

DOUGLAS HAN (SBN 232858)
SHUNT TATAVOS-GHARAJEH (SBN 272164)
JUSTICE LAW CORPORATION
751 N. Fair Oaks Avenue, Suite 101
Pasadena, California 91103
Telephone: (818) 230-7502
Facsimile: (818) 230-7259

Attorneys for Plaintiffs

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO**

PARKSON YEE, RICHARD DALEY, and
HILLEL TRAN, individually, and on behalf
of aggrieved employees pursuant to the
Private Attorneys General Act (“PAGA”);

Plaintiff,

v.

REPAIRSMITH, INC.; a Delaware
corporation; and DOES I through 100,
inclusive;

Defendants.

Case No.: 34-2022-00331092-CU-OE-GDS

Assigned for All Purposes to:
Honorable Jill Talley
Department 23

**NOTICE OF MOTION AND MOTION
FOR APPROVAL OF PRIVATE
ATTORNEYS GENERAL ACT (LABOR
CODE § 2698, *ET SEQ.*) SETTLEMENT
AGREEMENT; MEMORANDUM OF
POINTS AND AUTHORITIES IN
SUPPORT THEREOF**

[Reservation No.: A-334092-001]

*Declaration of Counsel (Douglas Han);
Declarations of Plaintiffs (Parkson Yee,
Richard Daley, and Hillel Tran); and
[Proposed] Order filed concurrently herewith]*

Hearing Date: February 7, 2025
Hearing Time: 9:00 a.m.
Hearing Place: Department 23

Complaint Filed: December 7, 2022
FAC Filed: January 23, 2023
SAC Filed: July 16, 2024
Trial Date: None Set

1 **PLEASE TAKE NOTICE** that on February 7, 2025 at 8:30 a.m., or as soon as thereafter
2 as the matter may be heard, before the Honorable Jill Talley in Department 23 of the Sacramento
3 County Superior Court located at 720 9th Street Sacramento, California 95814, Plaintiffs Parkson
4 Yee, Richard Daley, and Hillel Tran (“Plaintiffs,” “Plaintiff Yee,” “Plaintiff Daley,” and “Plaintiff
5 Tran”) will and hereby do move for entry of an order and judgment approving the Settlement
6 Agreement and Release (“Settlement Agreement,” “Settlement,” or “Agreement”), attached as
7 **Exhibit 2** to the declaration of Douglas Han, pursuant to Labor Code section 2699(l).

8 Pursuant to Local Rule 1.06(A), the court will make a tentative ruling on the merits of this
9 matter by 2:00 p.m., the court day before the hearing. The complete text of the tentative rulings
10 for the department may be downloaded off the court’s website. If the party does not have online
11 access, they may call the dedicated phone number for the department as referenced in the local
12 telephone directory between the hours of 2:00 p.m. and 4:00 p.m. on the court day before the
13 hearing and receive the tentative ruling. If you do not call the court and the opposing party by 4:00
14 p.m., the court day before the hearing, no hearing will be held.

15 This motion is based upon this notice of motion and motion; Settlement Agreement;
16 Declarations of Plaintiffs’ Counsel (Douglas Han) and Plaintiffs (Parkson Yee, Richard Daley,
17 and Hillel Tran) in support thereof; Proposed Order approving the Settlement Agreement;
18 pleadings and other records on file with the Court in this matter; and such evidence and oral
19 argument as may be presented at the hearing.

20
21 Dated: December 4, 2024

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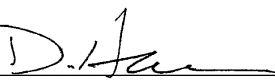
22 By: 
23 Douglas Han
24 *Attorneys for Plaintiffs*

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1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. SUMMARY OF MOTION**

3 Under Labor Code section 2699(1)(2), Plaintiffs seek approval of the Settlement Agreement
4 entered between Plaintiffs and Defendant RepairSmith, Inc. (“Defendant”). Plaintiffs entered the
5 Settlement Agreement on behalf of themselves and all current or former hourly-paid or non-exempt
6 employees of Defendant who worked for Defendant within the State of California at any time
7 during the period from November 2, 2021, through March 22, 2024.

8 **II. PROCEDURAL HISTORY AND FACTUAL BACKGROUND**

9 On September 8, 2022, September 26, 2022, and November 2, 2022, Plaintiffs provided
10 written notices to the California Labor and Workforce Development Agency (“LWDA”) and
11 Defendant. On December 7, 2022, Plaintiff Yee and Plaintiff Daley filed a representative Private
12 Attorneys General Act of 2004 (“PAGA”) action against Defendant in the Superior Court of
13 California, County of Sacramento. On January 23, 2023, Plaintiff Yee and Plaintiff Daley filed a
14 First Amended Complaint adding Plaintiff Tran as one of the named plaintiffs. On July 16, 2024,
15 Plaintiffs filed a Second Amended Complaint updating the alleged Labor Code violations.¹

16 The Parties remotely participated in private mediation on March 19, 2024 with the mediator
17 Mike Ludwig that eventually resulted in the settlement of this matter.²

18 **III. SUMMARY OF THE SETTLEMENT TERMS**

19 **A. Allocation of the Gross Settlement Amount**

20 The Settlement provides Defendant will pay a non-reversionary Gross Settlement Amount
21 of \$120,000. The PAGA Penalties Fund will be the Gross Settlement Amount less: (1) Attorneys’
22 Fees Award of up to \$42,000; (2) Litigation Costs Award of \$6,899.76; (3) Enhancement Payments
23 totaling \$7,500; and (4) Administration Costs of up to \$4,500.³

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25 ¹ (Declaration of Douglas Han (“Han Decl.”), ¶¶ 11, 12.)

