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9
10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
11 **FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE**

12 SANDRA MENDIBLES and ROGELIO
13 PAHUA, individually, and on behalf of all
14 others similarly situated,

15 Plaintiffs,

16
17 vs.

18 TARZANA TREATMENT CENTERS, INC.,
19 a California corporation; and DOES 1 through
20 10, inclusive,

21 Defendants

Case No.: 25STCV17287

REPRESENTATIVE ACTION

**DECLARATION OF KANE MOON IN
SUPPORT OF MOTION FOR APPROVAL OF
PAGA SETTLEMENT**

[Filed with (1) Plaintiffs' Notice of Motion and
Motion for Approval of PAGA Settlement, (2)
the Declaration of Plaintiff Mendibles, (3) the
Declaration of Plaintiff Pahua, (4) the Declaration
of Jodey Lawrence, (5) [Proposed] PAGA
Approval Order, and (6) [Proposed] Judgment]

PAGA APPROVAL HEARING

Date: October 16, 2026

Time: 11:00 a.m.

Dept.: 11

Judge: Hon. Bruce Iwasaki

Action filed: June 16, 2025

Trial date: Not set

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I, KANE MOON, declare as follows:

1. I am an attorney at law duly licensed to practice as such before all the Courts of the State of California and am one of the attorneys of record for Plaintiff Sandra Mendibles (“Plaintiff Mendibles”) and Plaintiff Rogelio Pahua (“Plaintiff Pahua”) (collectively, “Plaintiffs”). I have personal knowledge of the facts set forth in this declaration and if called as a witness, I could and would testify competently to them under oath.

2. This declaration is submitted in support of Plaintiffs’ Motion for Approval of PAGA Settlement. Plaintiffs seek approval of a PAGA Settlement Agreement (the “Settlement”) entered into with Defendant Tarzana Treatment Centers, Inc. (“Defendant”) (collectively, Plaintiffs and Defendant are the “Parties”). A true and correct copy of the fully executed Settlement is attached hereto as **Exhibit 1**. Exhibit A to the Settlement contains the Parties’ proposed *Notice of PAGA Settlement and Release of Claims* to be mailed to Aggrieved Employees with Individual PAGA Payments following settlement approval and Defendant’s full settlement funding.

3. The proposed Settlement seeks to resolve all alleged claims for civil penalties pursuant to the California Private Attorneys General Act, Labor Code sections 2698, *et seq.* (“PAGA”). Plaintiffs brought this PAGA action on behalf of themselves and all individuals who were employed by Defendant as hourly, non-exempt employees in California at any time during the PAGA Period (“Aggrieved Employees”). (Settlement, ¶ 1.4.) For purposes of settlement, the “PAGA Period” is June 16, 2024, to September 5, 2026.¹ (*Id.* at ¶ 1.26.)

CASE BACKGROUND AND PROCEDURAL HISTORY

4. Defendant is a non-profit full-service behavioral healthcare organization that provides

¹ The PAGA Period is defined as period commencing on June 16, 2024, and ending on either the date the Court enters an order granting approval of the Settlement, or September 5, 2026 (sixty days from the July 7, 2026 mediation), whichever occurs first, or to the modified end date pursuant to Paragraph 8. (Settlement, ¶ 1.26.) September 5, 2026 is earlier than the date of approval of the Settlement. Accordingly, the PAGA Period is June 16, 2024, to September 5, 2026. The Parties plan to inform the Court before or at the hearing if the escalator clause pursuant to Paragraph 8 of the Settlement is triggered, and, if so, whether the PAGA Period end date will be modified.

1 substance abuse and mental health treatment. Plaintiff Mendibles worked for Defendant from
2 approximately April 2022 to May 2025 as a substance abuse counselor. Plaintiff Pahua worked for
3 Defendant from approximately February 2023 to June 2025 as an operator. Throughout their
4 employment, Plaintiffs were classified as non-exempt and paid on an hourly basis. Plaintiffs contend they
5 and their former coworkers were subjected to the same or similar unlawful labor practices during their
6 employment by Defendant, including failure to pay all wages.

7 5. Plaintiffs' claims for unpaid wages stems from allegations of Defendant's failure to pay
8 employees all minimum, overtime, and sick pay owed, including due to Defendant's alleged failure to
9 compensate employees for off-the-clock work, and Defendant's failure to incorporate all remunerations
10 into the regular rate of pay. Plaintiffs' meal and rest period claims are based on allegations that due to
11 the nature of their work and Defendant's employment practices, employees regularly experienced missed,
12 untimely, or interrupted breaks, and that Defendant failed to provide any premiums for non-compliant
13 rest breaks or all premiums for non-compliant meals. Plaintiffs also allege that Defendant failed to
14 reimburse employees for all reasonable and necessary business expenses incurred, including expenses
15 incurred for the use of employees' personal cellphone for work purposes. Plaintiffs further allege they
16 and other employees did not receive all wages owed at the time of termination nor accurate itemized
17 wage statements due to Defendant's failure to pay all wages and premiums. Accordingly, Plaintiffs allege
18 Defendant is liable for civil penalties under PAGA.

19 6. Because of the foregoing alleged violations of the Labor Code, Plaintiff Mendibles filed a
20 Class Action Complaint on June 16, 2025, alleging Defendant systematically: (1) failed to pay minimum
21 wages, (2) failed to pay overtime compensation, (3) failed to provide meal periods, (4) failed to authorize
22 and permit rest breaks, (5) failure to indemnify necessary business expenses, (6) failed to timely pay final
23 wages at termination, (7) failed to provide accurate itemized wage statements, and (8) engaged in unfair
24 business practices.

25 7. Pursuant to PAGA, on June 15, 2025, Plaintiff Mendibles submitted notice of the alleged
26 Labor Code violations to the California Labor and Workforce Development Agency (the "LWDA"), with
27 certified mail service on Defendant, and paid the required filing fee. On August 22, 2025, Plaintiff Pahua
28 submitted notice of the alleged Labor Code violations to the LWDA, with certified mail service on

1 Defendant, and paid the required filing fee. The true and correct copies of Plaintiffs' PAGA Notices are
2 attached hereto as **Exhibit 2**. The administrative exhaustion period under PAGA expired without the
3 LWDA indicating any intent to investigate the allegations. On September 9, 2025, Plaintiffs filed a First
4 Amended Representative Action Complaint adding Plaintiff Pahua as a named plaintiff and alleging a
5 ninth cause of action for civil penalties under PAGA. Accordingly, Plaintiffs are duly authorized to act
6 as private attorneys general with respect to the PAGA claims involved in this action.

7 8. In compliance with Labor Code section 2699(s)(1), Plaintiffs subsequently submitted to the
8 LWDA a file-stamped copy of the First Amended Complaint containing the Court-assigned case number.
9 To date, the LWDA has not sought to intervene in this action.

10 9. Pursuant to a joint stipulation between the Parties and an order entered by the Court on
11 September 12, 2025, Plaintiffs dismissed the class claims without prejudice based on arbitration
12 agreements, which contained class action waivers and would likely be enforced, and were permitted to
13 amend to add Rogelio Pahua as a plaintiff and to assert PAGA claims. The First Amended Representative
14 Action Complaint, with the remaining representative claims under PAGA, is the operative complaint in
15 the Action (the "Operative Complaint").

16 10. Defendant ardently opposes the merits of this case and denies Plaintiffs' factual
17 allegations. Defendant argues all employees were properly paid for all hours worked and that it did not
18 require or permit employees to work off-the-clock. As for the regular rate claim, Defendant argues there
19 was no issue with paying employees the proper regular rate of pay because any additional remuneration
20 was discretionary and thus, not required to be incorporated into the regular rate of pay. Defendant
21 maintains all employees were provided with the opportunity to take all their code-compliant meal and
22 rest breaks and that missed breaks, if any, were solely the result of employees' voluntary choice. As for
23 the unreimbursed business expenses, Defendant maintains it did not require employees to incur any
24 business-related expenses. To the extent employees received wage statements that were allegedly
25 inaccurate, Defendant argues penalties are not warranted because employees suffered no actual damage
26 or harm as a result. (*See, e.g., Angeles v. U.S. Airways, Inc.* (N.D. Cal. Feb. 19, 2013) No. C 12-05860
27 CRB, 2013 WL 622032, at *10 ["A plaintiff must adequately plead an injury arising from an employer's
28 failure to provide full and accurate wage statements, and the omission of the required information alone

1 is not sufficient.”].) Additionally, Defendant alleges its good-faith belief that it paid all wages precludes
2 the imposition of waiting time penalties because Plaintiffs would be unable to show Defendant’s alleged
3 conduct was done willfully or knowingly. (*See, e.g., Pedroza v. PetSmart, Inc.* (C.D. Cal. June 14, 2012)
4 No. ED CV 11–298 GHK (DTBx), 2012 WL 9506073, *5.) For these reasons, Defendant claims it did
5 not engage in any unfair business practices and denies liability under PAGA. Defendant also maintains
6 the claims are not susceptible to proof on a representative basis because of the individualized and varying
7 nature of each employee’s experience, making this matter unmanageable.

