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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

ARIELA GONZALEZ-MONTERROZA,
individually, and on behalf of all others
similarly situated,

Plaintiff,

v.

ASCEND HEALTHCARE, LLC, a California
limited liability company; and DOES 1 through
10, inclusive,

Defendants.

Case No.: 25STCV25494

Assigned to Hon. David S. Cunningham III,
Dept. 11

Complaint Filed: August 29, 2025

FAC Filed: December 10, 2025

Trial Date: Not Set

PAGA REPRESENTATIVE ACTION

**PLAINTIFF'S NOTICE OF MOTION
AND MOTION TO APPROVE PAGA
SETTLEMENT**

Approval Hearing Date

Date: September 21, 2026

Time: 11:00 a.m.

Dept.: 11

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

1. **PLEASE TAKE NOTICE** that on September 21, 2026, at 11:00 a.m. in Department 11 of the Spring Street Courthouse, Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012, the Honorable David S. Cunningham III presiding, Plaintiff Ariela Gonzalez-Monterroza (“Plaintiff”) will, and hereby does, move for an order under Labor Code section 2699(1)(2) approving the PAGA Settlement Agreement (the “Settlement” or “Settlement Agreement”) and PAGA Notice Cover Letter (the “Notice”) entered into by Plaintiff and Defendant Ascend Healthcare, LLC (“Defendant”) to settle the above-captioned Private Attorneys General Act (“PAGA”) representative action brought by Plaintiff against Defendant (the “Action”). A true and correct copy of the Settlement Agreement and Notice is attached to the Declaration of Conor J.D. Gomez in Support of Plaintiff’s Motion to Approve PAGA Settlement (the “PAGA Counsel Declaration”) as **Exhibit 2**.

Pursuant to Labor Code § 2699(1)(2), the Settlement requires the Court’s approval. The Settlement provides penalties to “Aggrieved Employees”, defined as all individuals who worked for Defendant as a non-exempt, hourly employee in California from September 2, 2024, to April 30, 2026 (the “PAGA Period”). The Settlement is fair, adequate, and reasonable, and it provides for civil penalties to be distributed to Plaintiff, the Aggrieved Employees, and the California Labor & Workforce Development Agency (“LWDA”).

This motion is based on this Notice, the attached Memorandum of Points and Authorities, the PAGA Counsel Declaration and attached exhibits, as well as the records on file in this action and any argument the Court is presented with at the time of the hearing (the “Motion”).

Respectfully submitted,

Dated: June 3, 2026

WILSHIRE LAW FIRM

By:


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Lauren M. Lenzion
Jennifer M. Leinbach
Alan Wilcox
Conor J.D. Gomez

Attorneys for Plaintiff (“PAGA Counsel”)

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION.

This is a PAGA representative action between Plaintiff, on behalf of the State of California and all Aggrieved Employees and Defendant. Labor Code § 2699 (1)(2) provides that “[t]he superior court shall review and approve any settlement of any civil action filed pursuant to this part. The proposed settlement shall be submitted to the [LWDA] at the same time that it is submitted to the court.” Plaintiff submitted the Settlement Agreement to the LWDA pursuant to Labor Code § 2699 (1)(2). (PAGA Counsel Declaration, ¶ 9, Ex. 3.) A true and correct copy of the Plaintiff’s submission confirmation of the Settlement Agreement and Notice to the LWDA is attached to the PAGA Counsel Declaration as **Exhibit 3**. (*Id.*)

The Parties now seek Court approval of the Settlement. For the reasons discussed in detail below, the Court should issue an order approving the Settlement.

II. FACTUAL AND PROCEDURAL BACKGROUND.

On August 29, 2025, Plaintiff filed a putative wage and hour class action complaint against Defendant for: (1) failure to pay minimum and straight time wages (Labor Code §§ 204, 1194, 1194.2, and 1197); (2) failure to pay overtime wages (Labor Code §§ 1194 and 1198); (3) failure to provide meal periods (Labor Code §§ 226.7 and 512); (4) failure to authorize and permit rest periods (Labor Code § 226.7); (5) failure to timely pay final wages at termination (Labor Code §§ 201-203); (6) failure to provide and maintain accurate and compliant wage records (Labor Code § 226); (7) failure to indemnify employees for expenditures (Labor Code § 2802); and (8) violation of California Business and Professions Code §§ 17200, *et seq.* (PAGA Counsel Decl., ¶ 4.)