26 ² (*Id.* at ¶¶ 13-17.)

27 ³ (Settlement Agreement attached as **Exhibit 2** to the Declaration of Douglas Han
28 (“Settlement Agreement”), §§ 7(a), 7(b)(i), 7(b)(ii), 7(b)(iii), 7(b)(iv).)

1 The current amount of the PAGA Penalties Fund is estimated to be \$59,100.24. Seventy-
2 five percent (75%) of the PAGA Penalties Fund will be transmitted to the LWDA as the LWDA
3 Payment, pursuant to Labor Code section 2699(i). The remaining twenty-five percent (25%) of
4 the PAGA Penalties Fund will be distributed to the Settlement Group Members.⁴

5 **B. Distribution of the PAGA Penalties Fund**

6 Defendant shall provide the Settlement Administrator a database containing the Settlement
7 Group Members' information. The Gross Settlement Amount will be deposited into a qualified
8 settlement fund created by the Settlement Administrator and will be disbursed to the appropriate
9 entities and persons set forth in the Agreement. Uncashed settlement checks will be directed to the
10 California State Controller for deposit in the Unclaimed Property Fund.⁵

11 **C. The Scope of the Release in the Settlement Agreement**

12 Effective on the date when Defendant fully funds the Gross Settlement Amount, the
13 Agreement and judgment to be entered by the Court following the Agreement will forever bar
14 Plaintiffs and LWDA from pursuing any action against the Released Parties under PAGA based
15 on or arising out of violations of Labor Code sections alleged in this matter, and claims that could
16 have been asserted in this matter based upon the facts alleged in the operative complaints and
17 PAGA Notice through the end of the Settlement Period.⁶ (*Arias v. Sup. Ct.* (2009) 46 Cal.4th 969,
18 980, 986 [a plaintiff suing under PAGA “does so as the proxy or agent of the state’s labor law
19 enforcement agencies,” and, as such, “represents the same legal right and interest as state labor
20 law enforcement agencies”].) A judgment in a PAGA action “binds not only that [plaintiff]
21 employee but also the state labor law enforcement agencies.” (*Ibid.*) Further, “[b]ecause an
22 aggrieved employee’s action under [PAGA] functions as a substitute for an action brought by the
23 government itself, a judgment in that action binds all those, including nonparty aggrieved
24 employees, who would be bound by a judgment in an action brought by the government.” (*Arias*
25 *v. Sup. Ct., supra*, 46 Cal.4th at p. 986) “Accordingly, with respect to the recovery of civil

26 ⁴ (*Id.* at § 7(b)(v).)

27 ⁵ (*Id.* at §§ 8(a), 8(b), 8(c)(i) 8(c)(iii).)

28 ⁶ (*Id.* at § 9(a).)

penalties, nonparty employees as well as the government are bound by the judgment in an action brought under [PAGA]” (*Ibid.*)

D. No Right to Object to or Opt Out of the Settlement

“[A] PAGA action is a statutory action for penalties brought as a proxy for the state ... there is no need to protect absent employees’ due process rights[.]” (*Williams v. Sup. Ct.* (2017) 3 Cal.5th 531, 546.) “Unnamed employees need not be given notice of the PAGA claim, nor do they have the ability to opt-out of the representative PAGA claim.” (*Ochoa-Hernandez v. CJADERS Foods, Inc.* (N.D. Cal. Apr. 2, 2010), 2010 WL 3570777, at *5.) “PAGA does not make other potentially aggrieved employees parties” and no “due process concerns arise under PAGA because absent employees do not own a personal claim for PAGA civil penalties and whatever personal claims the absent employees might have for relief are not at stake.” (*Williams*, at pp. 546-547 (internal references omitted, citing *Amalgamated Transit Union, Local 1756, AFL-CIO v. Sup. Ct.* (2009) 46th Cal.4th 993, 1003 and *Iskanian v. CLS Trans. Los Angeles, LLC*, (2014) 58 Cal.4th 348, 381.)) “[A]bsent fellow employees will be bound by the outcome of any PAGA action[.]” (*Williams*, at p. 548 (internal references omitted, citing *Arias v. Sup. Ct.*, *supra*, 46 Cal.4th at pp. 980-981; *Fireside Bank v. Sup. Ct.* (2007) 40 Cal.4th 1069, 1074 and *Richmond v. Dart Indus., Inc.* (1981) 29 Cal, 3d 462, 474.)

