIGUEZ, as an individual and on behalf of all others similarly situated, Plaintiff, vs. COOPER MICROELECTRONICS, INC., a California Corporation; and DOES 1 through 100, Defendants.	Case No.: 30-2022-01290173-CU-OE-CXC [*Case assigned for all purposes to the Hon. William Claster, Dept. CX101*] **PLAINTIFF'S NOTICE OF MOTION AND MOTION FOR SETTLEMENT APPROVAL OF CLAIMS BROUGHT UNDER THE PRIVATE ATTORNEYS GENERAL ACT, REASONABLE ATTORNEYS' FEES AND COSTS, AND REPRESENTATIVE ENHANCEMENT PAYMENT** Reservation: 74644674 Date: September 19, 2025 Time: 9:00 a.m. Dept: CX101 Action Filed: November 4, 2022 Trial Date: None Set

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

PLEASE TAKE NOTICE that on September 19, 2025 at 9:00 a.m., or as soon thereafter as the matter may be heard, in Department CX101 of the Orange County Superior Court, located at 751 W. Santa Ana Blvd., Santa Ana, California 92701, Plaintiff Laura Rodriguez ("Plaintiff"), individually and on behalf of Aggrieved Employees, will and hereby does move this Court for entry of an Order as follows:

1. Granting approval, pursuant to Labor Code § 2699(s)(2), of the Parties' proposed PAGA Settlement Agreement resolving claims brought by Plaintiff under the Private Attorneys General Act of 2004, California Labor Code § 2698 *et seq*.;
2. Appointing Phoenix Settlement Administrators ("Phoenix") as the third-party Settlement Administrator, and approving an award of $2,950.00 in anticipated costs to Phoenix for its settlement administration services;
3. Approving as to form and content the proposed Notice of PAGA Settlement and Release of Claims ("PAGA Notice"), and directing that it be distributed to the Aggrieved Employees pursuant to the terms of the PAGA Settlement Agreement;
4. Directing the distribution of the Maximum Settlement Amount ($128,000.00) pursuant to the terms of the PAGA Settlement Agreement;
5. Approving an award of one-third of the Maximum Settlement Amount ($42,666.67) in attorneys' fees to Haines Law Group, APC, as Plaintiff's counsel;
6. Approving an award of $40,919.45 as reimbursement of actual litigation costs to Plaintiff's counsel;
7. Approving a representative enhancement payment of $2,500.00 to Plaintiff for her service to the Aggrieved Employees and the State of California; and
8. Approving the payment of $29,222.91 to the California Labor & Workforce Development Agency for its 75% share of PAGA civil penalties.

This Motion is based on this Notice, the attached Memorandum of Points and Authorities, the declarations of Andrew J. Rowbotham, Paul K. Haines, Fletcher W. Schmidt, Plaintiff Laura Rodriguez, and Jodey Lawrence of Phoenix, and all exhibits attached thereto, the PAGA

Settlement Agreement, all other pleadings and papers on file in this action, and any further oral or documentary evidence or argument presented at the time of hearing.

Dated: August 27, 2025

Respectfully Submitted,
HAINES LAW GROUP, APC

By: ______________________
Andrew J. Rowbotham
Attorneys for Plaintiff

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Plaintiff Laura Rodriguez ("Plaintiff"), an "aggrieved employee" under the Private Attorneys General Act, Labor Code § 2698 *et seq*. ("PAGA"), respectfully moves this Court for an Order granting approval of the PAGA Settlement Agreement (the "Settlement Agreement" or "Settlement")[1] entered into between Plaintiff and Defendants Cooper Microelectronics, Inc., Kenneth B. Cooper, and Lily Cooper (collectively, "Defendants").[2]

The Settlement, under which Defendants will pay a non-reversionary Maximum Settlement Amount ("MSA") of $128,000.00, will resolve Plaintiff's representative PAGA claim filed on behalf of the State of California and all 38 "Aggrieved Employees," defined as all current and former non-exempt employees of Defendants who worked in California at any time between November 7, 2021, and the date of PAGA settlement approval (the "PAGA Period"). The release covers only PAGA claims based on the factual allegations in Plaintiff's operative complaint and the November 7, 2022, PAGA letter to the California Labor and Workforce Development Agency ("LWDA"). Aggrieved Employees will not release any underlying wage and hour claims.

The Settlement represents a reasonable recovery for the State of California and Aggrieved Employees given the limited scope of the release and the risk that additional litigation could have resulted in a smaller recovery, or none at all, based on the defenses asserted by Defendants and the significant litigation risks involved. Additionally, the amounts requested for attorneys' fees and costs, Plaintiff's enhancement award, and settlement administration costs are all fair, adequate, and reasonable. In light of the foregoing, Plaintiff respectfully requests that this Court grant approval of the Parties' Settlement and enter the [Proposed] Judgment and Order submitted concurrently herewith.

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[1] The Settlement Agreement is attached as Exhibit 1 to the Declaration of Andrew J. Rowbotham ("Rowbotham Decl."), filed concurrently with this Motion. The Notice of PAGA Settlement and Release of Claims ("PAGA Notice") is attached as Exhibit A to the Settlement Agreement.

[2] Plaintiff provided the LWDA with notice of the proposed Settlement, a copy of this Motion, and all supporting papers. *See* Rowbotham Decl., ¶ 10, Exhibit 2.