On September 2, 2025, Plaintiff provided notice to the LWDA and Defendant of the violations described above, as required by Labor Code § 2699.3(a)(1). (PAGA Counsel Decl., ¶ 5.) Pursuant to Labor Code § 2699.3 (a)(2)(A), the LWDA had 65 calendar days to notify Plaintiff and Defendant whether it intended to investigate the alleged violations, during which time it did not. (*Id.*) A true and correct copy of the PAGA Notice and evidence of Plaintiff’s submission of the PAGA Notice to the LWDA are attached to the PAGA Counsel Declaration as **Exhibit 1**. (*Id.*, Ex. 1.) On December 10, 2025, after exhausting the requisite pre-filing notice period pursuant to

PAGA, Plaintiff filed a first amended complaint against Defendant adding a cause of action for PAGA civil penalties (the "Operative Complaint" or "PAGA Action"). (*Id.*)

After Plaintiff filed the Operative Complaint, the Parties engaged in extensive settlement discussions and informal discovery. (PAGA Counsel Decl., ¶ 7.) Defendant produced a sample of employee timekeeping and payroll data as well as documents reflecting Defendant's policies, practices and procedures during the relevant time period. (*Id.*)

On March 11, 2026, Plaintiff and Defendant engaged in vigorous, arms-length negotiations regarding the resolution of this Action. (PAGA Counsel Decl., ¶ 8.) After an all-day mediation presided over by Lisa Klerman, the Parties ultimately agreed to settle Plaintiff's PAGA claim for \$161,000.00 (the "Gross Settlement Amount"), which will provide significant civil penalties to the LWDA and approximately 305 Aggrieved Employees. (*Id.* at ¶ 9.)

III. ARGUMENT.

PAGA permits an aggrieved employee to sue an employer for civil penalties associated with the employer's alleged violations of the Labor Code. (Labor Code § 2699(a).) Under the statute, of the amount paid to settle a claim for PAGA penalties, thirty-five percent (35%) is payable to the Aggrieved Employees and sixty-five percent (65%) is payable to the LWDA. (Labor Code § 2699 (m)).

A. The Terms of the PAGA Settlement.

Payment Terms

The Settlement provides for Defendant to pay the Gross Settlement Amount. (Settlement, at ¶ 3.1.) If the Court approves the terms of the Settlement, the net settlement amount will be approximately \$75,373.95 (the "Net Settlement Amount"). The Net Settlement is the Gross Settlement Amount *minus* the following:

- a. Up to \$5,000.00 enhancement award to Plaintiff (the "PAGA Representative Service Payment");
- b. \$53,661.30 to PAGA Counsel for their attorneys' fees (the "PAGA Counsel Fees Payment");
- c. \$22,214.75 to PAGA Counsel for attorneys' costs (the "PAGA Counsel Litigation

Expenses Payment”); and

- d. \$4,750.00 to the Phoenix Settlement Administrators, Inc. (the “Administrator”) for their administration costs (the “Administrator Expenses Payment”). A true and correct copy of the Administrator’s bid is attached to the PAGA Counsel Declaration as **Exhibit 3**. (PAGA Counsel Decl., ¶ 16.)

Further, 65% of the Net Settlement Amount, or approximately \$48,993.07, will go to the LWDA and the remaining 35% of the Net Settlement Amount, or approximately \$26,380.88, will be paid to the Aggrieved Employees by (a) dividing the amount of the Aggrieved Employees’ 35% share of PAGA Penalties from the Net Settlement by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period, and (b) multiplying the result by each individual Aggrieved Employee’s PAGA Pay Periods. (*Id.*, Settlement, ¶ 3.2.4.1.)

Administration

The “Effective Date” is the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the date the Court enters Judgment. (Settlement, ¶ 1.11.)

Not later than fifteen (15) days after the Court signs the Approval Order, Defendant will deliver the Aggrieved Employee Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. (Settlement, at ¶ 4.2.) Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than ninety (90) days after the Effective Date. (*Id.* at ¶ 4.3.)

Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database. (Settlement, at ¶ 4.4.1.) The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail. (*Id.*) The face of each check shall prominently

1 state the date (180 days after the date of mailing) when the check will be voided (the “Void
2 Date”). (*Id.*) The Administrator will cancel all checks not cashed by the Void Date. (*Id.*) For
3 any Aggrieved Employee who’s Individual PAGA Payment check is uncashed and canceled
4 after the Void Date, the Administrator shall transmit the funds represented by such checks to
5 California Controller’s Unclaimed Property Fund in the name of the employee. (*Id.* at ¶ 4.4.3.)

6 Releases

7 Released PAGA Claims: “Effective upon Court approval of this Settlement, all Aggrieved
8 Employees, on behalf of themselves and their respective former and present representatives, agents,
9 attorneys, administrators, successors and assigns, are deemed to release all claims for PAGA civil
10 penalties that are alleged or reasonably could have been alleged based on the facts alleged in the operative
11 Complaint and in Plaintiff’s September 2, 2025, PAGA Notice. The Released PAGA Claims are those
12 that accrued during the PAGA Period.” (Settlement ¶ 5.2.)

13 Release by Plaintiff: “Plaintiff on her own behalf and on behalf of Plaintiff’s former and
14 present representatives, agents, attorneys (including PAGA Counsel), administrators,
15 successors and assigns generally, discharges Released Parties from all known and unknown
16 claims Plaintiff may have or claim to have against Defendant as well as Defendant’s members,
17 officers, directors, managerial employees, and agents. In connection with said release, Plaintiff
18 shall waive all rights under California Civil Code section 1542 and any other provision of law
19 that may restrict the release of unknown claims. Plaintiff’s Release does not extend to any
20 claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment
21 benefits, disability benefits, social security benefits, workers’ compensation benefits that arose
22 at any time, or based on occurrences outside the PAGA Period. Plaintiff acknowledges that
23 Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff
24 now knows or believes to be true but agrees, nonetheless, that Plaintiff’s Release shall be and
25 remain effective in all respects, notwithstanding such different or additional facts or Plaintiff’s
26 discovery of them.” (Settlement ¶ 5.1.)

27 **B. The Terms of the PAGA Settlement Are Fair and Should Be Approved.**

28 The settlement of a PAGA claim requires court approval pursuant to the operative PAGA

1 statute, which states that the “court shall review and approve any penalties sought as part of a
2 proposed settlement agreement pursuant to this part.” (Labor Code § 2699 (l).)

3 As with any settlement, the Court must be mindful in conducting its inquiry that a
4 “[s]ettlement is a compromise, which balances the possible recovery against the risks inherent
5 in litigating further.” (*See In re TD Ameritrade Account Holder Litig.* (N.D. Cal. Sept. 13, 2011)
6 2011 WL 4079226, *9.) Indeed, “the very essence of a settlement is ... ‘a yielding of absolutes
7 and an abandoning of highest hopes,’” as “it is the very uncertainty of outcome in litigation and
8 avoidance of wasteful and expensive litigation that induce consensual settlements.” (*See*
9 *Officers for Justice v. Civil Service Com.* (9th Cir. 1982) 688 F.2d 615, 624-25.) As such, “the
10 settlement or fairness hearing is not to be turned into a trial or rehearsal for trial on the merits”
11 or “judged against a hypothetical or speculative measure of what might have been achieved by
12 the negotiators.” (*Id.*)

13 Although the operative PAGA statute does not set forth the criteria by which a PAGA
14 settlement is to be judged, it is presumed that a reviewing court may utilize some of the factors
15 for review of a class action settlement. However, “a PAGA claim asserted on a non-class
16 representative basis...is not considered a class action but a law enforcement action, and
17 therefore does not have to meet the requirements of [a class action].” (*See Casida v. Sears*
18 *Holdings Corp.* (E.D. Cal. Jan. 26, 2012) 2012 WL 253217, *3; *Thomas v. Aetna Health of Cal.,*
19 *Inc.* (E.D. Cal. June 2, 2011) 2011 WL 2173715, *13 ; *Mendez v. Tween Brands, Inc.*, 2010 WL
20 2650571, *4 (E.D. Cal. July 1, 2010).) A court’s review of a PAGA settlement necessarily
21 implicates the following unique features that render the approval process distinct from approval
22 of a class action settlement under Code of Civil Procedure § 382 and California Rules of Court,
23 Rule 3.769.