IV. STANDARD FOR APPROVAL OF A PAGA SETTLEMENT

The PAGA allows an “aggrieved employee” to bring a civil action on behalf of themself, other aggrieved employees, and State of California to recover civil penalties with respect to provisions of the Labor Code that do not otherwise provide for civil penalties. Beforehand, an employee must comply with Labor Code section 2699.3. (Lab. Code § 2699(a).) 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.” (Lab. Code § at § 2699(e)(2).)

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1 The settlement of a PAGA claim requires court approval. (Lab. Code § 2699(1)(2).) “A
2 PAGA claim asserted on a non-class representative basis . . . is not considered a class action but a
3 law enforcement action” and does not have to meet the requirements of a class action. (*Casida v.*
4 *Sears Holdings Corp.* (E.D. Cal. Jan. 26, 2012) 2012 WL 253217, at *3; *Thomas v. Aetna Health*
5 *of Cal., Inc.* (E.D. Cal. June 2, 2011) 2011 WL 2173715, at *11; *Arias v. Sup. Ct., supra*, 46
6 Cal.4th at pp. 980-988 (affirming lower court’s holding that “plaintiff need not satisfy class action
7 requirements” to assert a PAGA claim); *Pedroza v PetSmart, Inc.* (C.D. Cal. Jan. 28, 2013) 2013
8 WL 1490667, at *15.) A court’s review of a PAGA settlement involves analysis of several unique
9 features that render the approval process distinct from approval of a class action settlement. A
10 court reviewing a PAGA settlement only needs to “ensur[e] that a negotiated resolution is fair to
11 those affected.” (*Williams v. Sup. Ct., supra*, 3 Cal.5th at p. 549 (citing Lab. Code § 2699(1)(2)).)
12 The Court of Appeal has held that “a trial court should evaluate a PAGA settlement to determine
13 whether it is fair, reasonable, and adequate in view of PAGA’s purposes to remediate present labor
14 law violations, deter future ones, and to maximize enforcement of state labor laws.” (*Moniz v.*
15 *Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, 77.)

16 The Court’s focus is on whether the total settlement amount achieves PAGA’s objectives.
17 PAGA’s purpose “to incentivize private parties to recover civil penalties for the government that
18 otherwise may not have been assessed and collected by overburdened state enforcement agencies.”
19 (*Ochoa-Hernandez, supra*, 2010 WL 3570777, at *4 (citing *Arias v. Sup. Ct., supra*, 46 Cal.4th at
20 p. 986).) Penalties recovered under the PAGA are, in part, to “be distributed to the [LWDA] for
21 enforcement of labor laws . . . and for education of employers and employees about their rights
22 and responsibilities under this code, to be continuously appropriated to supplement and not
23 supplant the funding to the agency for those purposes.” (Lab. Code § 2699(j).) The recovery of
24 penalties on behalf of the state is essentially a law enforcement action. (*Amalgamated Transit*
25 *Union, Local 1756, AFL-CIO v. Sup. Ct., supra*, 46 Cal.4th at p. 1003 (stating the PAGA is
26 mechanism for “an aggrieved employee to recover civil penalties – for Labor Code violations –
27 that otherwise would be sought by state labor law enforcement agencies”); see also *Iskanian v.*
28 *CLS Trans. Los Angeles, LLC, supra*, 58 Cal.4th at p. 381.)

1 **V. THE PROPOSED SETTLEMENT IS FAIR AND SHOULD BE APPROVED.**

2 **A. The Factors Giving Rise to a Presumption of Fairness Exist.**

3 A settlement agreement that is “the product of extensive and hard-fought adversarial
4 negotiations between the parties” is entitled to a presumption of fairness. (*Wershba v. Apple*
5 *Computer, Inc.* (2001) 91 Cal.App.4th 224, 245.)

6 The Settlement is presumptively fair. This is because the Settlement: (1) is the product of
7 non-collusive, arm’s-length negotiations; (2) was negotiated by counsel with experience in similar
8 wage-and-hour litigation; and (3) occurred after the Parties’ counsel engaged in investigation of
9 the strengths of this case and risks of continued litigation.

10 The Court should give considerable weight to the competency, experience, and opinion of
11 counsel and the involvement of a neutral mediator in assuring the Settlement is a product of hard-
12 fought negotiations that was entered without collusion. (*Kirkorian v. Borelli* (N.D. Cal. 1988) 695
13 F.Supp. 446, 451 (opinion of experienced counsel is entitled to considerable weight); *Boyd v.*
14 *Bechtel Corp.* (N.D. Cal. 1979) 485 F.Supp. 610, 616-617, 622 (recommendations of plaintiffs’
15 counsel should be given a presumption of reasonableness); see also *Satchell v. Fed. Express Corp.*
16 (N.D. Cal. Apr. 13, 2007) 2007 WL 1114010, at *4 (stating the “assistance of an experienced
17 mediator in the settlement process confirms that the settlement is non-collusive”).)