8 DISCOVERY AND INVESTIGATION

9 11. The Parties agreed to mediate the representative PAGA claims. The Parties engaged in
10 informal discovery exchange prior to mediation. Defendant provided information and documents, which
11 enabled Plaintiffs’ Counsel to meaningfully investigate Plaintiffs’ allegations and assess the value of the
12 PAGA claims. Specifically, Defendant produced Plaintiffs’ personnel file and their time and payroll
13 records, documents regarding Defendant’s written policies and practices in effect during the relevant
14 period, and time and corresponding payroll records for approximately 19.1% of all Aggrieved
15 Employees.

16 12. Prior to mediation, Plaintiffs’ Counsel reviewed and analyzed all the information that
17 Defendant produced, including the time/pay records and Defendant’s written policies, in conjunction
18 with information provided by Plaintiffs. Plaintiffs’ Counsel retained an expert to analyze the time/pay
19 records and prepare a damage analysis prior to mediation. The time/pay records contained 78,916 shifts
20 actually worked (approximately 20% of all shifts), which allowed the expert to prepare an analysis with
21 a high degree of certainty. Further, Plaintiffs’ Counsel investigated the applicable law regarding the
22 claims and defenses asserted in this action. Accordingly, Plaintiffs’ Counsel were able to evaluate the
23 probability of success on the merits and Defendant’s monetary exposure. In sum, Plaintiffs and their
24 Counsel’s familiarity with the facts of the case and the legal issues involved allowed them to act
25 intelligently in negotiating the Settlement.

26 SETTLEMENT NEGOTIATIONS AND NOTICE TO THE LWDA

27 13. On July 7, 2026, the Parties participated in a full day of private mediation facilitated by Hon.
28 Carl West (Ret.), an experienced PAGA action mediator. The negotiations were at arm’s length and

1 although conducted in a professional manner, were adversarial. Both sides went into the mediation
2 willing to explore the potential for a settlement of the dispute, but they were also prepared to litigate their
3 position through trial and appeal if a settlement had not been reached. Negotiations were protracted, with
4 extended discussions and instances in which it appeared the Parties would not reach a resolution.
5 Following a full discussion of the strengths and weaknesses of the claims and defenses, the Parties
6 ultimately reached a resolution, the material terms of which are encompassed within the Settlement at
7 issue.

8 14. In reaching a resolution, the Parties recognized that the issues presented in this action are
9 likely only to be resolved with extensive and costly pretrial and trial proceedings, and that further
10 litigation will lead to inconvenience, distraction, disruption, delay, and expense disproportionate to the
11 potential benefits of litigation. Plaintiffs and their Counsel also considered the risk and uncertainty of the
12 outcome inherent in any litigation when determining whether this Settlement was the correct option. In
13 sum, Plaintiffs and their Counsel believe the proposed Settlement is in the best interests of Aggrieved
14 Employees and the LWDA.

15 15. In compliance with Labor Code section 2699(s)(2), notice of settlement and a copy of the
16 proposed Settlement has been submitted to the LWDA along with a copy of Plaintiffs' motion and the
17 hearing date. A true and correct copy of the LWDA's email confirming receipt thereof is attached hereto
18 as **Exhibit 3**. To date, the LWDA has not indicated any objection to the Settlement.

19 KEY TERMS OF SETTLEMENT

20 16. Gross Settlement Amount, Funding, Disbursement, and Uncashed Checks. The Gross
21 Settlement Amount ("GSA") is a non-reversionary \$755,000.00, subject to potential increase under an
22 Escalator Clause and entry of the Court's Approval Order. (Settlement, ¶ 3.1.) Defendant's settlement
23 funding contribution will be transmitted by Defendant to the Administrator no later than fourteen (14)
24 calendar days after the Effective Date. (*Id.* at ¶ 4.1.) Disbursement will occur within 14 calendar days
25 after Defendant fully funds the GSA. (*Id.* at ¶ 4.2.) Any funds remaining uncashed after 180 days from
26 the date of mailing will be distributed in accordance with the requirements of California Code of Civil
27 Procedure section 384. (*Id.* at ¶¶ 4.2.1, 4.2.3.)
28

1 17. Escalator Clause. The GSA was negotiated based on an estimate that as of the date of the
2 Parties' mediation, there are 56,961 aggregate PAGA Pay Periods worked by approximately 1,572
3 Aggrieved Employees. (*Id.* at ¶ 8.) If the actual number of PAGA Pay Periods is ten percent (10%) higher
4 than 56,961, or 62,657, during the PAGA Period, then Plaintiffs shall have the right to request a pro rata
5 increase in the GSA equal to the percentage increase in pay periods above 62,657 (i.e., if the total pay
6 periods increases by twelve percent (12%), then a two percent (2%) increase to the Gross Settlement
7 Amount). (*Id.*) In the alternative, Defendant shall have the option to alter the end date of the PAGA Period
8 to a date before which the pay periods exceed 62,657. (*Id.*) Defendant must inform Plaintiffs of this
9 election in advance of the hearing date on settlement approval. (*Id.*)

10 18. PAGA Enhancement Award. The Settlement includes an Enhancement Award to each
11 Plaintiff in an amount up to \$7,500.00, payable from the GSA. (*Id.* at ¶ 3.2.1.) This payment is in
12 recognition of the Plaintiffs' service to the Aggrieved Employees. (*Id.* at ¶ 1.14.) If the Court awards less
13 than the amount requested, any amount not awarded will become part of the Net Settlement Amount for
14 distribution to Aggrieved Employees. (*Id.* at ¶ 1.18.)

15 19. PAGA Counsel Fees and Litigation Expenses Payments. The Settlement includes attorneys'
16 fees in an amount not to exceed 33 1/3% of the GSA (i.e., \$251,666.67), plus reimbursement for out-of-
17 pocket litigation costs not to exceed \$25,000.00, payable to Plaintiffs' Counsel from the GSA. (*Id.* at ¶
18 3.2.2.) In the event actual costs are less and/or the amount of fees and costs approved by the Court are
19 less than the amounts requested, the difference will be allocated to the Net Settlement Amount. (*Id.* at ¶
20 1.18.) My firm has incurred \$18,384.55 in litigation costs. A true and correct copy of a report showing
21 these costs is attached hereto as **Exhibit 4**.

22 20. Administration Expenses Payment. The Settlement provides an Administration Expenses
23 Payment to the Settlement Administrator, payable from the GSA, in an amount up to \$10,500.00, for its
24 fees and expenses in administering this Settlement. (*Id.* at ¶ 3.2.3.) In the event the amount of actual
25 administration costs is less and/or the amount approved by the Court is less than requested, the difference
26 will be allocated to the Net Settlement Amount. (*Id.* at ¶ 1.18.) The Parties jointly selected Phoenix Class
27 Action Administration Solutions ("Phoenix") as the neutral entity to administer this Settlement. (*Id.* at
28 ¶¶ 1.1, 7.1.) A true and correct copy of Phoenix's bid for \$10,500.00 is attached hereto as **Exhibit 5**.

1 21. Net Settlement Amount. After deducting the PAGA Enhancement Award, PAGA Counsel
2 Fees and Litigation Expenses Payments, and Administration Expenses Payment from the GSA, in the
3 amounts specifically approved by the Court, any difference in the amounts requested and the amounts
4 awarded will be allocated to the Net Settlement Amount as PAGA Penalties. (*Id.* at ¶ 1.18.) Accordingly,
5 the Net Settlement Amount is estimated to be **\$459,448.78**,² which will be distributed 65% (i.e., 65% *
6 \$459,448.78= **\$298,641.71**) to the LWDA and 35% (i.e., 35% * \$459,448.78= **\$160,807.07**) to
7 Aggrieved Employees pursuant to PAGA law governing Plaintiffs' claims.

8 22. Individual PAGA Payments. Each Aggrieved Employee will be entitled to his or her pro rata
9 amount from the 35% share of PAGA Penalties that is directly proportional to the number of pay periods
10 worked in the PAGA Period without having to submit any claim form. (*Id.* at ¶¶ 3.1, 3.2.4.) This results
11 in an average Individual PAGA Payment of roughly **\$102.29** for each of the estimated 1,572 Aggrieved
12 Employees (\$160,807.07 / 1,572), and a PAGA Pay Period value of **\$2.82** for each of the 56,961
13 estimated PAGA Pay Periods (\$160,807.07 / 56,961). Individual PAGA Payments will be allocated to
14 100% penalties for tax purposes. (*Id.* at ¶ 3.2.4.)