24 First, in evaluating the adequacy of the settlement amount, the Court’s focus is not
25 concerned with the amount(s) that “aggrieved employees” are to receive, but rather, must focus
26 on the total settlement amount in achieving PAGA’s objective. Indeed, “[t]he remedy sought
27 in a PAGA suit consists of civil penalties, not individual or class damages.” (*Mendez, supra*,
28 2010 WL 2650571 at *4.) “Unlike class actions, these civil penalties are not meant to

1 compensate unnamed employees because the action is fundamentally a law enforcement action.”
2 (*Ochoa-Hernandez v. Cjaders Foods, Inc.* (N.D. Cal. Apr. 2, 2010) 2010 WL 1340777, *4.
3 Moreover, while “[a PAGA] action is ... designed to protect the public and penalize the
4 employer for past illegal conduct,” a reviewing Court must take into account the fact that
5 settlement of a PAGA claim – like any settlement – involves a “compromise” that stops short
6 of rendering findings of liability and damages. (*Mendez*, 2010 WL 2650571 at p. *4) As such,
7 the Court must not lose sight of the fact that “[u]nlike a class action seeking damages or
8 injunctive relief for injured employees, the purpose of PAGA is to incentivize private parties to
9 recover civil penalties for the government that otherwise may not have been assessed and
10 collected by overburdened state enforcement agencies.” (*See Ochoa-Hernandez*, 2010 WL
11 1340777 at p. *4.)

12 Second, consistent with the fact that unnamed employees have no property interest in a
13 PAGA claim,¹ “[u]nnamed employees need not be given notice of the PAGA claim, nor do they
14 have the ability to opt-out of the representative PAGA claim.” (*See Ochoa-Hernandez, supra*,
15 2010 WL 1340777 at p. *4.) This renders the approval process of a PAGA settlement distinct
16 from a class action settlement, as there is no need for the Court to employ the “two-step approval
17 process” required under Federal Rule of Civil Procedure 23(e) and Rule 3.769.²

18 Finally, unlike a class action settlement under Rule 23(e) and Rule 3.769, the scope of
19 release permitted in a PAGA settlement is limited. While “judgment in [a PAGA] action is
20 binding not only on the named employee plaintiff but also on government agencies and any
21 _____

22 ¹ As held by the California Supreme Court, “[t]he Labor Code Private Attorneys General Act of 2004 does
23 not create property rights or any other substantive rights” as “[i]t is simply a procedural statute allowing an aggrieved
24 employee to recover civil penalties—for Labor Code violations—that otherwise would be sought by state labor law
enforcement agencies.” (*Amalgamated Transit Union, Local 1756, AFL-CIO v. Superior Court* (2009) 46 Cal.4th 993,
1003.)

25 ² Significantly, the “two-step” approval process of Rule 23(e) is required to facilitate “notice” to absent class
26 members, as Rule 23(e) expressly requires notice and an opportunity for absent class members to exclude themselves
27 or object. (*See Fed. R. Civ. P. 23(e)*) (“The following procedures apply to a proposed settlement ... (1) The court must
28 direct notice in a reasonable manner to all class members who would be bound by the proposal.... (4) ... the court
may refuse to approve a settlement unless it affords a new opportunity to request exclusion to individual class
members.... (5) Any class member may object to the proposal if it requires court approval under this subdivision”).
Cal. Rule of Court 3.769 contains similar rules for State court class actions.

aggrieved employee not a party to the proceeding...the non-party employees, because they were not given notice of the action or afforded any opportunity to be heard, would not be bound by the judgment as to remedies other than civil penalties.” (*Arias v. Superior Court* (2009) 46 Cal.4th 969, 986-87 .) Thus, with the exception of the named Plaintiff, the scope of a release in a PAGA settlement is necessarily strictly confined to the PAGA penalties alleged in the complaint, and claims that were or could have been alleged pursuant to PAGA based on the factual allegations in the complaint. In the case at hand, as the only claims at issue are PAGA claims, those will be the only claims extinguished as a result of this Settlement, with the exception of Plaintiff’s much broader, general personal release against Defendant.