18 **B. The Relative Strength of the PAGA Claim and Range of Possible Outcomes in**
19 **the Litigation Strongly Favor Approval of the Settlement.**

20 Plaintiffs contend the provisions of the Labor Code triggering PAGA penalties include
21 Labor Code sections 201, 201.3, 201.5, 201.6, 201.8, 201.9, 202, 203, 204, 205.5, 210, 218.5, 221,
22 226(a), 226.3, 226.7, 246, 432.5, 432.6, 510, 512(a), 551, 552, 558, 558.1, 1174(d), 1194, 1197,
23 1197.1, 1198, 1199, 2800, and 2802. For Plaintiffs to recover civil penalties, they must prove that
24 the underlying Labor Code violations with respect to the Settlement Group Members and show
25 that Defendant’s conduct gave rise to penalties. (See e.g. *Elliot v. Spherion Pac. Work, LLC* (C.D.
26 Cal. 2008) 572 F.Supp.2d 1169, 1181-1182.)⁷

27
28 ⁷ (Han Decl., *supra*, at ¶ 26.)

1 Defendant maintained that it had compliant employment policies and practices throughout
2 the statutory period. If this case had not been settled, Defendant would have challenged Plaintiffs’
3 standing as Settlement Group Members and denied that the employees were aggrieved. Defendant
4 argued that the Court was unlikely to assess cumulative penalties for the maximum number of
5 possible separate Labor Code violations because the “subsequent violation” theory of PAGA
6 recovery would not be triggered in this case, and it would be unjust, arbitrary, oppressive, and/or
7 confiscatory. (See e.g. *Bernstein v. Virgin Am., Inc.* (9th Cir. 2021) 3 F.4th 1127, 1144.) Defendant
8 asserted that PAGA penalties are not mandatory but permissive and discretionary. Defendant also
9 maintained that it had a strong argument it would be unjust to award maximum PAGA penalties
10 given the unsettled state of PAGA liability. (*Thurman v. Bayshore Transit Mgmt., Inc.* (2012) 203
11 Cal.App.4th 1112 [reducing penalties by 30% under this authority].)⁸

12 Plaintiffs allege that PAGA penalties would be approximately **\$23,600** (236 employees x
13 \$100 penalty for initial violation) on the low end and around **\$165,200** (236 employees x \$100
14 penalty for initial violation x 7 theories of recovery) on the high end. But Plaintiffs recognized that
15 the risk that any PAGA award could be reduced. This would mean that the Gross Settlement
16 Amount for the PAGA civil penalties was reasonable and significant. When PAGA penalties are
17 negotiated in good faith and “there is no indication that [the] amount was the result of self-interest
18 at the expense of other Class Members,” such amounts are generally considered reasonable.
19 (*Hopson v. Hanesbrands Inc.* (N.D. Cal. Apr. 3, 2009) No. 08-00844, 2009 U.S. Dist. LEXIS
20 33900 at *24; see e.g. *Nordstrom Com. Cases* (2010) 186 Cal.App.4th 576, 579 (“[T]rial court did
21 not abuse its discretion in approving a settlement which does not allocate any damages to the
22 PAGA claims.”).)⁹

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27 ⁸ (*Id.* at ¶¶ 21-25.)

28 ⁹ (*Id.* at ¶ 27-30.)

1 **C. The Settlement Avoids Risky, Complex, and Lengthy Further Litigation.**

2 Courts favor voluntary conciliation and settlement of complex litigation. (*Class Plaintiffs*
3 *v. City of Seattle* (9th Cir. 1992) 955 F.2d 1268, 1276.) Generally, “unless the settlement is clearly
4 inadequate, its acceptance and approval are preferable to lengthy and expensive litigation with
5 uncertain results.” (*Nat’l Rural Telecomms. Coop. v. DIRECTV, Inc.* (C.D. Cal. Jan. 5, 2004) 221
6 F.R.D. 523, 526 (citation omitted).)

7 Both sides used the pre-mediation time to investigate the veracity, strength, and scope of
8 the PAGA claim. The Parties engaged in discovery and exchanged documents and data to mediate
9 the claims relevant to the Labor Code violations and applicable defenses thereto and to determine
10 the potential value and strength of the PAGA claim. Plaintiffs’ Counsel believed that it would be
11 best to pursue a settlement rather than take the risky and uncertain trial route. Even if the Parties
12 had managed to negotiate a similar settlement down the line, it would have been severely undercut
13 but the additional costs and expenses incurred. In other words, the Settlement offers immediate
14 recovery rather than only the possibility of recovery at some indeterminate later date.¹⁰

15 **D. The Settlement Is Fair, Adequate, and Reasonable.**

16 “[T]he very essence of a settlement is compromise, ‘a yielding of absolutes and an
17 abandoning of highest hopes.’” (*Officers for Justice v. Civil Serv. Comm’n* (9th Cir. 1981) 688
18 F.2d 615, 624.) “The proposed settlement is not to be judged against a hypothetical or speculative
19 measure of what might have been achieved by the negotiators.” (*Id.* at p. 625.)