15 23. Releases of Claims. Upon approval by the Court of the Settlement and as of the Effective
16 Date, the State of California and all Aggrieved Employees are deemed to release, on behalf of themselves
17 and their respective former and present representatives, agents, attorneys, heirs, administrators,
18 successors, and assigns, the Released Parties from only claims for PAGA penalties that were alleged, or
19 reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA
20 Notice for the duration of the PAGA Period. (*Id.* at ¶ 5.1.) The Aggrieved Employees are only releasing
21 their claims for civil penalties under California Labor Code section 2698, *et seq.*, and are not releasing
22 any other claims. (*Id.*) The "Released Parties" are "Defendant, and its former, present, and future owners,
23 parents, and subsidiaries, and all of its current, former, and future officers, directors, members, managers,
24
25

26 ² The estimated Net Settlement Amount was calculated by deducting the following amounts from the
27 GSA (\$755,000.00): \$7,500.00 for the PAGA Enhancement Award for each Plaintiff, \$18,384.55 for the
28 PAGA Litigation Expenses Payment, \$251,666.67 for the PAGA Counsel Fees Payment, and \$10,500.00 for
the Administration Expenses Payment. (*See* Settlement, ¶ 1.18.)

employees, consultants, partners, shareholders, joint venturers, agents, predecessors, successors, assigns, accountants, insurers, reinsurers, and/or legal representatives.” (*Id.* at ¶ 1.29.)

THE PROPOSED SETTLEMENT IS FAIR AND REASONABLE

24. There can be no doubt that this Settlement is the result of vigorous, adversarial, non-collusive, and arm’s-length negotiations between the Parties. Based on Plaintiffs’ Counsel’s analysis of the arguments and information provided by Defendant, on an expert analysis of the time and pay records, and on information from Plaintiffs, Plaintiffs’ Counsel evaluated Defendant’s both maximum and risk-adjusted potential exposure in preparation for mediation. Although the expert’s analysis revealed that the time and pay records supported several violations by Defendant, those identifiable violations were primarily limited to the regular rate and meal period claims. The records themselves did not provide strong support for the off-the-clock work, rest period, and expense reimbursement claims, and derivative penalties for those claims, as these claims are predominantly testimony based. In other words, Plaintiffs’ analysis revealed that certain claims were not as strong as originally believed.

25. Because Defendant did not require employees to record rest periods, there are no records to establish the rest period claim on the merits. Additionally, there are no records to establish the off-the-clock work claim and reimbursement claim on the merits. Rather, proof of these claims would need to be supported by declarations from Aggrieved Employees regarding missed rest periods, off-the-clock work, and reimbursements as the records themselves cannot demonstrate what breaks were missed, when, and why, what expenses were incurred without reimbursement, and they cannot demonstrate the time, if any, Aggrieved Employees spent working off the clock.

26. Indeed, the maximum exposure figures that were calculated for mediation were based on assumed high violation rates that would not likely be demonstrated at trial, as they assume either the participation of all Aggrieved Employees (which would be difficult given the size of this group), or alternatively, the use of surveys or statistical data as a surrogate (which would still require the participation of a majority of Aggrieved Employees to establish a sound representation of all non-exempt employees). The reality is that many, if not all, employees would be unwilling to participate due to fear of retaliation. However, even assuming those employees would be willing to participate, obtaining such declarations would potentially reveal that each Aggrieved Employee had a different experience. The

1 individualized nature of their employment experience and the numerosity of employees affected present
2 significant risk with manageability and proof on the merits.

3 27. Even as to the regular rate and meal period claims, our analysis found that Defendant's
4 exposure is less than initially believed. While a review of the time and pay records shows a 13.6%
5 violation rate for meal periods, the records also show that many of the violations were accompanied by
6 meal waivers. The records also show that Defendant made some meal premium payments. Defendant
7 argues that its payment of meal premiums and use of meal waivers indicate that it did not intentionally
8 fail to provide Aggrieved Employees with meal breaks. Defendant also argues that many meal breaks
9 were taken and, where a violation appears, it was a result of the Aggrieved Employee voluntarily
10 choosing to forego a meal period, to take it after the end of the fifth hour, or to stop his or her break early
11 to return to work. As to the regular rate issue, Plaintiffs' expert found that only 16.4% of pay periods
12 included overtime and additional compensation, only 20.9% of pay periods included sick pay and
13 additional compensation, and that only 0.8% of pay periods included meal premium and additional
14 compensation. Accordingly, to the extent Defendant failed to incorporate any additional remunerations
15 into the regular rate of pay for purposes of paying overtime, meal premium, and sick pay, which
16 Defendant denies, such failure resulted in minimal underpayment to the Aggrieved Employees.
17 Additionally, the violation rates assume that the bonuses were non-discretionary, which Defendant
18 disputes.

19 28. The likelihood that Defendant could assert viable legal defenses would likely further reduce
20 its overall exposure. For example, the individualized and testimony-intensive nature of the claims could
21 bar manageability of this representative action or otherwise significantly reduce Defendant's overall
22 liability.

23 29. Further, a claim-by-claim penalty calculation is overly optimistic as it presumes Plaintiffs
24 would be able to stack the penalties, although penalty stacking is not expressly permitted by PAGA.
25 Rather, without either (i) a prior finding by the LWDA or a court within the past five years that the
26 employer violated PAGA or (ii) evidence that the employer's conduct was malicious, fraudulent, or
27 oppressive, PAGA only provides for a maximum \$100 penalty for each pay period. (Lab. Code §
28 2699(f)(2)(A)–(B).) Moreover, Plaintiffs' Counsel believe it would be unrealistic to expect the Court to

award the full (penalty-stacked) exposure given the discretionary nature of awarding penalties and given Defendant's defenses, including that any failure to pay premiums, regular rate wages, or for off-the-clock work was not knowingly or willfully done, and additionally, to the extent employees received wage statements that were allegedly inaccurate, employees suffered no actual resulting damage or harm. Moreover, awarding the full penalties amount would likely raise Due Process concerns.

30. For the foregoing reasons, the *realistic* exposure is thus far below the *optimistic* claim by claim estimate.

31. Based on the foregoing, Plaintiffs' Counsel believe it is more reasonable to assess penalties on a \$100.00 civil penalty per pay period basis pursuant to Labor Code § 2699(f)(2)(A) for each of the estimated 56,961 pay periods at issue, as opposed to a claim-by-claim approach. Accordingly, Plaintiffs' Counsel estimate Defendant's maximum PAGA exposure to be **\$5,696,100** (\$100.00 x 56,961). However, based on the discovery, Defendant's arguments at mediation and continued settlement discussions, an understanding that the claims are heavily dependent on the unlikely participation by Aggrieved Employees and their varying employment experience, and other important considerations discussed above, it is reasonable to assume a violation occurred in at most 20% of all pay periods, which results in a realistic (*risk-adjusted*) exposure of **\$1,139,220.00** (\$5,696,100.00 x 20%). As a result, the GSA of \$755,000.00 represents approximately **66%** of the realistic exposure (\$755,000.00 / \$1,139,220.00).

32. The proposed Settlement therefore represents a substantial recovery when compared to the reasonably forecasted recovery. When considering the risks of litigation, the uncertainties involved in continued litigation, the burdens of proof necessary to establish liability, and the probability of appeal, it is clear the GSA of \$755,000.00 is within the "ballpark" of reasonableness, and that settlement approval is appropriate. (*Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 133; *see Munoz v. BCI Coca-Cola Bottling Co. of L.A.* (2010) 186 Cal.App.4th 399, 408–09 [holding that *Kullar* does not require "an explicit statement of the maximum amount the plaintiff class could recover if it prevailed on all its claims," but instead, only an "understanding of the amount that is in controversy and the realistic range of outcomes of the litigation"].)

33. The \$755,000.00 GSA amounts to "genuine and meaningful" relief. This is an excellent

1 result, particularly because, under the Settlement, Aggrieved Employees and the LWDA will receive
2 timely, guaranteed relief and will avoid the risk of not being able to recover anything at all.