II. SUMMARY OF THE LITIGATION

A. The Parties

Defendants are a microelectronics manufacturer specializing in printed circuit board design and prototypes. Rowbotham Decl., ¶ 11. Plaintiff worked for Defendants as a non-exempt "Welder" and "Assembler" from approximately February 2004 to December 22, 2021. Declaration of Laura Rodriguez ("Rodriguez Decl."), ¶ 2. Plaintiff's job duties included welding of circuit boards, inspecting and soldering connections, and assembling finished products. *Id*. Like all Aggrieved Employees, Plaintiff was subject to Defendants' wage and hour policies and practices. *Id*., ¶¶ 3-4.

B. Procedural History

On November 4, 2022, Plaintiff filed her class action complaint alleging that Defendants failed to: (1) pay all overtime wages; (2) pay all minimum wages; (3) provide all meal periods; (4) authorize and permit all rest periods; (5) reimburse necessary business expenses; (6) issue accurate itemized wage statements; (7) pay all final wages upon separation from employment; and (8) comply with California's unfair competition laws. Rowbotham Decl., ¶ 13. On November 7, 2022, Plaintiff submitted a PAGA letter to the LWDA and to Defendants advising of her intent to pursue civil penalties under PAGA.[3] *Id*. On January 12, 2023, Plaintiff filed a First Amended Complaint adding a ninth cause of action for civil penalties under PAGA. *Id.*

On November 30, 2023, the Parties participated in a full-day mediation with Mark S. Rudy, Esq., an experienced and well respected wage and hour mediator. Rowbotham Decl., ¶ 14. Although the matter did not resolve at mediation, the Parties continued settlement negotiations while resuming formal litigation. *Id*. During this time, Plaintiff served and Defendants responded to substantial written discovery, the Parties completed a *Belaire-West* notice mailing, and Plaintiff took the deposition of Defendants' Person Most Qualified witness. *Id*.

Between February and May 2024, Defendants conducted a *Pick Up Stix* campaign and obtained general releases from at least 27 of the 47 putative class members. Rowbotham Decl., ¶

[3] Plaintiff's PAGA letter to the LWDA, dated November 7, 2022, is attached to the Rowbotham Decl. as Exhibit 3.

15. After reviewing these agreements, Plaintiff's counsel concluded they were likely enforceable, which would bar participation in the class claims and reduce the putative class size below the numerosity threshold. *Id.* On October 3, 2024, the Court granted Plaintiff's Request for Dismissal of Class Claims Without Prejudice. *Id.*

Before the bench trial scheduled for May 19, 2025, the Parties were able to negotiate a resolution of the representative PAGA claim. Rowbotham Decl., ¶ 16. Over the following months, the Parties finalized the terms of the proposed Settlement now before the Court. *Id.*

C. <u>Plaintiff's Claims and Defendants' Defenses</u>

Plaintiff alleges that Defendants maintained an unlawful rounding practice that systematically underpaid employees. *See Camp v. Home Depot U.S.A., Inc.* (2022) 84 Cal.App.5th 638, 660 ("[I]f an employer… can capture and has captured the exact amount of time an employee has worked during a shift, the employer must pay the employee for all the time worked.") Specifically, Plaintiff claims Defendants recorded clock-in and clock-out punches to the minute but manually adjusted time entries to pay only for scheduled shifts, resulting in unpaid minimum and overtime wages. Rowbotham Decl., ¶ 17. Even after the policy was discontinued, Plaintiff contends that Defendants still failed to record all hours worked. *Id.*

Defendants argue that their timekeeping practices are lawful and that their rounding practice is neutral and even-handed, which is compliant under *See's Candy Shops, Inc. v. Superior Court* (2012) 210 Cal.App.4th 889. *Id.* at 903 (permitting rounding of employee time punches where the policy is neutral on its face and as applied, and does not result, over time, in underpayment of employees); *see also AHMC Healthcare, Inc. v. Superior Court* (2018) 24 Cal.App.5th 1014, 1027-1028 (finding employer's time-rounding policy lawful where it was neutral "on its face" and "in practice").

Plaintiff also alleges that Defendants failed to provide employees with all lawful meal periods to which they were entitled. Rowbotham Decl., ¶ 18. Specifically, Defendants required Plaintiff and the Aggrieved Employees to begin work at 6:00 a.m. or earlier each day; however, Defendants scheduled meal periods at 12:00 p.m. or later, well after the end of the fifth hour of work. *Id.* This policy/practice resulted in unlawful first meal periods that were regularly late or missed. *Id*. Further, Defendants provided only a single meal period per workday, despite employees regularly working shifts in excess of 10 hours. *Id.*

Plaintiff contends that Defendants failed to authorize and permit employees to take a rest period for every 4 hours worked (or major fraction thereof). Rowbotham Decl., ¶ 19. Specifically, Plaintiff alleges that Defendants' policy and practice was to authorize only a single 20-minute rest period per workday, in violation of California law. *See Rodriguez v. E.M.E., Inc.* (2016) 246 Cal.App.4th 1027, 1040 (holding that in the context of an 8-hour shift with a single meal period, the preferred schedule requires the provision of a rest period in the middle of each "work period" before and after the meal break, and that "a departure from the preferred schedule is permissible only when the departure (1) will not unduly affect employee welfare and (2) is tailored to alleviate a material burden that would be imposed on the employer by implementing the preferred schedule.")