20 The Settlement provides a reasonable monetary benefit to the LWDA and Settlement
21 Group Members. In addition, the proposed plan of allocation of the PAGA Penalties Fund to the
22 LWDA and Settlement Group Members fully complies with Labor Code section 2699(i).

23 Plaintiffs and Plaintiffs’ Counsel recognize that the expense, length, risk, and uncertainty
24 of continued proceedings necessary to litigate this dispute. To recover civil penalties, Plaintiffs
25 would have to prove the Settlement Group Members suffered from the underlying Labor Code
26 violations and that Defendant’s conduct gave rise to penalties, which could take several months,
27

28 ¹⁰ (Han Decl., *supra*, at ¶¶ 13-17, 25.)

or even years, to prove. Plaintiffs and Plaintiffs’ Counsel considered Defendant’s agreement to enter a settlement that confers significant relief. Plaintiffs and Plaintiffs’ Counsel determined that the Settlement represents a fair, adequate, and reasonable resolution of the PAGA claim.¹¹

E. Experience and Views of Plaintiffs’ Counsel Favor Settlement Approval.

Plaintiffs’ Counsel are experienced in complex representative and class action wage-and-hour litigation. Plaintiffs’ Counsel believe that the benefit conferred by the Settlement is fair and reasonable and in the best interests of the LWDA and Settlement Group Members.¹²

VI. APPROVAL OF THE REQUESTED ATTORNEYS’ FEES AWARD.

A. A Fee Award of Percentage of the Entire Fund is Appropriate.

The Settlement provides for an Attorneys’ Fees Award of \$42,000. The Attorneys’ Fees Award is commensurate with the: (1) risks undertaken; (2) time, effort, and expense dedicated; (3) skills and determination shown; (4) value achieved; and (5) other cases turned down.

The propriety of calculating and awarding attorneys’ fees as a percentage of a monetary fund preserved or recovered for the benefit of others has been confirmed by the California Supreme Court. (*Laffitte v. Robert Half Int’l, Inc.* (2016) 1 Cal.5th 480, 486, 506.) While trial courts have discretion to apply either a lodestar method or percentage of-the-fund method, the California Supreme Court has taken the position trial courts “retain the discretion to forgo a lodestar cross-check and use other means to evaluate the reasonableness of a requested percentage fee[.]” and “[t]he percentage of fund method survives in California.” (*Ibid.* (internal quotes omitted); see also *Wershba v. Apple Computer, Inc., supra*, 91 Cal.App.4th at p. 253.)

The percentage fee method is preferred in representative actions because “it better approximates the workings of the marketplace than the lodestar approach.” (*Lealao v. Beneficial Cal., Inc.* (2000) 82 Cal.App.4th 19, 49.) California law provides that the award for attorneys’ fees should be equivalent to fees freely negotiated in the legal marketplace and paid in comparable litigation based on the result achieved and risk incurred. (*Lealao*, at pp. 47, 50; *Laffitte v. Robert*

¹¹ (Han Decl., *supra*, at ¶¶ 21-25.)

¹² (*Id.* at ¶¶ 2-8; Exhibit 1.)

1 *Half Int'l, Inc., supra*, 1 Cal.5th at p. 503.) In cases where the agreement provides the defendant
2 agrees to pay the attorneys a percentage of the fund created by the agreement, the use of that
3 percentage method is appropriate. (*Lealao v. Beneficial Cal., Inc., supra*, 82 Cal.App.4th at p. 32.)
4 Fees in class and representative actions should approximate the probable terms of a contingent fee
5 contract negotiated by an attorney and client in similar litigation. (*Id.* at p. 48.) “The ultimate goal
6 ... is the award of a ‘reasonable’ fee to compensate counsel for their efforts, irrespective of the
7 method of calculation.” (*Consumer Privacy Cases* (2009) 175 Cal.App.4th 545, 557-558
8 (quotation omitted).)

9 Plaintiffs’ Counsel are entitled to recover reasonable attorneys’ fees and costs as a matter
10 of right. (Lab. Code § 2699(g)(1).) Plaintiffs’ Counsel are entitled to fees and costs under Code of
11 Civil Procedure section 1021.5 as this case is by definition “for the benefit” of others and has
12 secured monetary awards for the Settlement Group.¹³ The payment to the LWDA will also benefit
13 the agency in enforcing labor laws and educating “employers and employees about their rights and
14 responsibilities under [the Labor Code].” (*Id.* at § 2699(i).)

15 **B. The Requested Attorneys’ Fees Award is Reasonable Based on the Factors**
16 **Considered in Determination of Fee Awards.**

17 The factors courts consider in determining whether fee awards are reasonable are: (1) time
18 and labor required; (2) novelty and difficulty of the questions; (3) requisite skills to perform the
19 legal services; (4) preclusion of other employment by the attorney; (5) customary fee; (6) whether
20 the fee is fixed or contingent; (7) time limitation imposed; (8) amount involved and results
21 obtained; (9) experience, reputation and ability of the attorney; (10) undesirability of the case; (11)
22 nature and length of the professional relationship; and (12) awards in similar cases. (*Camden I*
23 *Condo. Ass’n, Inc. v. Dunkel* (11th Cir. 1991) 946 F.2d 768, 772.)