3 34. The Settlement is a fair and reasonable resolution that satisfies PAGA's dual statutory
4 purposes of deterrence and punishment, on the one hand, and providing Aggrieved Employees with
5 genuine and meaningful relief, on the other. As a result of this litigation, Defendant has had to hire legal
6 counsel, engage in employee-wide discovery, and participate in mediation. Assuming approval is
7 granted, Defendant will also have to pay civil penalties pursuant to PAGA. Not including its own
8 attorneys' fees and costs, Defendant will pay \$755,000.00 to resolve this matter—of which
9 approximately \$459,448.78 is allocated toward PAGA Penalties and will be distributed as 65% to the
10 LWDA and 35% to Aggrieved Employees, in compliance with PAGA law governing the claims in this
11 Action. (Settlement, ¶ 3.2.4.) This amount represents about 40% of the realistic exposure for the claims
12 (\$459,448.78 / \$1,139,220.00), as discussed above. Additionally, the release obtained under the
13 Settlement does not preclude Aggrieved Employees from pursuing any individual (non-PAGA) claims
14 they may have against Defendant or the other Released Parties. (*See id.* at ¶ 5.1.)

15 35. Plaintiffs' Counsel have conducted a thorough investigation into the facts of the allegations.
16 Based on discovery and on their own independent investigation and evaluation, Plaintiffs' Counsel are
17 of the opinion that the proposed Settlement is fair, reasonable, and adequate. Furthermore, considering
18 all known facts and circumstances, the risk of significant delay, trial risk, appellate risk, the defenses that
19 could be asserted by Defendant on the merits, Plaintiffs' Counsel respectfully submit that the Settlement
20 is in the best interests of the Aggrieved Employees and the State of California.

21 36. Although Plaintiffs' Counsel believe there is merit to Plaintiffs' allegations, they also
22 acknowledge a legitimate controversy exists as to each allegation. Plaintiffs' Counsel also recognize that
23 proving the amounts of penalties owed to each Aggrieved Employee would be an expensive, time-
24 consuming, and uncertain proposition.

25 37. Moreover, Plaintiffs' Counsel are also of the opinion that because the issues here are fairly
26 contested, there is a possibility of the Court not awarding PAGA penalties even if Plaintiffs prevailed on
27 the merits due to the largely discretionary nature of awarding PAGA penalties. In other words, were this
28 matter to go to trial, any award granted would be at the discretion of the Court and subject to a substantial

1 reduction.

2 38. While Plaintiffs' Counsel believe there would be no persuasive grounds to reduce penalties,
3 they recognize that the Court could determine otherwise and significantly reduce any award of penalties.
4 This wide range of potential recovery and additional delays and risks of trial provide justification to settle
5 for a reasonable amount of recovery at this point in the litigation. In all, based on the investigation and
6 analysis of the claims in preparation for mediation, the maximum exposure did not comport with the
7 realistic exposure that Defendant faced, as discussed above.

8 39. Plaintiffs' Counsel took into account the risk of not being able to proceed on a representative
9 basis at all due to the potential manageability issues, the risk of not prevailing at trial, and the risk that
10 even if Plaintiffs prevailed at trial, the penalties would be limited due to the largely discretionary nature
11 of awarding PAGA penalties. The provisions of the Labor Code triggering PAGA penalties in this case
12 include Labor Code sections 203, 210, 226, 1197.1, and 2802. However, PAGA penalties are not
13 mandatory, but rather, permissive. (Lab. Code § 2699(e)(2).) Accordingly, it is entirely possible that even
14 if Plaintiffs would be successful at trial, assuming they are first able to win on the merits regarding their
15 individual claims at arbitration and then defeat the manageability issues presented at litigation by the
16 large number of Aggrieved Employees in this action, Plaintiffs may still be awarded substantially less
17 than what was obtained through the Settlement.

18 40. The Settlement avoids the significant risks, burdens, and the accompanying expense of
19 further litigation. Though the Parties have engaged in a significant amount of investigation, informal
20 discovery, and employee data analysis, they have not completed formal discovery procedures. Moreover,
21 Plaintiffs would have to proceed with arbitration of their individual claims and win on the merits before
22 proceeding with litigation of the representative PAGA claims. Preparation for trial and the prospect of
23 appeals in the wake of any summary judgment ruling would remain for the Parties. As a result, the Parties
24 would incur considerably more attorneys' fees and costs through trial, a lengthy and uncertain process
25 that could result in recovering less than was settled for.

26 THE ENHANCEMENT AWARDS SHOULD BE APPROVED

27 41. Throughout this litigation, Plaintiffs, who were former employees of Defendant, have
28 cooperated immensely with my office and have taken many actions to protect the interests of the State

1 of California and the Aggrieved Employees. Plaintiffs provided valuable information regarding their
2 hours worked, and what duties were performed during those hours. Plaintiffs participated in decisions
3 concerning this action, assisted in preparation for the mediation, and searched for potential witnesses.
4 Before we filed this action, Plaintiffs worked with my office to determine the viability of their claims.
5 Plaintiffs also provided information and documents relating to their employment with Defendant. The
6 information and documentation provided by Plaintiffs were instrumental in establishing the violations
7 alleged in this action, and the recovery provided for under the Settlement would have been impossible to
8 obtain without their participation.

9 42. At the same time, Plaintiffs faced many risks in adding themselves as the PAGA
10 Representative in this matter. Plaintiffs face actual risks with their future employment, as putting
11 themselves on public record in an employment lawsuit could also very well affect their likelihood for
12 future employment. For example, a search of Plaintiffs' name will reveal this action, and as a result,
13 many employers may likely forego hiring Plaintiffs upon learning they sued a former employer.

14 43. In turn, Aggrieved Employees will now be reimbursed civil penalties for wage violations
15 they may have never known about or been willing to pursue on their own. If each Aggrieved Employee
16 would have tried to pursue legal remedies on their own, that would have resulted in each having to expend
17 a significant amount of their own monetary resources and time, not to mention limited judicial resources,
18 which were obviated by Plaintiffs putting themselves on the line on behalf of the Aggrieved Employees
19 and the LWDA. Further, prior to executing the Settlement, Plaintiffs carefully reviewed the document
20 and asked questions to ensure their understanding, including as to the total recovery and releases of
21 claims.

22 44. In the final analysis, this representative action would not have been possible without the aid
23 of Plaintiffs, who put their own time and effort into this litigation and placed themselves at risk for the
24 sake of the State of California and the Aggrieved Employees. The requested enhancement payments to
25 Plaintiffs for their service as the PAGA Representative are relatively small amounts of money
26 considering the time and effort put into the litigation. For all the foregoing reasons, the requested
27 enhancement to Plaintiffs is reasonable.

28 MY EXPERIENCE AND QUALIFICATIONS

1 45. I received a B.A. in History in 1998 from UCLA, and my J.D. from Loyola Marymount Law
2 School in 2006. I became an Active Member of the State Bar of California in June 2007 and have been
3 an Active Member in good standing continuously since then. I have been selected to Super Lawyers each
4 year from 2019 to 2023.

5 46. I co-founded Moon & Yang, APC—now Moon Law Group, PC—in March 2010. My
6 practice is focused exclusively on advocating for the rights of employees in wage-and-hour litigation,
7 almost entirely in class and/or PAGA representative actions.

8 47. For the past decade, I have built my practice to have an emphasis on employment and related
9 civil litigation cases and have both prosecuted and defended employment-related litigation cases. I have
10 been heavily, successfully, and continuously involved in active litigation and trial work, and have
11 conducted bench and jury trials on behalf of both employees and employers in wage-and-hour cases.

12 48. My current billing rate is \$950.00 per hour, which is my usual hourly rate for wage and hour
13 litigations. A \$950 per hour rate is reasonable considering my years of experience practicing in the highly
14 specialized area of employment and labor law and my Laffey Matrix rate (The Laffey Matrix,
15 <http://www.laffeymatrix.com/see.html>, [last visited Sept. 3, 2026].) The Laffey Matrix is a “well-
16 established objective source for rates that vary by experience” used by the District of Columbia. (*In re*
17 *HPL Tech., Inc. Sec. Litig.* (N.D. Cal. 2005) 366 F. Supp 2d 912, 921.) A true and correct copy of the
18 Laffey Matrix is attached hereto as **Exhibit 6**. California Courts have adjusted the Laffey Matrix rate
19 upwards based on “locality pay differentials” and the location of counsel’s office in California to
20 determine whether counsel’s rates are reasonable. (*See, e.g., id.* [applying a 9% upward adjustment to the
21 Laffey Matrix rate based on an approximate difference of 9% between the locality pay differential of the
22 District of Columbia and San Francisco, California, where counsel’s office was located].) To determine
23 the locality pay differential, the Court in *In re HPL Technologies, Inc.* utilized the locality pay
24 differentials within the federal courts. (*Id.* at pp. 921–22.) Using the same method here and based on
25 firm’s location in Los Angeles, California, the current locality pay differential of the Los Angeles-Long
26 Beach area is 36.47% and of the Washington-Baltimore-Arlington area is 33.94%, which results in a
27 difference of approximately 2.53%. (*Compare* Judiciary Salary Plan of Los Angeles-Long Beach, CA,
28 Effective January 12, 2026 *with* Judiciary Salary Plan of Washington-Baltimore-Arlington, Effective

January 12, 2026.) True and correct copies of the Los Angeles-Long Beach and Washington-Baltimore-Arlington salary plans are attached hereto as **Exhibit 7** and **Exhibit 8**, respectively. Based on my 19+ years of experience out of law school, my Laffey Matrix rate with a 2.53% adjustment is \$1,044.78 per hour (\$1,019 Laffey Matrix rate + (2.53% x \$1,019)). Accordingly, my current billing rate of \$950.00 per hour is reasonable.