Plaintiff argues that employees were required to purchase tools such as welder's masks, aprons, welding gloves, and grippers to perform their job duties, but Defendants did not reimburse them for these necessary business expenses. Rowbotham Decl., ¶ 20. As a result of these Labor Code violations, Plaintiff alleges that Defendants are liable for civil penalties under PAGA. *Id.*

Defendants contend they maintained lawful meal period policies and practices at all times and provided timely, duty-free meal periods. Rowbotham Decl., ¶ 20. Defendants argue that any missed or non-compliant meal periods are the result of employee choice, not Defendants' policies and practices. *Id.* Defendants also contend they authorized and permitted employees to take all lawful rest periods to which they were entitled. *Id.* Defendants also claim they maintained a practice of reimbursing all necessary business expenditures and that any unreimbursed expenses resulted from employees failing to submit reimbursement requests. *Id.*

Defendants argue that Plaintiff's underlying claims lack merit, and as a result, the derivative claims will also fail. *See Price v. Starbucks Corp.* (2011) 192 Cal.App.4th 1136, 1147 ("Because the underlying causes of action fail, the derivative UCL and PAGA claims also fail."); Given their asserted good faith defenses, Defendants believe this Court would exercise its discretion to substantially reduce any PAGA penalties awarded. *See* Labor Code § 2699(e)(2)

("[A] court may award a lesser amount than the maximum civil penalty amount specified by this part… 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."); *Thurman v. Bayshore Transit Management, Inc.* (2012) 203 Cal.App.4th 1112, 1135-1136 (upholding reduction of PAGA penalties where maximum award would have been unjust in light of employer's efforts to implement compliant policies, union opposition that prevented compliance, and employer's subsequent loss of its transit contract); *Carrington v. Starbucks Corp.* (2018) 30 Cal.App.5th 504, 529 (affirming trial court's decision to impose only $5.00 per violation rather than the statutory maximum, based on findings that PAGA violations were minimal and that employer made good faith attempts to comply with meal period obligations). Finally, Defendants contend that Plaintiff could only seek PAGA penalties at the $100 "initial" violation rate, since Defendants had never been put on notice by a court or the Labor Commissioner that their practices violated the Labor Code prior to this action. *See Amaral v. Cintas Corp. No. 2* (2008) 163 Cal.App.4th 1157, 1209 (initial violation rate applies until the employer has been notified of the violation).

III. THE PROPOSED SETTLEMENT

A. Essential Terms Of The Settlement

The Settlement requires Defendants to pay $128,000.00 to resolve the PAGA claim at issue in this Action. *See* Settlement, § I.8. After deducting attorneys' fees and costs, Plaintiff's representative enhancement payment, and settlement administration costs, the remaining Net Settlement Amount ("NSA") is estimated at $38,963.88. *Id.*, § I.9. The monetary terms of the Settlement are as follows:

Maximum Settlement Amount:	**$128,000.00**
Less Court-approved attorneys' fees (1/3):	$42,666.67
Less Court-approved attorneys' costs:	$40,919.45
Less Court-approved representative enhancement payment:	$2,500.00
Less settlement administrator costs:	$2,950.00
Net Settlement Amount:	**$38,963.88**
LWDA's 75% share:	$29,222.91
Total Paid to Aggrieved Employees:	**$9,740.97**

1. Attorneys' Fees and Costs

Plaintiff's counsel requests one-third of the MSA ($42,666.67) as attorneys' fees and $40,919.45 in actual litigation costs. Rowbotham Decl., ¶ 24, Exhibit 4 (HLG Cost Records)[4]; Settlement, § III.4.a.

2. Settlement Administration Costs

The Parties agree to engage Phoenix Settlement Administrators ("Phoenix") as the third-party settlement administrator. Settlement, § I.16. Phoenix will be responsible for calculating and mailing settlement checks and the PAGA Notice to the Aggrieved Employees in English and Spanish, among other duties. *Id.*, § IV. Phoenix will incur $2,950 in costs in connection with administration of the Settlement. *See* Declaration of Jodey Lawrence ("Lawrence Decl."), Exhibit B (Phoenix Admin Bid).

3. Plaintiff's Representative Enhancement Payment

Plaintiff also requests a representative enhancement payment of $2,500.00 in recognition of her efforts in initiating and prosecuting this case and in bringing it to a successful resolution. Settlement, §§ III.4.b; Rodriguez Decl., ¶¶ 3-6.

4. Payment to the LWDA and Aggrieved Employees

The entire NSA is designated as PAGA civil penalties. Settlement, § III.5. 75% ($29,222.91) will be paid to the LWDA and 25% ($9,740.97) will be paid to the Aggrieved Employees. *Id.*[5] All payments to the Aggrieved Employees will be reported on IRS Form 1099. *Id.*, § IV.4. Payments will be made according to each Aggrieved Employee's proportionate pay periods worked during the PAGA Period. *Id.*, § III.5. There are approximately 38 Aggrieved Employees who worked 2,357 aggregate pay periods during the PAGA Period. *Id.*, § III.3.

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[4] Plaintiff's current cost records reflect total costs of $40,816.53. The $102.92 difference between requested costs and actual costs represents anticipated costs for the filing of this Motion and for the filing of the administration declaration following approval.

[5] The California Legislature enacted significant PAGA reforms through Assembly Bill 2288 and Senate Bill 92, both effective July 1, 2024. These changes apply to all PAGA notices and lawsuits where the LWDA notice was submitted on or after June 19, 2024. Because Plaintiff submitted her LWDA letter on November 7, 2022, this Settlement is governed by the prior PAGA framework, which allocates civil penalties 75% to the LWDA and 25% to aggrieved employees.

Accordingly, in addition to the $29,222.91 paid to the State, average payments to Aggrieved Employees are estimated to be $256.34. Rowbotham Decl., ¶ 30. The lowest possible recovery, for an Aggrieved Employee who worked only one pay period, is approximately $4.13, and the highest possible recovery, for one who worked the entire PAGA Period, is approximately $299.03. *Id*.

