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SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF ORANGE

JULIANNE CRUZ on behalf of herself, all others similarly situated, and on behalf of the general public, Plaintiffs, v. PMAB-8, LLC dba PAUL MARTIN'S AMERICAN GRILL; and DOES 1-100, Defendants.	Case No. 30-2023-01318976-CU-OE-CXC [*Assigned for All Purposes to the Honorable Melissa R. McCormick; Dept. CX104*] **SUPPLEMENTAL BRIEF IN SUPPORT OF PLAINTIFF JULIANNE CRUZ'S MOTION FOR APPROVAL OF PAGA SETTLEMENT** Date: November 19, 2026 Time: 2:00 p.m. Reservation No.: 74848238 Complaint Filed: April 13, 2023 FAC Filed: September 28, 2023 Trial Date: None Set

Plaintiff Julianne Cruz ("Plaintiff") hereby submits this supplemental brief in support of her Motion for Approval of PAGA Settlement.

I. INTRODUCTION

On July 16, 2026, the Court issued a Minute Order on Plaintiff's Motion for Approval of PAGA Settlement and asked for revisions to be made to the settlement documents and for additional information. As outlined below, the Parties have made the revisions requested by the Court. In addition, Plaintiff is providing the Court with the additional information requested. As such, Plaintiff respectfully requests that the Court grant her Motion for Approval of PAGA Settlement.

II. DISCUSSION

a. The Parties have Entered into an Addendum to Joint Stipulation and Settlement Agreement

The Parties entered into an Addendum to Joint Stipulation and Settlement Agreement ("Addendum"). A signed copy of the Parties' Addendum is attached to the Declaration of Jill Vecchi, Esq., in Support of Plaintiff's Supplemental Brief in Support of Motion for Approval of PAGA Settlement ("Vecchi Dec.") as Exhibit 1. A redlined copy of the Addendum showing the revisions made to the paragraphs regarding Administration Costs, Released Claims, and Escalator Provision is attached to the Vecchi Dec. as Exhibit 2. The Parties revised the paragraph on Administration Costs to take out the phrase "or needed by the Settlement Administrator." The Parties also revised the paragraph regarding Released Claims to read:

> **Released Claims**: Each PAGA Aggrieved Employee shall fully release and discharge Defendant and the Released Parties from any and all claims, obligations, demands, rights, causes of action, and liabilities for civil penalties under the PAGA that have been asserted in: (a) Plaintiff's PAGA Letter to the LWDA; (b) the Action; and (c) any amendments to the foregoing (collectively, "Released Claims"). Released Claims include all such claims arising during the PAGA Period.

In addition, the Parties revised the paragraph regarding the Escalator Provision to take out section (b) which allowed Defendant to shorten the release period. The Escalator Provision now reads:

> **Escalator Provision**: It was estimated for purposes of mediation that Aggrieved Employees worked approximately 33,889 pay periods between the start of the PAGA Period and the mediation. As such, this settlement is estimated to encompass approximately 33,889 pay periods. To the extent that the total number of pay

periods increases by more than ten percent (10%) of this estimate, Defendant shall increase the Gross Settlement Amount on a pro-rata basis equal to the percentage increase in the number of pay periods above 10% (for example, if the pay periods increase by 11%, the Gross Settlement Amount will increase by 1%).

b. The Parties have Revised the Notice of PAGA Settlement

The Parties have revised the Notice of PAGA Settlement. A clean version of the revised Notice of PAGA Settlement is attached to the Vecchi Dec. as Exhibit 4. A redlined version showing the changes that were made is attached to the Vecchi Dec. as Exhibit 5. The Parties made the following changes: (1) revised the language in Section 4 regarding the Released Claims to conform with the language in the Addendum; (2) added the acronym "PAGA" in the title of the notice; (3) removed the table of contents; (4) removed the word "expressly" from the fourth paragraph in Section 2; and (5) added a space for the URL of the settlement website in Section 6.