California courts have a strong policy in favor of settlement. (*See, e.g., Stambaugh v. Superior Court* (1976) 62 Cal.App.3d 231, 236.) Unlike individual settlements, class action settlements (and representative PAGA settlements) involve a court approval process that exists to prevent fraud, collusion, and unfairness to absent individuals. (*Malibu Outrigger Bd. of Governors v. Superior Court* (1980) 103 Cal.App.3d 573, 578-79.) “Despite the fact that ‘a representative action under PAGA is not a class action’[(*Kim v. Reins International California, Inc.* (2020) 9 Cal.App.5th 73, 87)], and is instead a ‘type of qui tam action’ [(*Iskanian v. CLS Transportation Los Angeles, LLC*, (2014) 59 Cal.App.4th 348, 382.)] a standard requiring the trial court to determine independently whether a PAGA settlement is fair and reasonable is appropriate.” (*Moniz v. Adecco USA, Inc.*, (2021) 72 Cal.App.5th 56, 76 (“*Moniz*”) (disapproved on other grounds by *Turrieta v. Lyft, Inc.* (2024) 16 Cal.5th 664).) The trial court must review and approve a PAGA settlement, and the California Supreme Court has observed that the trial court’s approval “ensur[es] that any negotiated resolution is fair to those affected.” (*See id.* (citing *Amaro v. Anaheim Arena Mgmt., LLC* (2021) 69 Cal.App.5th 521, 542-43.) When trial court approval is required for certain settlements in other qui tam actions in this state, the statutory standard is whether the settlement is “fair, adequate, and reasonable under all the circumstances.” (*See Moniz, supra*, at 76-77.) “Because many of the factors used to evaluate class action settlements bear on a settlement’s fairness—including the strength of the plaintiff’s case, the risk, the stage of the proceeding, the complexity and likely duration of further litigation, and the settlement amount—these factors can

1 be useful in evaluating the fairness of a PAGA settlement.” (*Id.*) Thus, when approving a PAGA
2 settlement, the Court can analyze the fairness of a settlement under the same framework as it does
3 for class actions.

4 In the class action context, there is a presumption of fairness of a class action settlement
5 when: (1) the settlement is reached as a result of arm’s length negotiations; (2) there has been
6 sufficient investigation and discovery; (3) counsel is experienced in similar litigation; and (4)
7 the percentage of objectors is small. (*Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794,
8 1802.) Before approving a class action settlement, a trial court must develop an understanding
9 “of the amount that is in controversy and the realistic range of outcomes of the litigation.”
10 (*Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 120.).

11 The Settlement satisfies these factors as detailed below.

12 **1. The Settlement Was Reached Through Arms-Length Bargaining.**

13 As stated above, the Parties reached the Settlement based on sufficient investigation and
14 discovery after an all-day mediation presided over by Lisa Klerman. (PAGA Counsel Decl., at
15 ¶ 8.) PAGA Counsel acted intelligently and effectively in negotiating the proposed Settlement.
16 (*Id.* at ¶ 10.)

17 **2. Plaintiff’s Counsel Have Extensive Experience in PAGA Actions.**

18 Highly capable and experienced counsel conducted the settlement negotiations. PAGA
19 Counsel are respected members of the bar with a strong record of vigorous and effective
20 advocacy for their clients, and they are experienced in handling complex wage and hour class
21 action litigation and PAGA actions. (PAGA Counsel Decl., ¶¶ 36-41.) PAGA Counsel believes
22 this Settlement represents a fair and reasonable resolution. (*Id.* at ¶ 31.)

23 **3. Assessing the Amount In Controversy and the Risks of Trial.**

24 Plaintiff and her counsel remain confident of the merits of Plaintiff’s claims. (PAGA
25 Counsel Decl., at ¶ 11.) With respect to the meal period allegation, Plaintiff alleges that
26 Defendant did not have fully compliant written meal period policies. (*Id.*) Although Plaintiff
27 contends that this allegation is meritorious, there is risk with this underlying claim. (*Id.*) With
28 respect to the rest period allegation, Plaintiff contends that employees, including herself, were