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26 ¹³ (*Estrada v. FedEx Ground Package Sys. Inc.* (2007) 154 Cal.App.4th 1, 16-17
27 (recognizing that recovery obtained on behalf of 209 individual satisfies the “significant
28 benefit,” “public interest,” and “large class of persons” requirements of Code of Civil Procedure
section 1021.5, regardless of plaintiff’s personal motivation).)

1 **1. The Results Obtained**

2 The results attorneys obtain for their clients is an important factor when determining the
3 reasonability of a percentage-based fee. (*Laffitte v. Robert Half Int'l, Inc.*, *supra*, 1 Cal.5th at p.
4 489.) Law firms that obtain exceptional results expect those results to be reflected in their fees.

5 The results obtained are reasonable as Plaintiffs' Counsel obtained a settlement without
6 the need for extended litigation. If this case went to trial, there was no guarantee the trial would
7 have been short or either party would have prevailed. Even if the Parties had reached a similar
8 settlement, it would have been undercut by additional expenses incurred. Resolution of this dispute
9 at this stage is preferred as the Parties were moving to the phase where significant time and money
10 would inevitably have to be spent to prepare for trial.

11 By avoiding the uncertainties associated with conducting trial and Defendant's responses
12 to the allegations, Plaintiffs' Counsel also obtained those results more quickly and surely than if
13 the matter had been litigated to final resolution. Under the law, this factor also supports the
14 requested fee. (*Lealao v. Beneficial Cal., Inc.*, *supra*, 82 Cal.App.4th at p. 51.)

15 **2. The Risks Taken**

16 Whether or not representation is provided on a contingency basis is an important factor:

17 A contingent fee must be higher than a fee for the same legal services paid as they
18 are performed [and] [...] compensates the lawyer not only for the legal services he
19 renders but for the loan of those services. A lawyer who both bears the risk of not
20 being paid and provides legal services is not receiving the fair market value of his
21 work if he is paid only for the second of these functions. If he is paid no more,
22 competent counsel will be reluctant to accept fee award cases. (internal quotes and
23 citations omitted)

24 (*Cates v. Chiang* (2013) 213 Cal.App.4th 791, 823.)

25 Plaintiffs executed contingent fee agreements. This meant that no recovery would have
26 equated to no compensation for 260.3 hours of work and \$6,899.76 litigation costs incurred.
27 Moreover, several factors also made this case difficult, thereby contributing to the risks
28 undertaken. These factors included: (1) drafting and propounding formal discovery requests; (2)
 locating and interviewing putative aggrieved employees to corroborate the allegations; (3)
 engaging in motions practice; (4) difficulties in pinning down job responsibilities, wages paid,
 meal and rest breaks taken; (5) number of documents that had to be reviewed and analyzed; (4)

1 shifting wage-and-hour laws; and (6) Defendant’s initial firm resistance to the relief.¹⁴

2 Finally, Plaintiffs’ Counsel took on this case on a contingent basis. Attorneys being paid on
3 an hourly basis as opposed to being paid on a contingent basis are assuming less risks. (See e.g.
4 *Ketchum v. Moses* (2001) 24 Cal.4th 1122, 1132-1133.) The contingent risks undertaken is a major
5 factor when determining the percentage of the settlement fund to devote to attorneys’ fees. (See
6 e.g. *Laffitte v. Robert Half Int’l, Inc.*, *supra*, 1 Cal.5th at p. 504 (noting that trial court had carefully
7 considered risks and contingency involved in awarding 33 and 1/3% fee).)

8 **3. The Difficulty of the Litigation**

9 The unsettled nature of the law, factual complexities underlying the policies and practices
10 in place, and other issues made this case complex and difficult. Plaintiffs’ Counsel overcame these
11 obstacles by obtaining a settlement that is fair, adequate, and reasonable. Plaintiffs’ Counsel
12 obtaining a fair settlement despite these roadblocks speaks volumes of their skill and experience.
13 (*Lealao v. Beneficial Cal., Inc.*, *supra*, 82 Cal.App.4th at p. 42 (the “special skill and experience
14 of counsel” is a relevant factor when determining fee award).)

15 Due to the difficulty of this case, Plaintiffs’ Counsel devoted substantial hours to this
16 matter. The Task & Time Chart sets forth the hours, allocating the total time to the tasks required
17 to conclude this lawsuit. As stated in the previous section, this was not a clear-cut case. Plaintiffs’
18 Counsel had to overcome roadblocks and obstacles before they could reach the settlement, which
19 further illustrates the difficulty of this case.¹⁵

20 **4. The Skill Displayed and Quality of Work**

21 The level of skill displayed and excellent quality of work it produced also justify the
22 requested fee. Plaintiffs’ Counsel are skilled and experienced representatives and class action
23 wage-and-hour litigators, and the Task & Time Chart further illustrates this assertion.