49. I am experienced in prosecuting and defending employment matters, particularly class actions and PAGA representative actions. My firm has focused a substantial percentage of its practice on wage, hour, and working conditions violations. In addition to the present case, I am also class counsel for other wage and hour class action lawsuits pending in various California counties, including in state and federal courts. The following is a list of some of our recent class action settlements that have received preliminary and final approval: *Aparicio v. Lineage Logistics, LLC* (LASC No. BC722764) (class size approx. 155; lead counsel); *Black v. Mission Healthcare Servs., Inc.* (LASC No. 19STCV04602) (class size approx. 1,000; lead counsel); *Campa v. Bloomingdeals, Inc.* (LASC No. BC700366) (class size approx. 1,500; lead counsel); *Garcia v. Comfy U.S.A. Apparel, Inc.* (LASC No. BC709630) (class size approx. 210; lead counsel); *Gomez v. H Mart Cos., Inc.* (LASC No. BC671525) (class size approx. 2,500; co-counsel); *Jones v. Citiguard, Inc.* (LASC No. BC664890) (class size approx. 587; lead counsel); *Jones v. Fitness Alliance, LLC* (Riverside No. PSC1404079) (class size approx. 1,000; lead counsel); *Lagos v. ThyssenKrupp Elevator Corp.* (LASC No. BC682972) (\$750,000 for 79 class members; lead counsel); *Mark Brulee et al. v. DAL Global Servs., LLC* (C.D. Cal. Dec. 20, 2018, No. CV 17-6433 JVS(JCGx)) 2018 WL 6616659, at *10 (class size approx. 2,650; lead counsel) (in approving my hourly rate in that case, the Court found: “Class Counsel’s declarations show that the attorneys are experienced and successful litigators. Other courts have approved the attorneys’ current rates for the Moon & Yang, APC attorneys”); *Martinez v. Bail Hotline Bail Bonds, Inc.* (LASC No. BC700131) (class size approx. 173; lead counsel); *Montoya v. Golden 1 Credit Union* (Sacramento No. 34-2018-00228252) (class size approx. 1,900; lead counsel); *Onofre v. Caitac Garment Processing, Inc.* (LASC No. BC702283) (class size approx. 750; lead counsel); *Rodriguez v. Rossmoyne, Inc.* (LASC No. BC699137) (class size approx. 220; lead counsel); *Sison v. Cha Hollywood Med. Ctr., L.P.* (LASC No. BC6441 29) (class size approx. 2,100; co-counsel); *Slaughter v. ACA Sec. Stems, LP* (LASC No. BC699137) (class size approx. 300;

lead counsel); *Taylor v. Sherman's Delicatessen & Bakery, LLC* (LASC No. BC722765) (class size approx. 515; lead counsel); *Vargas v. AMS Paving, Inc.* (LASC No. BC722767) (case size approx. 260; lead counsel); *Vertti v. Bagcraft Papercon III, LLC* (LASC No. 19STCV12729) (class size approx. 260; lead counsel); and *Wallick v. Campbell Soup Supply Co., LLC* (San Joaquin No. STK-CV-UOE-2021-0000865) (class size 435; lead counsel).

ALLEN FEGHALI'S EXPERIENCE AND QUALIFICATIONS

50. Allen Feghali is a Senior Partner at Moon Law Group, PC. He received his B.A. in Global and International Studies in 2011 from UC Santa Barbara, and his J.D. from University of La Verne College of Law in 2014. Mr. Feghali became an Active Member of the State Bar of California in December 2014 and has been an Active Member in good standing continuously since then. He was selected by Super Lawyers as a "Southern California Rising Star" in 2020–2023.

51. Mr. Feghali began working at Moon Law Group, PC in May 2015, and his practice has focused on advocating for the rights of employees at the trial-court and appellate level. Prior to approximately June 2018, with the exception of a handful of cases, his practice focused on individual FEHA and wrongful termination claims, as well as individual wage and hour claims. In June 2018, Mr. Feghali became heavily involved in the firm's class and PAGA representative action practice.

52. Mr. Feghali's current billing rate is \$900.00 per hour, which is his usual hourly rate in wage and hour litigations. Based on Mr. Feghali's nearly 12 years of experience, his Laffey Matrix rate with a 2.53% adjustment is \$1,044.78 per hour (\$1,019 Laffey Matrix rate + (2.53% x \$1,019)). (*See* Ex. 6.) As compared to the Laffey Matrix rate and when considering his experience, Mr. Feghali's billing rate of \$900.00 per hour is reasonable.

53. During Mr. Feghali's tenure with Moon Law Group, PC, he has played a critical role in obtaining outstanding results for employees who have been wronged by their employers. Mr. Feghali's litigation experience includes, but is not limited to:

- (a) In March 2021, Mr. Feghali prepared the briefing in the matter of *Rivera, et al. v. Clearpath Federal Credit Union* (LASC No. 19STCV33504), which resulted in a certification order on all causes of action following contested briefing in a wage and hour class action.

- 1 (b) Mr. Feghali prepared the briefing in a contested class certification motion in the
2 matter of *Dawson, et al. v. GoHealth, LLC, et al.* (No. CGC-19-577790), which
3 was granted in part.
- 4 (c) Mr. Feghali prepared the briefing in a contested class certification motion in the
5 matter of *Brown v. NTI-CA, Inc., et al.* (No. 21STCV04397), which is not
6 currently scheduled for hearing.
- 7 (d) Mr. Feghali was part of a team that prepared the briefing in a contested class
8 certification motion in the matter of *Thong, et al. v. Outlook Resources, Inc., et*
9 *al.* (No. 19STCV44400), which was granted, in part, and denied, in part, in
10 October 2022.
- 11 (e) Mr. Feghali prepared the briefing which resulted in a remand order in the matter
12 of *Andrade v. Rehrig Pacific Corp.* (C.D. Cal. April 22, 2020) No. CV 20-1448
13 FMP (RAOx), 2020 WL 1934954, where Defendant removed a wage and hour
14 class alleging that Plaintiff's claims were pre-empted by the Labor Management
15 Relations Act.
- 16 (f) Mr. Feghali briefed, argued, and won the matter of *Lee, et al. v. The Christian*
17 *Herald, U.S.A., Inc.* (Cal. Ct. App. Dec. 12, 2017) No. B266853, 2017 WL
18 6333905, at *1. There, the Court of Appeal reversed a dismissal of an individual
19 defendant following the trial court's granting of a demurrer without leave to
20 amend relating to alter ego allegations.
- 21 (g) Mr. Feghali prepared the briefing which resulted in a remand order in the matter
22 of *Sotelo v. Belfor USA Group, Inc.* (C.D. Cal. Mar. 13, 2018) No. 2:17-cv-
23 09056-RSWL-MRWx, 2018 WL 1352910. Defendants there sought to remove
24 the case based on the inclusion of a "sham defendant," but the court agreed with
25 Mr. Feghali's briefing which argued that the individual defendant, who was
26 alleged to have harassed the plaintiff under FEHA, was a proper defendant.
- 27 (h) Mr. Feghali has been the lead counsel, or co-lead counsel, in individual cases that
28 settled for \$850,000.00, \$375,000.00, and \$250,000.00. In addition to the

foregoing, Mr. Feghali has resolved or assisted in the resolution of approximately 100 cases which has resulted in millions of dollars of unpaid wages being returned to low-wage employees.

- (i) Mr. Feghali was part of a team that prepared the briefing in a contested class certification motion in the matter of *Hernandez v. CR Laurence, Inc., et al.* (No. 20STCV32372), which was granted, in part, and denied, in part, in February 2024.