5. Funding of the Settlement

Defendants will deposit the MSA within thirty (30) calendar days after the Effective Date, defined as the date on which the Court enters an order granting approval of the Settlement. Settlement, §§ I.5, III.2. Within ten (10) business days after the Court signs the approval order, Defendants will provide Phoenix with information for the Aggrieved Employees, including names, last known addresses and telephone numbers, Social Security numbers, dates of hire and separation, and pay period counts. *Id*., § IV.2. Within ten (10) business days of receiving this information, Phoenix will perform address updates and calculate Individual PAGA Payments for the Parties' approval. *Id*., § IV.3.a. Within five (5) business days of approval, Phoenix will mail explanatory letters in English and Spanish, along with the Individual PAGA Payments, to the Aggrieved Employees via First-Class U.S. Mail. *Id*., § IV.3.b.

IV. ARGUMENT

A. Standards for Approval of a PAGA Settlement

The settlement of a PAGA claim requires court approval. *See* Labor Code § 2699(s)(2) ("The superior court shall review and approve any settlement of any civil action filed pursuant to this part.") The Court must be mindful that "[s]ettlement is a compromise, which balances the possible recovery against the risks inherent in litigating further." *In re TD Ameritrade Account Holder Litigation* (N.D. Cal., Sept. 13, 2011) 2011 WL 4079226, at *9. Indeed, "the very essence of a settlement is compromise… a yielding of absolutes and an abandoning of highest hopes," as "it is the very uncertainty of outcome in litigation and avoidance of wasteful and expensive litigation that induce consensual settlements." *Officers for Justice v. Civil Service Com'n of City and County of San Francisco* (9th Cir. 1982) 688 F.2d 615, 624-625. As such, "the settlement or fairness hearing is not to be turned into a trial or rehearsal for trial on the merits," or "judged against a hypothetical or speculative measure of what might have been achieved." *Id.*

Although the PAGA statute does not set forth the criteria by which a PAGA settlement is to be judged, it is presumed that a reviewing court may utilize some of the factors for review of a class action settlement. However, "a PAGA claim asserted on a non-class representative basis…is not considered a class action but a law enforcement action, and therefore does not have to meet the requirements of [a class action]." *Casida v. Sears Holdings Corp.* (E.D. Cal., Jan. 26, 2012) 2012 WL 253217, at *3; *see also Mendez v. Tween Brands, Inc.* (E.D. Cal., July 1, 2010) 2010 WL 2650571, at *4 ("PAGA claims are law enforcement actions, not class actions.") A court's review of a PAGA settlement necessarily implicates the following unique features that render the approval process distinct from approval of a class action settlement.

First, in evaluating the adequacy of the settlement amount, the Court's focus is not concerned with the amounts that aggrieved employees are to receive, but rather, must focus on the total settlement amount in achieving PAGA's objective. Indeed, "[t]he remedy sought in a PAGA suit consists of civil penalties, not individual or class damages," and while a "[PAGA] action is … designed to protect the public and penalize the employer for past illegal conduct," a reviewing Court must be mindful of the fact that settlement of a PAGA claim involves a compromise. *Mendez, supra*, 2010 WL 2650571, at *4. "Unlike class actions, these civil penalties are not meant to compensate unnamed employees because the action is fundamentally a law enforcement action." *Ochoa-Hernandez v. Cjaders Foods, Inc.* (N.D. Cal., Apr. 2, 2010) 2010 WL 1340777, at *4. The Court must not lose sight of the fact that "[u]nlike a class action seeking damages or injunctive relief for injured employees, the 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*.

Second, consistent with the fact that unnamed employees have no property interest in a PAGA claim,[6] "[u]nnamed employees need not be given notice of the PAGA claim, nor do they

[6] As held by the California Supreme Court, "[PAGA] does not create property rights or any other substantive rights" as "[i]t is simply a procedural statute allowing an aggrieved employee to recover civil penalties—for Labor Code violations—that otherwise would be sought by state labor

have the ability to opt-out of the representative PAGA claim." *Ochoa-Hernandez,* 2010 WL 1340777, at *5. This renders the approval process of a PAGA settlement distinct from a class action settlement, as there is no need for the Court to employ the "two-step approval process" for notice as required under F.R.C.P. Rule 23 ("Rule 23") and C.R.C. Rule 3.769 ("Rule 3.769").

Finally, unlike class action settlements under Rule 23(e) and Rule 3.769, the scope of release permitted in a PAGA settlement is limited. "[T]he non-party employees, because they were not given notice of the action or afforded any opportunity to be heard, would not be bound by the judgment as to remedies other than civil penalties." *Arias v. Superior Court* (2009) 46 Cal.4th 969, 987. Thus, the scope of a release in a PAGA settlement is confined to the PAGA penalties alleged in the complaint and to the claims that were, or could have been, alleged pursuant to PAGA based on the factual allegations in the complaint.