1 not provided with California-compliant rest periods, as employees were often cut short or
2 otherwise interrupted or that employees would be forced to skip rest breaks due to a heavy
3 workload. (*Id.*) Again, despite Plaintiff’s contention that this allegation is credible, proving
4 rest period allegations is particularly difficult because rest periods do not have to be recorded
5 and Defendant can argue that the aggrieved employees chose to voluntarily forego their rest
6 periods. (*Id.*) Defendant also maintains that any alleged wage statement violation could not be
7 shown to be “knowing and intentional,” and that Plaintiff cannot show that she or any other
8 employee “suffer[ed] injury” as a result of the alleged wage statement violations, as required
9 by Labor Code § 226 (e) for the imposition of penalties. (*Id.* at ¶ 12.) Plaintiff recognized there
10 is a legitimate risk of the Court significantly reducing penalties given the technical nature of the
11 alleged violations. (PAGA Counsel Decl., at ¶ 13.)

12 Without this Settlement, the Parties face preparation for trial, as well as extensive formal
13 discovery efforts and further depositions. (PAGA Counsel Decl., at ¶ 13.) As a result, the Parties
14 would incur considerably more attorneys’ fees and costs through trial. (*Id.*) This Settlement
15 avoids those risks and the accompanying expense. (*Id.*) Thus, this factor favors approval.

16 As described above, the proposed Settlement provides a fair and reasonable monetary
17 recovery for the Aggrieved Employees and the LWDA in the face of the contested claims.
18 Plaintiff estimated Defendant’s maximum and realistic liability as follows:

19 PAGA Penalties for Unpaid Wages, Meal Period Violations, Rest Period Violations,
20 and Unreimbursed Business Expenses

21 The Settlement Agreement provides for 5,582 pay periods during the PAGA Period which
22 presented issues with regard to (1) unpaid wages, (2) meal period violations, (3) rest period
23 violations, and (4) unreimbursed business expenses. (PAGA Counsel Decl., at ¶ 14.) Plaintiff
24 acknowledges that when evaluating Defendant’s potential exposure, it is likely that the Court
25 would impose only the initial \$100 violation for all PAGA violations. (*See Amaral v. Cintas Corp.*
26 *No. 2* (2008) 163 Cal.App.4th 1157, 1207 [finding that the “initial” violation rate applies until the
27 employer has been notified that it is violating a Labor Code provision].) Applying the \$100 “initial
28 violation” penalty for each of these 4 violations per pay period, Defendant’s maximum potential

PAGA exposure is \$2,232,800.00 (based on 5,582 pay periods). (*Id.*) However, given the technical nature of proving each of these violations, and in light of a trial court’s ability to prevent stacking of PAGA penalties, PAGA Counsel reduced its estimate by assuming one violation per pay period, yielding \$558,200.00. PAGA Counsel, in their vast experience litigating these complex wage and hour claims, then discounted this amount by 50% given the highly contested nature of the claims, the defenses asserted by Defendant, and the likelihood of success at trial, yielding a realistic maximum recovery of \$279,100.00. (*Id.*; *see also Fleming v. Covidien Inc.* (C.D. Cal., Aug. 12, 2011, No. (OPX)) 2011 WL 7563047, at *4 [reducing PAGA penalties from \$2.8 million to \$500,000]; *Thurman v. Bayshore Transit Management, Inc.* (2012) 203 Cal.App.4th 1112, 1136 [affirming trial court’s finding that awarding maximum PAGA penalties would be unjust].)

The Gross Settlement Amount therefore represents 58% of Plaintiff’s reasonably forecasted total recovery ($\$161,000.00 / \$279,100.00 = 58\%$). (PAGA Counsel Decl., at ¶ 15.) “The fact that a proposed settlement may only amount to a fraction of the potential recovery does not, in and of itself, mean that the proposed settlement is grossly inadequate and should be disapproved.” (*Linney v. Cellular Alaska Partnership* (9th Cir. 1998) 151 F.3d 1234, 1242 [internal quotations omitted].) In this Action, continued litigation would delay payment to the LWDA and the Aggrieved Employees as they await trial and, most likely, appellate proceedings. (*Id.* at ¶ 15.) Furthermore, while Plaintiff is confident in the merits of the case, a legitimate controversy exists as to each of the predicate Labor Code violations. (*Id.*) The possibility that the Court finds no liability at the PAGA bench trial is also a risk. (*Id.*) In sum, when the risks of litigation, the burdens of proof necessary to establish liability, and the probability of appeal of a favorable judgment are balanced against the merits of Plaintiff’s claims, it is clear that the Settlement is fair. (*Id.*) Further, because of the proposed Settlement, the Aggrieved Employees will receive timely, guaranteed relief and will avoid the risk of an unfavorable judgment. (*Id.*) Plaintiff also recognizes that proving the amount of wages due to each employee would be an expensive, time-consuming, and uncertain proposition. (*Id.*)