54. Since June 2018, Mr. Feghali's practice has shifted to almost exclusively representing employees in wage and hour class and PAGA representative actions. His fee has been approved by Courts throughout the state. He has participated as lead, or co-lead counsel, in the litigation and resolution of over 100 wage and hour class actions, including obtaining preliminary and final approval of settlements. A selection of settled cases wherein Mr. Feghali served as lead or co-lead class counsel includes the following: *Barahona v. Methodist Hosp. of Cal.* (No. 20STCV09876) (\$5,000,000); *Vazquez v. St. Mar 2.0 Inc.* (No. 37-2021-00042702-CU-OE-CTL) (\$2,250,000); *Duncan v. Infineon Technologies Americas Corp.* (No. 21STCV16872) (\$2,500,000); *Aquino v. Coast King Packing, LLC* (No. 21CV002448) (\$2,300,000); *Martinez, et al. v. Curative LLC* (No. 21STCV20778) (\$1,500,000); *Calderon v. Installed Building Products* (No. 37-2021-00035844-CU-OE-CTL) (\$1,500,000); *Majdoub v. Argent Hotel Mgmt.* (No. CGC-20-582921) (\$1,800,000); *Fuentes v. Covid Clinic, Inc.* (No. CIVSB2106806) (\$1,526,317.57); *Rahman, et al. v. Gate Gourmet, Inc.* (No. 3:20-cv-03047) (\$3,850,000); *Pagoulatos v. Coast Hills Credit Union* (No. 20CV02801) (\$1,100,000); *Hammers v. Redwood Oil Co., Inc.* (No. SCV-269625) (\$1,180,000); *Cuadras v. R.C. Wendt Painting, Inc.* (No. BC705964) (\$1,400,000); *Zaragoza v. The Roman Catholic Bishop of Fresno* (No. 22CV-00282) (\$1,500,000); *Garcia v. San Jose Water Co.* (22CV396328) (\$1,200,000); *Garcia v. Tri-Valley Plastering, Inc.* (No. 22CECG00591) (\$1,250,000); *Garcia v. Tapia Enter., Inc.* (\$2,137,651 for 507 class members); *Cha v. Center Point, Inc.* (No. CIV2102081) (\$1,000,000); *Sison v. Cha Hollywood Med. Ctr., L.P.* (No. BC644129) (2,137 class members); *Lagos v. ThyssenKrupp Elevator Corp.* (No. BC682972) (\$750,000 for 79 class members); and *Montoya v. Golden 1 Credit Union* (No. 34-2018-00228252) (\$1,250,000).

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1 agreement is enforceable under the Federal Arbitration Act when it includes a
2 contractual waiver of representative claims under PAGA.

- 3 (d) In February 2022, he briefed a motion for class certification in *Brown v. NTI-CA,*
4 *Inc.* (LASC No. 21STCV04397) where Defendant elected to file bankruptcy.
- 5 (e) In September 2021, he fully briefed, argued, and won an Opposition to a Motion
6 for Summary Adjudication in the matter of *Dorsey v. Circa Tile & Stone, Inc.*
7 (LASC Case No: 19STCV08365) where Defendant attempted to release
8 individual claims under PAGA on behalf of each employee who executed a
9 release agreement.
- 10 (f) In May 2021, he fully briefed and won an Opposition to a Motion to Compel
11 Arbitration in the matter of *Morales v. Precision Aerospace Corp.* (Case No:
12 CIV-DS2006541) where Defendant attempted to compel individual arbitration
13 and dismiss class action claims based on Plaintiff's signed arbitration agreement
14 within an employee handbook. There, the matter was settled on a class-wide basis
15 for \$900,000.00.
- 16 (g) In December 2020, he fully briefed, argued, and won an Opposition to a Motion
17 for Summary Judgment in the matter of *Gonzalez v. Lipscomb* (LASC Case No:
18 19STCV10352) where he successfully established triable issues of material facts
19 of whether a general manager of a hotel is considered a joint employer for
20 purposes of liability for wage & hour violations.
- 21 (h) He has participated in the litigation and resolution of approximately 100 wage
22 and hour class actions, including obtaining preliminary and final approval of
23 settlements on the first attempt.

24 JASON KWAK'S EXPERIENCE AND QUALIFICATIONS

25 59. Jason Kwak is an associate attorney at Moon Law Group, PC. Mr. Kwak represents
26 employees in all aspects of employment litigation, including wage and hour class action and
27 representative actions involving claims related to overtime and minimum wages, meal and rest break
28

1 violations, improper wage statements, the California Private Attorneys General Act and unfair business
2 practices.

3 60. Mr. Kwak received his Juris Doctorate from the Dale E. Fowler School of Law at Chapman
4 University. While in law school, he served as a Law Clerk for the Los Angeles County District Attorney's
5 Office. Mr. Kwak is a member in good standing with the California State Bar.

6 61. Mr. Kwak was admitted to the practice of law in May 2025, and his billing rate is \$550.00
7 per hour. Based on Mr. Kwak's experience, his Laffey Matrix rate with a 2.53% adjustment is \$520.85
8 per hour (\$508 Laffey Matrix rate + (2.53% x \$508)). (See Ex. 6.) As compared to the Laffey Matrix rate
9 and when considering his experience, Mr. Kwak's billing rate of \$550.00 per hour is reasonable.

10 PAGA COUNSEL'S EXPERIENCE AND QUALIFICATIONS

11 62. As demonstrated by the foregoing, my office is qualified to handle this litigation because
12 we are experienced in litigating Labor Code and Wage Order violations in individual, class, and
13 representative actions. The attorneys at my office have been appointed as lead or co-lead counsel in
14 numerous wage-and-hour class and/or PAGA actions in state and federal courts by way of motion for
15 settlement approval. Including myself, Moon Law Group, PC is currently comprised of approximately
16 35 attorneys, all of whom are actively and continuously practicing employment litigation, representing
17 almost entirely employee-plaintiffs, in both individual and class and/or PAGA actions, in this Superior
18 Court and other Superior Courts throughout the State, in the Courts of Appeal, and in various federal
19 courts. The attorneys at my firm have a high level of skill, knowledge, and experience in areas of wage-
20 and-hour class and PAGA actions, and labor and employment law generally, the substantive (state and
21 federal) and procedural law of which is frequently evolving.

22 63. Moon Law Group, PC has been engaged in the practice of employment and labor law for
23 over a decade and presently focuses exclusively on plaintiffs' employment law. The firm and its lawyers
24 have tried both bench and jury trials (representing both plaintiffs and defendants) in employment-related
25 matters. As noted above, my firm has been appointed lead or co-lead class counsel in federal and state
26 courts in California. Also, the firm and its lawyers have successfully settled hundreds of cases during
27 that time, including wage-and-hour class and/or PAGA actions.

64. The foregoing experience of myself and other attorneys of Moon Law Group, PC is helpful in assessing the reasonableness of settlements, such as the one at issue here, and from this experience we concluded that this litigation could not have been settled on better terms than provided under the proposed Settlement.

65. I do not believe that I or any other attorneys of my firm have any conflicts of interest with the named Plaintiffs, Aggrieved Employees, or the proposed Administrator. I am not related to Plaintiffs. I respectfully submit that Moon Law Group, PC is competent and well suited to act as PAGA Counsel in this action, and we have and will continue to vigorously represent the interests of the Aggrieved Employees.

REQUEST FOR ATTORNEYS' FEES AND COSTS

66. In line with the Settlement, my firm requests an award of attorneys' fees in an amount of 33 1/3% of the GSA (i.e., \$251,666.67), plus reimbursement for actual litigation costs in the amount of \$18,384.55. (See Settlement, ¶ 3.2.2.)

67. The requested PAGA Counsel Fees Payment can be justified under either the common fund or lodestar method. However, we base the requested award on the common fund method. Nonetheless, the lodestar method can be used to cross-check the reasonableness of the award calculated under the common fund method.

68. The total current lodestar for Moon Law Group, PC is *not less than* the following:

Attorney	Rate	Hours	Lodestar
Kane Moon	\$950.00	25.1	\$23,845.00
Allen Feghali	\$900.00	17.3	\$15,570.00
Enzo Nabiev	\$750.00	32.8	\$24,600.00
Jason Kwak	\$550.00	47.2	\$25,960.00
	Total:	122.4	\$89,975.00

69. There are additional hours devoted to this litigation by the attorneys and legal assistants in my office that are not reflected in the foregoing lodestar, including additional attorney time that will be spent to obtain and monitor approval of the Settlement and requested awards, oversee the settlement

1 administration process and distribution of funds, respond to inquiries, and communicate with Plaintiffs
2 regarding the case. I estimate that my office will commit *no less than* 10 hours, although likely more
3 time, to these additional tasks, which are hours not included in the foregoing lodestar total. My office
4 also bears the risk of taking whatever actions are necessary if Defendant fails to pay. At my \$950.00
5 hourly rate, these additional 10 hours results in a lodestar of **\$9,500.00**.