c. The Parties have Revised the Proposed Order

The Parties have revised the Proposed Order Granting Plaintiff Julianne Cruz's Motion for Approval of PAGA Settlement. A redlined version showing the changes that were made is attached to the Vecchi Dec. as Exhibit 7. A clean version is being filed concurrently with this brief. The Parties made the following changes: (1) added a paragraph stating the Gross Settlement Amount (paragraph 5); (2) revised prior paragraph 18 (now paragraph 21) to state that a copy of the Order and Judgment will be posted on the Settlement Administrator's website for at least 180 days; (3) added a paragraph stating that the Court orders the Parties, their Counsel, and the Settlement Administrator to administer the settlement in accordance with the terms of the Settlement Agreement and Addendum (paragraph 13); and (4) added a proposed date for the final accounting hearing (paragraph 17). The Parties also attached as exhibits the to the proposed order the Settlement Agreement and Addendum (Exhibits 1 and 2 to the proposed order) as well as the Notice of PAGA Settlement in English and Spanish (Exhibit 3 to the proposed order).

d. The PAGA Representative Enhancement Payment

Plaintiff respectfully requests that the Court award Plaintiff an amount higher than $2,500 as an enhancement payment. This payment compensates Plaintiff for reputational risk undertaken in bringing the action, her willingness to act as a private attorney general, stress she incurred as a result of filing this lawsuit, the work she has performed in this case, and the benefit to Aggrieved

Employees. It should be noted that Plaintiff has not entered into an individual settlement agreement with Defendant so the only compensation she will be paid – outside of her payment as an Aggrieved Employee – is the enhancement payment.

This payment not only compensates Plaintiff for the work she undertook in this case, but also for the claims and potential claims she may have that she did not bring in lieu of seeking recovery for all Aggrieved Employees. For example, Plaintiff brought this action to seek recourse for other employees instead of filing an individual case on behalf of merely herself. Since the inception of this case, Plaintiff has put other employees' interests ahead of her own. This case was filed on April 13, 2023. Plaintiff may have obtained a monetary recovery years earlier had she brought this action on behalf of only herself. Plaintiff has been a champion for other employees during the years this case has been pending. The enhancement payment compensates Plaintiff for putting the interests of other employees ahead of her own interests and for obtaining a recovery for other employees.

In addition, the modern-day work force is mobile, with employees holding several jobs over the span of their career. Prospective employers in this computer, high-tech age "Google" and/or do extensive background checks and have access to court databases to see if applicants have ever filed a lawsuit or have ever been sued. Here, Plaintiff's conduct will not be lost on a prospective employer who has to choose between an applicant who has never sued an employer and one who has done so. The requested award far from compensates Plaintiff for opportunities she may lose in the future because of the exercise of a Constitutional right to Petition the Courts for redress of a grievance.

It should be noted that service awards or enhancement payments are particularly important to plaintiffs in wage and hour cases because they promote the important public policies underlying the wage and hour laws. This strong policy is codified in California Labor Code § 90.5, which provides that "[i]t is the policy of this state to vigorously enforce minimum labor standards in order to ensure employees are not required or permitted to work under substandard unlawful conditions . . ." Nonetheless, the California Supreme Court has noted that "retaliation against employees for asserting statutory rights under the Labor Code is widespread," despite anti-retaliation statutes

designed to protect employees. *Gentry v. Super. Ct.* (2007) 42 Cal.4th 443, 460–61. In this context, class and/or PAGA representatives should be rewarded for assuming the risk of retaliation for the sake of other employees. *See Frank v. Eastman Kodak Co.* (W.D.N.Y. 2005) 228 F.R.D. 174, 187.

There are few individuals that are willing to act as a PAGA representative and provide the work, diligence, and willingness to assume a substantial financial risk should Defendant have prevailed in this case. Plaintiff's willingness to assume the financial risk is significant. Plaintiff risked a potential judgment taken against her for attorneys' fees and costs if this matter had not been successfully concluded. Case law holds that a losing party is liable for the prevailing party's costs, *Early v. Superior Court*, 79 Cal.App.4th 1420, 1433 (2000), and in some wage and hour actions, for attorneys' fees as well. Though the fee agreement provides that Class Counsel would pay such costs, Plaintiff would nevertheless have had a cost bill entered against her leaving her ultimately liable for potentially hundreds of thousands of dollars in the unexpected possibility that Class Counsel did not meet their obligation to cover those costs. Unfortunately, there have been several judgments entered against class representatives, e.g. *Koehl v. Verio, Inc*. 142 Cal.App.4th 1313, 1328 (2006) (a wage and hour class action where Defendant prevailed at trial, the named plaintiffs were held liable, jointly and severally for the Defendant's attorneys' fees); *Whiteway v. Fedex Kinkos Office & Print Services, Inc.,* 2007 U.S. Dist. LEXIS 95398 (N.D. Cal. 2007) (a wage and hour misclassification case lost on summary judgment, after the case was certified, the named Plaintiff was assessed costs in the sum of $56,788.). The risk of payment of Defendant's costs, in itself alone, is a sufficient basis for an award of the requested enhancement sum. Few individuals are willing to take this risk, and it is clear that Plaintiff, here, championed a cause on behalf of others with potentially huge monetary risks.