The average Individual PAGA Payment is estimated to be approximately \$86.49

1 (\$26,380.88 / 305).³ (PAGA Counsel Decl., ¶ 16.)

2 **C. The PAGA Representative Service Payment Is Reasonable.**

3 Plaintiffs in class action lawsuits are eligible for reasonable incentive payments as
4 compensation “for the expense or risk they have incurred in conferring a benefit on other
5 members of the class.” (*Munoz v. BCI Coca-Cola Bottling Company of Los Angeles* (2010) 186
6 Cal.App.4th 399, 412.) Courts also routinely grant approval of PAGA settlement agreements
7 containing additional awards for the class representatives, which are “intended to compensate
8 class representatives for work done on behalf of the class, to make up for financial or
9 reputational risk undertaken in bringing the action, and, sometimes, **to recognize their**
10 **willingness to act as a private attorney general.**” (*Cellphone Fee Termination Cases* (2010)
11 186 Cal.App.4th 1380, 1393-94 [citations omitted] (emphasis added).)

12 The Settlement provides for a PAGA Representative Service Payment to Plaintiff in an
13 amount not to exceed \$5,000.00. (Settlement, ¶ 3.2.1.) The PAGA Representative Service
14 Payment is intended to recognize: (1) the substantial time and effort that Plaintiff has expended
15 on behalf of the State and Aggrieved Employees; (2) the risks faced by Plaintiff as a result of
16 bringing this Action; (3) the fact that Plaintiff put the interests of the State of California and
17 other Aggrieved Employees ahead of her own; and (4) the substantial benefit conferred upon
18 the State and the Aggrieved Employees as a result of Plaintiff’s actions. (PAGA Counsel Decl.,
19 ¶ 17.) Plaintiff has spent numerous hours performing tasks for this Action, including, but not
20 limited to, the following: consulting with PAGA Counsel in-person and over the telephone;
21 searching for and producing relevant documents; reviewing documents produced by Defendant
22 and settlement documents; keeping informed of the developments in the Action; and
23 participating in decisions concerning the case, including settlement. (*Id.* at ¶ 18.) As a result
24 of her efforts, the LWDA and about 305 aggrieved employees will receive compensation for
25 civil penalties for underpaid wages and other wage and hour violations. (*Id.*)

26
27 ³ This estimated average is based on currently available aggregate information and is
28 intended solely to provide the Court with a general approximation; actual individual payments will
be calculated by the Settlement Administrator using employee-specific pay period data and may
differ accordingly.

1 Plaintiff put herself at significant risk in pursuing this Action on behalf of the State, as
2 serving as a Plaintiff in a representative action could affect her prospects for future employment.
3 (*Id.* at ¶ 19.) Plaintiff also placed herself at substantial risk because, if Defendant was to prevail
4 in this Action, Plaintiff could be liable for Defendant’s costs and attorneys’ fees. (*Id.*)

5 In short, this Action would not have been possible without the aid of Plaintiff, who put
6 her own time and effort into this Action, sacrificed the value of her individual claims by entering
7 into a general release of all known and unknown claims, and placed herself at risk for the sake
8 of the State and the Aggrieved Employees, and Defendant will not oppose Plaintiff’s request
9 for the full PAGA Representative Service Payment. (PAGA Counsel Decl., at ¶ 20.)
10 Accordingly, the PAGA Representative Service Payment is reasonable and should be approved
11 by the Court.