24 Plaintiffs’ Counsel used the pre-mediation time period to investigate the veracity, strength,
25 and scope of the PAGA claim and to prepare for representative adjudication. This included: (1)

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27 ¹⁴ (Han Decl., *supra*, at ¶¶ 31-34, 37.)

28 ¹⁵ (*Id.* at ¶ 33; Exhibit 3.)

engaging case strategy and analysis; (2) requesting and gathering relevant documents; (3) drafting, reviewing, and revising pleadings, motions, and mediation brief; (4) preparing for and appearing at court proceedings; (5) drafting and propounding formal discovery requests; (6) undertaking calculations of potential damages; (7) preparing for and attending mediation and settlement negotiations; and (8) working with Defendant’s counsel to draft and finalize the Settlement Agreement (and exhibit).¹⁶

Plaintiffs’ Counsel’s accumulated skill and expertise contributed to the Settlement in this case. Under California law, this factor (skills displayed and quality of work) also supports the Attorneys’ Fees Award. (*Lealao v. Beneficial Cal., Inc., supra*, 82 Cal.App.4th at p. 51.)

C. The Lodestar Methodology Justifies Approval of the Requested Fees.

When a common fund is involved, courts may use the lodestar method. A court tasked with cross-checking a percentage-based fee considers the reasonableness of the lodestar figure, which is the time reasonably spent multiplied by the reasonable hourly compensation of the attorneys. (*Serrano v. Priest* (1977) 20 Cal.3d 25, 48.) The court may then adjust, increase, or decrease that figure after considering factors like the novelty and complexity of the issues, skill and expertise, extent the litigation precluded other employment, and risk involved. (*Id.* at p. 49.)

Plaintiffs’ Counsel spent 260.3 hours litigating this matter. Plaintiffs’ Counsel’s hourly rates are supported by the 2022 Real Rate Report that was compiled by Wolter Kluwer that surveyed the hourly rates charged in 2022 by hundreds of attorneys in California. Likewise, Plaintiffs’ Counsel’s hourly rates are in line with the Laffey Matrix.¹⁷

1. Plaintiffs’ Counsel Performed Work for a Reasonable Number of Hours.

Counsel is entitled to compensation for every hour reasonably spent. (*Ketchum v. Moses, supra*, 24 Cal.4th at p. 1133.) Reasonableness is assessed by “the entire course of the litigation, including pretrial matters, settlement negotiations, discovery, litigation tactics, and the trial itself[.]” (*Vo v. Las Virgenes Municipal Water Dist.* (2000) 79 Cal.App.4th 440, 447.)

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¹⁶ (Han Decl., *supra*, at ¶ 15.)

¹⁷ (*Id.* at ¶¶ 33-35; Exhibits 4, 5.)

1 This matter required a significant amount of time and labor. The Task & Time Chart
2 evidences the numerous tasks that were performed to seek all necessary information. The Task &
3 Time Chart further illustrates that Plaintiffs' Counsel spent a reasonable number of hours working
4 on this case, demonstrating the application for the attorneys' fees is reasonable.¹⁸

5 The case involved, among other things, gathering and analyzing data from Defendant and
6 other sources. Plaintiffs' Counsel undertook intense preparation to resolve the entire matter
7 through mediation. These preparations ranged from locating and interviewing putative aggrieved
8 employees, gathering and reviewing a myriad of documents, determining the scope of the
9 Settlement Group, verifying the strengths of the PAGA claim, engaging in motion practice, etc.

10 ***2. The Fees Requested Represent a Reasonable Hourly Rate of Compensation.***

11 Plaintiffs' Counsel's hourly rates are well within the range of rates charged by comparably
12 qualified attorneys in California and the legal profession in general for comparably complex work.
13 By extension, Plaintiffs' Counsel's hourly rates are in line with the Laffey Matrix.¹⁹

14 Based on the attorney time expended, the base lodestar fees calculation is \$191,930,
15 resulting in a negative multiplier of 0.22 when cross-checked to the Attorneys' Fees Award.²⁰

16 **VII. THE LITIGATION COSTS AWARD TO BE REIMBURSED SHOULD BE**
17 **APPROVED**

18 The Settlement Agreement allows for Litigation Costs Award up to \$12,000. Plaintiffs'
19 Counsel incurred \$6,899.76 litigation in costs and expenses. Plaintiffs' Counsel request the Court
20 order reimbursement for these costs and expenses.²¹

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24 ¹⁸ (Han Decl., *supra*, at ¶ 33; Exhibit 3.)

25 ¹⁹ (*Id.* at ¶¶ 34, 35; Exhibits 4, 5.)

26 ²⁰ (*Id.* at ¶¶ 34, 36.)

27 ²¹ (Han Decl., *supra*, at ¶ 37; Exhibit 6.)