B. <u>Settlement is a Fair, Adequate, and Reasonable Compromise of Claims</u>

California courts have a strong policy in favor of settlement. *See Stambaugh v. Superior Court* (1976) 62 Cal.App.3d 231, 235 ("…settlement of litigation should be encouraged."); *see also In re Syncor ERISA Litigation* (9th Cir. 2008) 516 F.3d 1095, 1101 ("[T]here is a strong judicial policy that favors settlements, particularly where complex class action litigation is concerned.") Unlike individual settlements, class and representative PAGA settlements involve a court approval process that exists to prevent fraud, collusion, and unfairness to absent individuals. *See Malibu Outrigger Bd. of Governors v. Superior Court* (1980) 103 Cal.App.3d 573, 578–579. California law generally follows the same standards applicable under Rule 23. *See Hanlon v. Chrysler Corp.* (9th Cir. 1998) 150 F.3d 1011, 1026 (stating that Rule 23(e) requires the trial court to determine "whether a proposed settlement is fundamentally fair, adequate, and reasonable"). To be approved, a settlement must be "fair, reasonable and adequate to all concerned." *Reed v. United Teachers Los Angeles* (2012) 208 Cal.App.4th 322, 337. The Court's role in evaluating a proposed settlement is limited to ensuring that the agreement taken as a whole is fair and is not the product of fraud or collusion between the negotiating parties. *See, e.g.,*

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law enforcement agencies." *Amalgamated Transit Union, Local 1756, AFL-CIO v. Superior Court* (2009) 46 Cal.4th 993, 1003.

Hanlon, supra, 150 F.3d at 1027. There is an initial presumption of fairness when the settlement agreement was negotiated at arm's length by experienced counsel. *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 130.

1. Factors in Evaluating a Representative PAGA Settlement

A settlement is presumptively fair where it is reached through arm's-length bargaining, based on sufficient discovery and investigation to allow counsel and the court to act intelligently, and counsel is experienced in similar litigation. *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1802; *see also Kullar, supra*, 168 Cal.App.4th at 130. In deciding whether to approve a proposed settlement, a trial court has broad powers to determine if the proposed settlement is fair under the circumstances of the case. *Mallick v. Superior Court* (1979) 89 Cal.App.3d 434, 438. In exercising these powers, the overriding concern is to ensure that a proposed settlement is "fair, adequate, and reasonable." *Dunk*, 48 Cal.App.4th at 1801 (internal quotations omitted). Relevant factors for the Court to consider include, but are not limited to:

> [T]he strength of Plaintiff's case, the risk, expense, complexity and likely duration of further litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the extent of discovery completed and the stage of the proceedings, the experience and views of counsel, the presence of a governmental participant, and the reaction of the class members to the proposed settlement.

Id. These factors require balancing and are non-exhaustive. Trial courts should therefore tailor the factors to each case and give due regard to "what is otherwise a private consensual agreement between the parties." *Id.* In the context of a PAGA settlement, the third and eighth factors (risk of maintaining class action status and reaction of class members to settlement) are inapplicable.

"In the context of a settlement agreement, the test is not the maximum amount Plaintiff might have obtained at trial on the complaint, but rather whether the settlement is reasonable under all of the circumstances." *Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 250. Because settlements inherently involve compromise, settlements providing for narrower relief than can be obtained if the suit were successfully litigated can be reasonable because "the public interest may indeed be served by a voluntary settlement in which each side gives ground in the interest of avoiding litigation." *Air Lines Stewards & Stewardesses Ass'n Local 550 v. American Airlines, Inc.* (7th Cir. 1972) 455 F.2d 101, 109. Further, courts review the discovery conducted by the parties to aid in assessing whether the parties sufficiently developed the claims and supporting factual bases before reaching settlement. *See Kullar, supra,* 168 Cal.App.4th at 129-31. Information is sufficient where it allows the parties and the court to form "an understanding of the amount that is in controversy and the realistic range of outcomes of the litigation." *Clark v. American Residential Services LLC* (2009) 175 Cal.App.4th 785, 801. This requirement exists so that parties can provide the trial court with "a meaningful and substantiated explanation of the manner in which the factual and legal issues have been evaluated." *Kullar,* 168 Cal.App.4th at 132.

a) <u>The Strength of Plaintiff's Case</u>

Plaintiff acknowledges that there are substantial risks and uncertainty in proceeding to trial. Defendants presented numerous defenses to Plaintiff's underlying claims and arguments to why Plaintiff's damages calculations were overstated, and that the Court would utilize its discretion to substantially reduce any award of PAGA penalties. While Plaintiff was prepared to litigate her claims through trial, Plaintiff faced substantial challenges in prevailing in this matter and obtaining a better result than will be provided through the Settlement.

b) <u>Risk, Expense, Complexity, and Duration of Further Litigation</u>

Although the Parties had completed a significant amount of written discovery, additional merits discovery remained to be completed if the matter were not resolved. *See* Rowbotham Decl., ¶ 25. Moreover, potential additional substantive motion work and trial preparation remained for the Parties, as well as potential appeals. *Id.* As a result, the parties would likely incur considerably more attorneys' fees and costs through trial and possible appeal. The Settlement avoids those risks and the accompanying expense

c) <u>Amount Offered in Settlement Given Realistic Value of Claims</u>

This proposed Settlement provides a fair and reasonable monetary recovery for the LWDA and Aggrieved Employees in the face of disputed claims and significant litigation risks. Plaintiff and her retained expert analyzed Defendants' produced data, and forecasted Defendants' realistic exposure for PAGA civil penalties as follows:

Aggrieved Employees worked a total of 2,357 pay periods during the PAGA Period.