6 70. “California case law permits fee awards in the absence of detailed time sheets.” (*Wershba v.*
7 *Apple Comp., Inc.* (2001) 91 Cal.App.4th 224, 255.) The Court “should defer to the winning lawyer’s
8 professional judgment as to how much time he was required to spend on the case.” (*Moreno v. City of*
9 *Sacramento* (9th Cir. 2008) 534 F.3d 1106, 1112.) We can provide complete, detailed billing records in
10 the event the Court requests them but would request the opportunity to redact attorney-client privileged
11 information and any other privileged information. As discussed below, application of a positive
12 multiplier is warranted in this case.

13 71. The lodestar method requires the Court to determine a “touchstone” or lodestar figure based
14 on a compilation of time spent and reasonable hourly compensation for each attorney. (*Graham v.*
15 *DaimlerChrysler Corp.* (2004) 34 Cal.4th 553, 579.) Generally, hours are reasonable if they were
16 “reasonably expended in pursuit of the ultimate result achieved in the same manner that an attorney
17 traditionally is compensated by a fee-paying client.” (*Hensley v. Eckerhart* (1983) 461 U.S. 424, 431.)

18 (a) Number of Hours Expended by My Office is Reasonable: As set forth in this declaration,
19 my office expended a significant amount of time litigating the case to achieve an excellent result
20 on behalf of the Aggrieved Employees. To date, my office has spent no less than **122.4 hours**
21 litigating this case. In the event the Court grants settlement approval, my office will spend
22 additional time related to this litigation, including to monitor administration of the settlement
23 after approval, committing no less, although likely more, than **10** hours to those additional tasks.
24 The number of hours that my office has and will devote to this case is reasonable. (*See, e.g.,*
25 *Ketchum III v. Moses* (2001) 24 Cal.4th 1122, 1133 [fee award should be fully compensatory
26 and, “absent circumstances rendering the award unjust, an attorney fee award should ordinarily
27 include compensation for *all* the hours *reasonably spent*”] [emphasis in original]; *Serrano v.*
28 *Unruh* (1982) 32 Cal. 3d 621, 624 [counsel are entitled to compensation for all hours reasonably

expended]; *Hensley, supra*, 461 U.S. at pp. 435–36; *Caudle v. Bristow Optical Co.* (9th Cir. 2000) 224 F.3d 1014, 1028; *Cabrales v. Cty. of L.A.* (9th Cir. 1991) 935 F.2d 1050, 1052–53.)

As discussed above, my office was required to expend considerable time and resources to investigate, litigate, and successfully settle these claims for the benefit of the Aggrieved Employees.

(b) The Attorneys’ Hourly Rates are Reasonable: “[T]he established standard when determining a reasonable hourly rate is the ‘rate prevailing in the community for similar work performed by attorneys of comparable skill, experience, and reputation.’” (*Camacho v. Bridgeport Fin., Inc.* (9th Cir. 2008) 523 F.3d 973, 979 [quoting *Barjon v. Dalton* (9th Cir. 1997) 132 F.3d 496, 502].) This rule applies even when, as here, the attorneys representing a named plaintiff perform the work on a contingent fee basis. (See, e.g., *Robertson v. Fleetwood Travel Trailers of Cal., Inc.* (2006) 144 Cal.App.4th 785, 818; *Blanchard v. Bergeron* (1989) 489 U.S. 87, 96.) These hourly rates are reasonable in light of the significant experience, expertise, and skill my firm brought to this action. Rates are reasonable if they are “within the range of reasonable rates charged by and judicially awarded comparable attorneys for comparable work.” (*Children’s Hosp. & Med. Ctr. v. Bonta* (2002) 97 Cal.App.4th 740, 783.) The trial court may “find hourly rates reasonable based on evidence of other courts approving similar rates.” (*Parkinson v. Hyundai Motor Am.* (C.D. Cal. 2010) 796 F.Supp.2d 1160, 1172.) The attorneys at Moon Law Group, PC are experienced litigators who specialize in employment law, with a substantial wage-and-hour class action practice. The hourly rates of each attorney are also reasonable as compared to their respective Laffey Matrix rates as explained *supra*. Moreover, these rates are not opposed or challenged, and have been approved by other courts, as explained *supra*.

(c) Application of a Multiplier is Warranted: Once this lodestar figure has been determined, the Court may take into account other “enhancement” factors to adjust the lodestar award. As the California Supreme Court has held, contingency fees should be higher than fees for the same legal services paid concurrently with the provision of the services. (*Ketchum III, supra*, 24 Cal.4th at pp. 1132–33; see also *Fischel v. Equitable Life Assurance Soc’y of the U.S.* (9th Cir.

2002) 307 F.3d 997, 1008.) “A lawyer who both bears the risk of not being paid and provides legal services is not receiving the fair market value of his work if he is paid only for the second of these functions. If he is paid no more, competent counsel will be reluctant to accept fee award cases.” (*Ketchum*, 24 Cal.4th at p. 1133.) Application of that rule is particularly appropriate where the case is brought to redress important rights of vulnerable persons. (*Id.*) A risk enhancement is “earned compensation; unlike a windfall, it is neither unexpected nor fortuitous. Rather, it is intended to approximate market-level compensation for such services, which typically includes a premium for the risk of nonpayment or delay in payment of attorney fees.” (*Id.* at p. 1138.) **Multipliers normally range from two to four or higher.** (*Wershba, supra*, 91 Cal.App.4th at p. 255; *see also Vizcaino v. Microsoft Corp.* (9th Cir. 2002) 290 F.3d 1043, 1051, n.6 [“most” common fund cases apply a multiplier of 1.0–4.0]; *Been v. O.K. Indus., Inc.* (E.D. Okla. 2011, No. CIV–02–285–RAW) 2011 WL 4478766, *11 [citing a study “reporting [an] average multiplier of 3.89 in survey of 1,120 class action cases” and finding that a multiplier of 1.22 would be “per se reasonable”].) Factors considered in determining whether a lodestar multiplier is appropriate generally include: (1) the risks presented by the contingent nature of the case; (2) the novelty and difficulty of the questions involved and the skill requisite to perform the legal service properly; (3) the nature of the opposition; (4) the preclusion of other employment by the attorney due to acceptance of the case; and (5) the result obtained and the importance of the lawsuit to the public. (*Serrano v. Ivy Baker Priest* (1977) 20 Cal. 3d 25, 48–49 [hereinafter “*Serrano III*”].) All these factors favor approval of a multiplier along the lines of those approved in the cases above. To date, my office has incurred no less than **\$89,975.00** in attorneys’ lodestar fees, anticipates incurring at least another \$9,500.00 in lodestar fees, and has advanced **\$18,384.55** in actual litigation costs. Thus, after reimbursement of our out-of-pocket expenses, the fee request of \$251,666.67 represents a **2.80** multiplier of the lodestar fees incurred to-date in prosecuting this case.

1) *Risks presented by the contingent nature of the case:* The major consideration in determining the necessity of a multiplier is the contingent nature of the award. (*Ketchum III, supra*, 24 Cal.4th at pp. 1132–33; *see also Fischel, supra*, 307 F.3d

at p. 1008.) In determining what multiplier to award, the probability of success must be assessed *ex ante*, that is, as viewed from the outset of the case. (*See, e.g., Harman v. Lyphomed, Inc.* (7th Cir. 1991) 945 F.2d 969, 976.) Further, the possibility of no recovery is only one of the uncertainties involved in taking on such a case. Other uncertainties are the amount that will be recovered, uncertainty as to the cost, both in effort and expenses, and uncertainty about how much time will pass before the recovery is obtained. (*See, e.g., Ketchum*, 24 Cal.4th at pp. 1132–1133, 1138.) My office’s outlay of time and money in this case has been significant. In all, my office has spent *no less than 122.4* hours to date investigating, analyzing, researching, litigating, and negotiating a favorable resolution of this case, in addition to *a minimum of 10* hours that will be spent following final settlement approval, including to monitor settlement administration and distribution of funds, and has incurred \$18,384.55 in necessary litigation costs. Unsettled legal issues also presented risks to the claims in this case. My office bore the substantial risk of an uncertain outcome in agreeing to prosecute this PAGA action on a contingency fee basis, as well as the difficulties and delay inherent in such litigation. There was the prospect of the enormous cost inherent in PAGA representative action litigation, as well as extensive negotiations with a corporate Defendant who vigorously opposed Plaintiffs’ claims and right to pursue their individual or class action claims in state court. My office risked significant time and expense to ensure a successful settlement. As detailed *supra*, the risks presented in this case were significant, and Defendant’s defenses posed serious risks to the success of this PAGA matter on the merits, assuming we were first successful at proving the merits of Plaintiffs’ individual claims at arbitration. These risks illustrate the recognition by the California Supreme Court in *Ketchum III* that, if multipliers are not awarded to PAGA counsel in the cases that are successfully settled, counsel’s fees are essentially being cut because the lodestar in and of itself would not account for contingent risk.