1 **VIII. THE ENHANCEMENT PAYMENTS SHOULD BE APPROVED**

2 The purpose of such an award is to incentivize plaintiffs to step into the shoes of the state
3 labor agency and undertake the risks associated with initiating a lawsuit and serving in a
4 representative capacity. (*Bell v. Farmers Ins. Exch.* (2004) 115 Cal.App.4th 715, 726 (“service
5 payments” compensate named plaintiff “for [her] efforts in bringing the action”); *Clark v. Am.*
6 *Residential Servs., LLC* (2009) 175 Cal.App.4th 785, 804 (“an incentive award is appropriate ‘if
7 it is necessary to induce an individual to participate in the suit’”); accord *Ingram v. The Coca-Cola*
8 *Co.* (N.D. Ga. 2001) 200 F.R.D. 685, 694 (internal quotation marks omitted) (“Courts routinely
9 approve incentive awards to compensate named plaintiffs for the services they provided and the
10 risks they incurred during the course of the [...] litigation.”).)

11 The Settlement provides for Enhancement Payments of \$2,500 to each Plaintiff (totaling
12 \$7,500) for their claimed services and contributions on behalf of the Settlement Group. Plaintiffs
13 spent a substantial amount of time and effort in locating and producing relevant documents and
14 past employment records, reviewing relevant documents, and providing the facts and evidence
15 supporting their allegations. Plaintiffs were available whenever needed by Plaintiffs’ Counsel and
16 actively tried to obtain and provide as much information as they could. Plaintiffs spent numerous
17 hours speaking with Plaintiffs’ Counsel about the alleged violations, discussing the work
18 experiences and work environment, helping Plaintiffs’ Counsel develop a strategy to obtain
19 additional documents, aiding Plaintiffs’ Counsel to determine the importance of the documents
20 produced, and reviewing the operative complaints, Defendant’s answer, pleadings, formal
21 discovery requests, and Settlement Agreement (and exhibit). Plaintiffs also made themselves
22 available all day to participate in and assist with mediation.²²

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27 ²² (Han Decl., *supra*, at ¶ 39; Declaration of Parkson Yee (“Yee Decl.”), ¶¶ 6-10;
28 Declaration of Richard Daley (“Daley Decl.”), ¶¶ 6-10; Declaration of Hillel Tran (“Tran
Decl.”), ¶¶ 6-10.)

1 Plaintiffs were advised of and accepted the risks and sacrifices associated with serving as
2 the named plaintiffs. Plaintiffs are also not related to anyone associated with Plaintiffs' Counsel.
3 This is further proof that Plaintiffs' interests are not averse to the Settlement Group Members.²³

4 **IX. THE ADMINISTRATION COSTS SHOULD BE APPROVED**

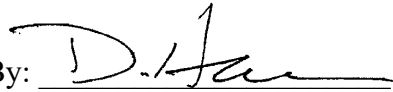
5 The Agreement provides for the payment of Administration Costs of up to \$4,500. The
6 Administration Costs are intended to cover the costs incurred by the Settlement Administrator for
7 performing its duties outlined in the Agreement. Plaintiffs' Counsel have previously worked with
8 the Settlement Administrator and are familiar with its superior reputation and work.²⁴

9 **X. CONCLUSION**

10 The Settlement Agreement is fair, adequate, and reasonable, as it represents a reasonable
11 compromise. Based thereon, Plaintiffs request that the Court approve the Settlement Agreement,
12 including the plan of allocation and distribution of the above-mentioned payments.

13
14 Dated: December 4, 2024

JUSTICE LAW CORPORATION

15 By: 
16 Douglas Han
17 Attorneys for Plaintiffs
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27 ²³ (Han Decl., *supra*, at ¶ 39; Yee Decl., *supra*, at ¶¶ 11-14; Daley Decl., *supra*, at ¶¶ 11-14;
Tran Decl., *supra*, at ¶¶ 11-14.)

28 ²⁴ (Han Decl., *supra*, at ¶ 38.)

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PROOF OF SERVICE
1013A(3) CCP

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 751 N. Fair Oaks Avenue, Suite 101, Pasadena, CA 91103 and my electronic service address is ccastro@justicelawcorp.com

On December 4, 2024, I served the foregoing document described as

**NOTICE OF MOTION AND MOTION FOR APPROVAL OF PRIVATE ATTORNEYS
GENERAL ACT (LABOR CODE § 2698, *ET SEQ.*) SETTLEMENT AGREEMENT;
MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT THEREOF**

for the following case: **Parkson Yee, et al. v. Repairsmith, Inc.**
LWDA/Court Case No.: **LWDA Case No.: CM-906722-22**
LWDA Case No.: CM-910120-22
LWDA Case No.: CM-917376-22
Court Case No.: 34-2022-00331092-CU-OE-GDS
Sacramento County Superior Court

on interested parties in this action by electronically submitting as follows:

State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, California 95814

[X] BY ELECTRONIC SUBMISSION

Pursuant to California Senate Bill No. 836, I caused the documents described above to be electronically submitted by and through the procedure stated on the website of the State of California Labor and Workforce Development Agency.

[X] STATE

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on December 4, 2024, at Pasadena, California.



Christina Castro