Rowbotham Decl., ¶ 21. Plaintiff's expert reviewed Defendants' timekeeping records and determined that Defendants' non-neutral rounding practice remained in place until approximately December 2020 and therefore did not impact the PAGA Period. *Id.* Plaintiff's expert also determined that 86.3% of shifts longer than six hours included a recorded meal period after the end of the fifth hour of work. *Id.* Another 5% of shifts reflected meal periods of less than 30 minutes, and 3.5% of shifts recorded no meal period at all. *Id.* For rest period violations, Plaintiff's expert assumed that each shift longer than six hours would trigger a rest period premium because Defendants' policy provided only a combined 20-minute rest break per day. *Id.* Plaintiff's expert analysis confirmed that Plaintiff's primary theories of relief, unpaid wages, meal period violations, and rest period violations, would be triggered in every pay period during the PAGA Period.[7] *Id.* Assuming a violation for each theory in each pay period (including unpaid wages for not paying beyond scheduled hours even after rounding was discontinued), Plaintiff calculated Defendants' PAGA exposure at $707,100 (2,357 pay periods x 3 violations per pay period x $100 per violation). *Id.*

Defendants raised numerous defenses to Plaintiff's underlying claims and argued that, even if found liable, the Court would exercise its discretion to drastically reduce any PAGA penalties. Rowbotham Decl., ¶ 22; *see* Section II.C, *supra*. In light of Defendants' defenses and the Court's discretion to reduce PAGA penalties, Plaintiff discounted this figure by 25% for the risk of losing on the merits and by an additional 75% for the risk of reduced penalties, resulting in a realistic potential recovery of $132,581.

The proposed settlement amount of $128,000 represents approximately 96.5% of Plaintiff's reasonably forecasted recovery, which is well within the range courts have approved as fair, reasonable, and adequate, while also avoiding further expense and risk of continued litigation. *See Linney v. Cellular Alaska Partnership* (9th Cir. 1998) 151 F.3d 1234, 1242 ("The fact that a proposed settlement may only amount to a fraction of the potential recovery does not,

[7] Expense reimbursement violations are not included in this calculation because the purchase of masks, aprons, welding gloves, and grippers occurred only intermittently. As a result, the alleged violations contribute only nominal value on a PAGA basis.

in and of itself, mean that the proposed settlement is grossly inadequate and should be disapproved."); *In re TD Ameritrade Account Holder Litigation, supra*, 2011 WL 4079226, at *9 (settlement balances possible recovery against litigation risks); *Officers for Justice v. Civil Service Com'n of City and County of San Francisco, supra*, 688 F.2d at 624-625 (settlement approval is not judged against hypotheticals or highest hopes).

d) Discovery Completed and the Status of Proceedings

The Parties engaged in a significant informal and formal discovery prior to reaching the Settlement. Rowbotham Decl., ¶¶ 14-16. Defendants provided Plaintiff with timekeeping and payroll records and written wage and hour policies in effect during the PAGA Period. *Id*. Further, Plaintiff deposed Defendants' Person Most Qualified witness. *Id*. The Parties also attended a full-day mediation with Mark S. Rudy, Esq. prior to resolution. *Id.* Thus, this factor supports settlement approval.

e) The Experience and Views of Counsel

"Parties represented by competent counsel are better positioned than courts to produce a settlement that fairly reflects each party's expected outcome in litigation." *In re Pacific Enterprises Securities Litigation* (9th Cir. 1995) 47 F.3d 373, 378. Here, Plaintiff is represented by competent and experienced wage and hour counsel who possess extensive experience litigating wage and hour class actions and PAGA representative actions, and who believe this Settlement to be fair and adequate for all involved. Rowbotham Decl., ¶¶ 2-8; *see also,* Declaration of Paul K. Haines ("Haines Decl."); Declaration of Fletcher W. Schmidt ("Schmidt Decl."). Further, the proposed Settlement was reached with the input and assistance and follow-up of mediator Mark S. Rudy. Rowbotham Decl., ¶¶ 14-16. Thus, this factor strongly supports settlement approval. *See, Kullar, supra,* 168 Cal.App.4th at 130 ("The court undoubtedly should give considerable weight to the competency and integrity of counsel and the involvement of a neutral mediator in assuring itself that a settlement agreement represents an arm's length transaction entered without self-dealing or other potential misconduct.").

C. The Requested Award for Attorneys' Fees is Reasonable

Plaintiff, as the prevailing party in settlement, is entitled to recover attorneys' fees and costs for bringing this PAGA claim. *See* Labor Code § 2699(k)(1) ("Any employee who prevails in any action shall be entitled to an award of reasonable attorney's fees and costs…"); Code of Civil Procedure § 1021.5(a) ("Upon motion, a court may award attorneys' fees to a successful party against one or more opposing parties in any action which has resulted in the enforcement of an important right affecting the public interest if: a significant benefit, whether pecuniary or nonpecuniary, has been conferred on the general public or a large class of persons…")

California state and federal courts routinely award fee awards of one-third of the settlement fund in class and PAGA actions. *Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 66, fn. 11; *see also Wershba, supra,* 91 Cal.App.4th at 254 (recognizing the "percentage of recovery" method); *In re Pacific Enterprises Securities Litigation* (9th Cir. 1995) 47 F.3d 373, 379 (affirming 33% fee award). Indeed, the California Supreme Court approved the use of the "percentage of fund" method. *See Laffitte v. Robert Half Internat. Inc.* (2016) 1 Cal.5th 480, 506 ("the percentage of fund method survives in California class action cases…"). Specifically, the *Laffitte* Court held:

> The recognized advantages of the percentage method—including relative ease of calculation, alignment of incentives between counsel and the class, a better approximation of market conditions in a contingency case, and the encouragement it provides counsel to seek an early settlement and avoid unnecessarily prolonging the litigation—convince us the percentage method is a valuable tool that should not be denied our trial courts.