2) *Difficulty of the questions involved and the skill required:* My office is comprised of skilled attorneys who have had success in wage-and-hour class and PAGA

actions. This case required experienced and competent lawyers, as well as expertise in the issues presented herein. To obtain such an attorney on the free market, a client must pay the market rate. While most class/PAGA actions are complex and involve some risk, my office had to overcome several major obstacles in prosecuting this case, as explained *supra*. Defendant's contentions underscore the risk of prevailing at trial, and any of these obstacles could have prevented recovery completely.

3) *Vigorous opposition by Defendant:* Counsel who skillfully overcome difficult issues or uncompromising opposition in the litigation are entitled to a fee enhancement. (*Serrano III, supra*, 20 Cal.3d at 49.) Here, before eventually agreeing to a settlement, Defendant asserted a vigorous defense and challenged Plaintiffs' ability to litigate their individual and class action claims. The settlement effort was protracted, with extended discussions and instances in which it appeared the Parties would not reach a settlement. Further, proceeding to arbitration, and if successful, then trial would have added years to the resolution of this case because of the difficult legal and factual issues raised and the likelihood of appeals. Indeed, even if Plaintiffs prevailed on the representative PAGA claims at trial, assuming they were first successful at arbitration, Defendant would likely have mounted an appeal.

4) *The extent to which litigation precluded other employment would justify an enhancement:* There are only so many cases that my office can take at any one time. Consequently, there were other meritorious cases presented to my office that would have generated substantial fees, but were declined, during the pendency of this action in order to devote the attention necessary to achieve favorable results.

5) *The result obtained would justify an enhancement:* The results obtained in litigation can properly be used to enhance a lodestar calculation where an exceptional effort produced excellent results. (*Graham, supra*, 34 Cal.4th at p. 582.) Here, the final maximum settlement figure is **\$755,000.00**, which represents about **66%** of the total realistic recovery. Considered against the size of the Aggrieved Employees, the risks posed by continued litigation, and the importance of the employment rights and a speedy

1 recovery, the relief provided under the Settlement represents a very strong result for the
2 Aggrieved Employees and LWDA.

3 6) *The use of a multiplier is permitted in PAGA actions:* PAGA provides
4 that “[a]ny employee who prevails in any action shall be entitled to an award of
5 reasonable attorney’s fees and costs.” (Lab. Code § 2699(k)(1).) Although, PAGA does
6 not provide a specific standard for evaluating attorneys’ fees in connection with a
7 settlement of PAGA claims, California Courts have employed a lodestar analysis and
8 use of multipliers for this purpose. “Where a settlement produces a common fund for the
9 benefit of the entire class, courts have discretion to employ either the lodestar method or
10 the percentage-of-recovery method. . . . To guard against an unreasonable result, the
11 Ninth Circuit encourages district courts to “cross-check[] their calculations against a
12 second method. . . . Accordingly, the Court calculates attorneys’ fees in the instant case
13 using the percentage-of-recovery method and then cross-checks its calculations against
14 the lodestar method.” (*Hermosillo v. Davey Tree Surgery Co.* (N.D. Cal. July 7, 2021)
15 No. 18-CV-00393-LHK, 2021 WL 2826697, at *1 [quoting *In re Bluetooth Headset*
16 *Prods. Liab. Litig.* (9th Cir. 2011) 654 F.3d 935, 942, 944–45].)

17 72. I am informed and believe that the fees and costs provision under the Settlement is
18 reasonable. My office invested significant time and resources into the case, with payment deferred to the
19 end of the case, and then, of course, contingent on the outcome.

20 73. The risk to my office has been very significant, particularly if we would not be successful in
21 pursuing this representative action. In that case, we would have been left with no compensation for all
22 the time taken in litigating this case. Indeed, I have taken on a number of class and/or PAGA action cases
23 that have resulted in thousands of attorney hours being expended and ultimately having the defendant
24 company going bankrupt. The contingent risk in these types of cases is very real and occurs regularly.
25 Furthermore, we were precluded from focusing on, or taking on, other cases which could have resulted
26 in a larger, and less risky, monetary gain.

27 74. Because most individuals cannot afford to pay for legal representation on an hourly basis,
28 Moon Law Group, PC represents virtually all its employment law clients on a contingency fee basis,

1 including Plaintiffs in this action. Pursuant to this arrangement, we are not compensated for our time
2 unless we prevail at trial or our clients' cases are successfully settled. Because Moon Law Group, PC is
3 taking the risk that we will not be reimbursed for our time unless our client settles or wins his or her case,
4 we cannot afford to represent an individual employee on a contingency basis if, at the end of our
5 representation, all we are to receive is our regular hourly rate for services. It is essential that we recover
6 more than our regular hourly rate when we win if we are to remain in practice so as to be able to continue
7 representing other individuals in civil rights employment disputes.

8 75. My office invested significant time and resources into the case, with payment deferred to the
9 end of the case, and then, of course, contingent on the outcome. My office's efforts have included, and
10 will include following an approval order, without limitation, the following:

- 11 a. Numerous interviews with Plaintiffs and review of documents provided by them;
- 12 b. Legal research and investigation regarding the Defendant's practices at numerous points
13 in the litigation;
- 14 c. Preparation and submission of Plaintiffs' PAGA Notices;
- 15 d. Preparation of multiple drafts of the original class action complaint and subsequent
16 amended complaint, as well as finalization and filing of said complaints;
- 17 e. Extensive meet-and-confer discussions with Defendant's counsel regarding the
18 arbitration agreement and the impact on Plaintiffs' class action claims;
- 19 f. Informal discovery activity;
- 20 g. Extensive meet-and-confer discussions with Defendant's counsel regarding mediator
21 selection and production of relevant documents and information in preparation for
22 mediation through informal discovery;
- 23 h. Analysis of Defendant's informal discovery production and preparation of a damages
24 model with the aid of a statistics expert;
- 25 i. Contacting witnesses;
- 26 j. Research and preparation of Plaintiffs' mediation brief;
- 27 k. Attendance and active participation at a full day of mediation;
- 28 l. Drafting, negotiating, and reviewing multiple drafts of the Settlement and its attachment;

- 1 m. Preparation and submission of the instant motion for settlement approval and
2 accompanying filings;
- 3 n. Anticipated preparation for and attendance at the hearing on the motion for approval,
4 monitoring approval of the Settlement and requested awards, and overseeing the
5 administration process and distribution of funds; and
- 6 o. Communications with Plaintiffs throughout the case.

7 76. As of the drafting of this motion, my office has incurred **\$18,384.55** in expenses litigating
8 this action without any reimbursement. These expenses were reasonably necessary to the litigation and
9 were actually incurred by my office. These to-date expenses are summarized as follows:

- 10 (a) “LWDA Fee”: a one-time cost for submitting Plaintiffs’ PAGA Notice to the LWDA;
11 (b) “Journal- Complaint”: the initial case filing fee for initiating Plaintiffs’ action;
12 (c) “Berger Consulting Group”: costs of expert review of discovery for mediation;
13 (d) “JAMS Carl West mediator”: a one-time cost for mediation services;
14 (e) “ACE,” and “Journal”: costs for purchasing court documents, and for filing and serving
15 various documents during this Action.

16 77. We anticipate incurring additional costs up to and after Settlement approval, including filing
17 costs for the approval motion and any notice of entry of approval order and judgment. However, at this
18 time, we are only requesting reimbursement of our to-date costs (\$18,384.55). Moreover, because our
19 costs are below the maximum allocation (\$25,000.00) under the Settlement, the difference (\$25,000.00 -
20 \$18,384.55 = \$6,615.45) will revert to PAGA Penalties. (Settlement, ¶ 1.18.) I respectfully submit that
21 our reimbursement request is fair and reasonable.

22 78. Through the efforts of my office and Plaintiffs in this case, a fair and reasonable resolution
23 has been reached that includes a non-reversionary payment by Defendant of \$755,000.00 to compensate
24 Aggrieved Employees for Defendant’s alleged employment practices. I am informed and believe that,
25 without the efforts of my office or Plaintiffs, the Labor Code and Wage Order violations alleged in this
26 action would have gone completely unremedied.

27 I declare under penalty of perjury under the laws of the State of California that the foregoing is
28 true and correct. Executed on September 4, 2026, at Los Angeles, California.

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Kane Moon