Based on the foregoing, the $10,000 enhancement payment to the named Plaintiff is fair, appropriate, and justified in light of the work performed, risks undertaken for payment of fees and costs if this case had not been successfully concluded, stigma on future employment opportunities, and the benefits to all Aggrieved Employees.

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e. Plaintiff's Counsel's Attorney Fee Request

Plaintiff's Counsel respectfully request that the Court award them one-third of the Gross Settlement Amount in attorneys' fees. This case was originally filed as class action. After filing, Defendant brought a motion to compel arbitration. Instead of agreeing to go to arbitration, Plaintiff's Counsel analyzed Defendant's arbitration agreement. It was Plaintiff's Counsel's analysis and arguments regarding the arbitration agreement when meeting and conferring with Defendant that allowed the PAGA claims to proceed forward in this case without being stayed pending an arbitration of Plaintiff's individual claims. Had Defendant's motion gone forward, there was a chance that the case could be compelled to arbitration and no recovery would be obtained for employees. Plaintiff's Counsel's efforts led to the Parties attending a private mediation and provided for the settlement that Plaintiff seeks approval of. Without Plaintiff's Counsel's efforts this settlement may never have occurred.

In addition, equity supports the award of attorney fees. Class and PAGA actions serve the policy goals of efficient judicial management; they set a procedure where one judgment covers all claimants, ensuring the rights of citizens are exonerated, even where their individual claims are relatively small and/or their financial means are lean, such that an attorney would be unlikely to accept the financial risk of an individual representation. *Keating v. Super. Ct*. (1982) 31 Cal. 3d 584, 609 (reversed in part on other grounds). Here, equity supports an award of attorneys' fees of one-third of the Gross Settlement Amount, because without this PAGA action, individual claims would likely never see the light of day, nor compensate employees.

Courts have long recognized the public interest is served by rewarding attorneys who assume representation on a contingent basis with an enhanced fee to compensate them for the risk they might be paid nothing at all for their work. Without the premium incentives for risk, most attorneys would not accept cases on a contingency basis. Thus, a "contingent fee must be higher than a fee for the same legal services paid as they are performed." *Ketchum v. Moses* (Cal. 2001) 24 Cal.4th 1122, 1132-33. Here, Plaintiff's Counsel prosecuted this case on a contingent basis, agreeing to advance all necessary expenses and taking a risk that they would not get paid at all if there is no recovery. Plaintiff's Counsel's outlay of time and money in this case has been

considerable. Plaintiff's Counsel have spent numerous hours investigating, analyzing, researching, litigating, and negotiating a favorable resolution of this case. Plaintiff's Counsel expended these resources despite the risk they may never be compensated at all. Plaintiff's Counsel's "substantial outlay, when there is a risk that none of it will be recovered, further supports the award of the requested fees" here. *In re Omnivision Techs.* (2007) 559 F. Supp. 2d 1036, 1047.

Accordingly, Plaintiff's Counsel respectfully requests that the Court award attorneys' fees in the amount of one-third of the Gross Settlement Amount.

f. The Settlement Administrator's Fee

The settlement administration fee is $7,661. Simpluris provided a prior quote for the administration of the settlement that was $6,651. Thereafter, the Parties added a Spanish translation of the Notice of PAGA Settlement. This increased the quote to $7,661. Plaintiff inadvertently failed to revise the amount for the settlement administration costs in Section II, paragraph d, of the motion. Plaintiff apologizes for this oversight.

III. CONCLUSION

For the reasons stated herein and in Plaintiff's Motion for Approval of PAGA Settlement, Plaintiff respectfully requests that the Court grant Plaintiff's Motion for Approval of PAGA Settlement.

Dated: November 5, 2026

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