Id., at 503 (internal citation omitted); *see also Rawlings v. Prudential-Bache Properties, Inc.* (6th Cir. 1993) 9 F.3d 513, 516 (the percentage of the fund method more accurately reflects the results achieved than the lodestar method and "establishes reasonable expectations on the part of plaintiffs' attorneys as to their expected recovery; and it encourages early settlement, which avoids protracted litigation."); *In re Rite Aid Corp. Securities Litigation* (3d Cir. 2005) 396 F.3d 294, 300 ("The percentage-of-recovery method is generally favored in common fund cases."). This is consistent with Plaintiff's counsel's experience in similar PAGA matters. Rowbotham Decl., ¶ 24.

Here, Plaintiff's counsel's fee request of $42,666.67 (one-third of the MSA) is the same percentage sought in *Laffitte*, and is fair and reasonable based on the percentage of the recovery method. Rowbotham Decl., ¶ 24. In *Laffitte*, the California Supreme Court held that trial courts have discretion to assess the reasonableness of fee awards with tools such as the "lodestar cross-check," whereby the trial court calculates counsel's lodestar and determines whether the "lodestar multiplier" needed to bring the lodestar on par with the percentage of recovery is reasonable. *Laffitte, supra,* 1 Cal.5th at 503-06. Under the lodestar method, the court multiplies the number of hours reasonably expended by each attorney or legal staff member by their reasonable hourly rates, then enhances this lodestar figure by a "multiplier" to account for a range of factors, such as the contingent nature of the case and the degree of success achieved. *See Serrano v. Priest* (1977) 20 Cal.3d 25, 48-49; *Ketchum v. Moses* (2001) 24 Cal.4th 1122, 1132-1134; *Thayer v. Wells Fargo Bank, N.A.* (2001) 92 Cal.App.4th 819, 834 ("There is no hard-and-fast rule limiting the factors that may justify an exercise of judicial discretion to increase or decrease a lodestar calculation.")

Under California law, lodestar multipliers can range from 2 to 4 or even higher. *See, e.g., Chavez*, 162 Cal.App.4th at 49-50 (multiplier of approximately 2.5); *Coalition for L. County Planning etc. Interest v. Bd. of Supervisors*, (1977) 76 Cal.App.3d 241, 251 (multiplier of approximately 2); *Steiner v. American Broadcasting Co., Inc.* (9th Cir. 2007) 248 Fed.Appx. 780, 783 (multiplier of 6.85). In class and representative actions, where the value of the benefit conferred "can be monetized with a reasonable degree of certainty," a court may "adjust the lodestar in comparison to a percentage of the common fund to ensure that the fee awarded is reasonable and within the range of fees freely negotiated in the legal marketplace in comparable litigation." *Consumer Privacy Cases* (2009) 175 Cal.App.4th 545, 557.

In this case, Plaintiff's counsel calculated a lodestar of approximately $106,612.50, which results in a ***negative*** multiplier of 0.4 compared to the $42,666.67 fee request. Rowbotham Decl., ¶ 24. A summary of the hours worked by each attorney and paralegal is set forth below. *Id*. The billing rates are reasonable in view of the evidence submitted and have been approved by courts throughout California. *Id*., ¶¶ 2-8, 24-25; Exhibit 5 (HLG Billing Records); Exhibit 6 (2025 *Laffey* Matrix); Haines Decl., ¶¶ 2-13; Schmidt Decl., ¶¶ 2-9.

Name	Rate	Hours	Pre-Multiplier Lodestar
Paul K. Haines (19th Year Attorney)	$925	9.2	$8,510.00
Fletcher W. Schmidt (13th Year Attorney)	$825	19.0	$15,675.00
Andrew J. Rowbotham (11th Year Attorney)	$725	84.5	$61,262.50
Susan J. Perez (6th Year Attorney)	$550	13.5	$7,425.00
Aden M. Khachadoorian (3rd Year Attorney)	$500	14.1	$7,050.00
Edgar J. Morales (3rd Year Attorney)	$425	5.2	$2,210.00
Firm Paralegals	$200	22.4	$4,480.00
Total Lodestar			**$106,612.50**

The requested fee award is justified because Plaintiff's counsel obtained a significant monetary recovery for the Aggrieved Employees and the State of California, which declined to pursue the case after receiving Plaintiff's notice letter, in an uncertain and risky matter, while shouldering the burdens of representation for almost three years on a contingency basis. Plaintiff's counsel achieved this resolution despite serious defense challenges and an uncertain legal landscape, which confirms the strength of the outcome.

Since undertaking representation, Plaintiff's counsel has dedicated substantial resources to this litigation, including $40,919.45 in unreimbursed costs, without receiving any compensation to date. Rowbotham Decl., ¶ 24; Exhibit 4. Plaintiff's counsel's efforts included pre-filing investigation, analysis of Plaintiff's claims, legal research, drafting and filing the complaint and notice letter to the LWDA, drafting, reviewing, and revising pleadings, stipulations, and status reports, attending hearings, taking the deposition of Defendants' Person Most Qualified witness, interviewing former employees, propounding discovery and meeting and conferring extensively with Defendants' counsel, reviewing substantial documents and data produced before mediation, retaining an expert to analyze Defendants' production, evaluating timekeeping and payroll data, drafting a mediation brief, preparing for and attending mediation, negotiating and drafting the Settlement Agreement, preparing this Motion and supporting documents, and otherwise litigating the case. *Id.* Plaintiff's counsel will also spend additional time attending the hearing on this Motion and overseeing the settlement administration process. *Id.* The contingent risks borne by Plaintiff's counsel were substantial, and the quality and dedication of their work should be compensated.

Plaintiff's counsel's experience litigating wage and hour class and representative PAGA actions supports the reasonableness of the fee request. Plaintiff's counsel are well-versed in both plaintiff and defense-side wage and hour class and representative action litigation, and collectively bring four decades of experience in this field. *See* Rowbotham Decl., ¶¶ 2-8; *see also* Haines Decl.; Schmidt Decl. Plaintiff's counsel have also been certified as class counsel in numerous wage and hour class actions. *Id.* Plaintiff's counsel's experience in similar matters was integral to evaluating the strengths and weaknesses of this case and the reasonableness of the Settlement. Practice in the narrow field of wage and hour litigation requires skill and knowledge of rapidly evolving state and federal substantive law, as well as the procedural law of representative litigation. Because it is reasonable to compensate Plaintiff's counsel commensurate with their skill, reputation, and experience, the requested fee award of $42,666.67 is fair and should be approved.

D. <u>The Requested Cost Reimbursement is Fair, Adequate, and Reasonable</u>

Plaintiff's counsel incurred, and respectfully request, reimbursement of $40,919.45 in actual litigation costs. Rowbotham Decl., ¶ 24, Exhibit 4.[8] Plaintiff's counsel's request is fair and reasonable because all costs are documented and were reasonably incurred. *See, e.g., Harris v. Marhoefer* (9th Cir. 1994) 24 F.3d 16, 19 (counsel should recover "those out-of-pocket expenses that would normally be charged to a fee paying client"); *Berkeley Cement, Inc. v. Regents of University of California* (2019) 30 Cal.App.5th 1133, 1142 (mediation costs reimbursable); *Ashker v. Sayre* (N.D. Cal., Mar. 7, 2011) 2011 WL 825713, at *3 (copying costs reimbursable); *Trustees of Const. Industry and Laborers Health and Welfare Trust v. Redland Ins. Co.* (9th Cir. 2006) 460 F.3d 1253, 1258-1259 (legal research costs reimbursable); *In re Immune Response*

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[8] Plaintiff's Counsel retained Dr. J. Michael DuMond, Ph.D., of Berkeley Research Group, to perform expert analyses in this case. Copies of Dr. DuMond's expert invoices are attached to the Rowbotham Decl., as Exhibit 7.

Securities Litigation (S.D. Cal. 2007) 497 F.Supp.2d 1166, 1177-1178 (mediation expenses, legal research, copies, postage, filing fees, messenger, and overnight delivery costs reimbursable). Because the expenses requested by Plaintiff's counsel were reasonably incurred, the Court should grant reimbursement of $40,919.45 in litigation costs.

E. <u>The Court Should Approve the Requested Administration Costs</u>

Plaintiff requests that the Court approve $2,950.00 in administration costs for the Settlement Administrator, Phoenix Settlement Administrators. Rowbotham Decl., ¶ 27; Lawrence Decl., ¶ 16, Exhibit B. Phoenix was selected to administer this Settlement because it is an experienced, well-respected settlement administrator and provided a competitive bid. Rowbotham Decl., ¶ 27. As detailed in the Settlement Agreement and the declaration of Jodey Lawrence, submitted with this Motion, Phoenix will perform duties essential to effectuating the Settlement and administering the PAGA Notice process. Among other tasks, Phoenix will calculate each Aggrieved Employee's Individual PAGA Payment, update addresses from the employee data supplied by Defendant, format and translate Notices, mail Notices and payments to all Aggrieved Employees, and otherwise administer the Settlement. *See* Lawrence Decl.; Settlement, § IV.

F. <u>This Court Should Approve Representative Enhancement Payment</u>

Courts routinely approve enhancement awards to compensate named plaintiffs for the services they provide and the risks they assume in class and representative litigation. *See, e.g., Bell v. Farmers Ins. Exchange* (2004) 115 Cal.App.4th 715, 726 (upholding "service payments" to named plaintiffs for their efforts in bringing the case); *Cellphone Termination Fee Cases* (2010) 186 Cal.App.4th 1380, 1394-1395 (affirming $10,000 incentive awards); *Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles* (2010) 186 Cal.App.4th 399, 412 ("[I]t is established that named plaintiffs are eligible for reasonable incentive payments to compensate them for the expense or risk they have incurred in conferring a benefit on other members of the class.") This is also true in the context of PAGA-only settlements. *See* Rowbotham Decl., ¶ 29, Exhibit 8 (PAGA Enhancement Exemplar).

Here, Plaintiff seeks a representative enhancement award of $2,500.00. Settlement, §§ I.9, III.4.b. This request is reasonable given Plaintiff's efforts, the time devoted to prosecuting and resolving this action, and the risks she assumed on behalf of the Aggrieved Employees. Among other things, Plaintiff searched for relevant documents, provided factual information to her attorneys, had numerous phone calls with counsel to discuss claims and Defendants' practices, assisted in preparing for mediation, remained available throughout mediation to answer factual questions, reviewed and assisted in finalizing the settlement agreement, and otherwise helped move this case toward resolution. Rodriguez Decl., ¶ 6. Plaintiff spent approximately 20 hours on these activities, which led to the Settlement. *Id.* Thus, Plaintiff's enhancement award is appropriate and justified as part of the Settlement.

V. CONCLUSION

For the reasons stated herein, the Court should grant Plaintiff's Motion in its entirety and adopt the [Proposed] Judgment and Order submitted with this Motion.

Dated: August 27, 2025

Respectfully submitted,
HAINES LAW GROUP, APC

By: ______________________
Andrew J. Rowbotham
Attorneys for Plaintiff