12 **D. The Requested PAGA Counsel Fees Payment and PAGA Counsel Litigation**
13 **Expenses Payment Are Reasonable.**

14 A prevailing party in a PAGA action is entitled to recover their attorneys’ fees and costs
15 for their claims. (Cal. Lab. Code § 2699(g) [“Any employee who prevails in any action shall
16 be entitled to an award of reasonable attorney’s fees and costs.”].) A fee award is justified
17 where the legal action has produced its benefits by way of a voluntary settlement. (*See, e.g.,*
18 *Maria P. v. Riles* (1987) 43 Cal.3d 1281, 1290-91; *Westside Community for Independent Living,*
19 *Inc. v. Obledo* (1983) 33 Cal.3d 348, 352-53.)

20 Fee awards of roughly one-third of the settlement fund are routinely awarded in
21 California state and federal courts in class and representative PAGA actions. “[F]ee awards in
22 class actions average around one-third of the recovery.” (*Chavez v. Netflix, Inc.* (2008) 162
23 Cal.App.4th 43, 66, fn. 11 ; *see also, In re Pacific Enterprises Securities Litig.* (9th Cir. 1995)
24 47 F.3d 373, 379 [affirming 33% fee award]; *Williams v. MGM-Pathe Communications Co.* (9th
25 Cir. 1997) 129 F.3d 1026, 1027 [holding that class counsel’s fee award should have been
26 calculated as one-third of the gross settlement fund]; *Chavez v. Saticoy Lemon Ass’n* (Cal.
27 Super. Ct. Ventura Cty. Aug. 10, 2015) Case No. 56-2015-00468600-CU-OE-VTA, 2015 WL
28 5561118 [approving attorneys’ fees of one-third of settlement fund in representative PAGA

1 settlement]; *Clavel v. Lupe's Thousand Oaks Mexican Restaurant, Inc.* (Cal. Super. Ct. Ventura
2 Cty. Mar. 25, 2016) Case No. 56-2015-00467353-CU-OE-VTA, 2016 WL 1601221 [same].)

3 The PAGA Counsel Fees Payment (\$53,661.30, representing one-third of the
4 \$161,000.00 Gross Settlement Amount) is justified because PAGA Counsel achieved a
5 significant monetary recovery for the Aggrieved Employees and the LWDA in an uncertain and
6 risky case while bearing the substantial burdens of representation on a contingency basis, and
7 the fees requested are in line with the market rates described above. (Settlement ¶ 3.2.2) PAGA
8 Counsel expended significant time and resources in litigating this Action, which resulted in a
9 favorable result for the LWDA, Plaintiff, and the Aggrieved Employees. (PAGA Counsel Decl.,
10 ¶ 31.) PAGA Counsel elected to bear the contingency risk of this Action for the benefit of the
11 Aggrieved Employees, as well as for the State of California. (PAGA Counsel Decl., ¶¶ 28-30.)
12 The fact that PAGA Counsel achieved these results without engaging in a protracted legal battle,
13 in the face of serious defense challenges and an uncertain legal landscape, confirms the strength
14 of the results achieved.

15 As discussed above, this Action carried substantial risk as to the merits as well as the
16 potential of the Court drastically reducing penalties in the context of a contested trial or summary
17 judgment proceeding. Accordingly, it is fair and reasonable to account for these risks in
18 compensating PAGA Counsel. Since undertaking this representation, PAGA Counsel has
19 dedicated substantial resources to this Action, including approximately \$22,214.75 in costs,
20 without receiving any compensation to date. (PAGA Counsel Decl., ¶ 32.) PAGA Counsel
21 conducted extensive legal research regarding the merits of Plaintiff's claims, her ability to recover
22 penalties under the PAGA, and Defendant's potential defenses. (*Id.* at ¶ 10.) PAGA Counsel
23 expended significant additional efforts in litigating and settling this Action. (*Id.* at ¶¶ 22-23.)

24 WLF has spent approximately 80.9 hours, for a lodestar of \$64,460.00 litigating this Action
25 to bring it to resolution, not including time which will be expended monitoring the administration
26 of the Settlement and distribution of funds to the Aggrieved Employees. (PAGA Counsel Decl.,
27 ¶¶ 22-23.) Accordingly, the PAGA Counsel Fees Payment is reasonable and fair as it is based on
28 an approximate multiplier of 0.82. This disparity is important to note because when plaintiffs seek

1 an amount in fees that is less than what they actually billed, the requested fee amount is generally
2 considered reasonable. (*Chun-Hoon v. McKee Foods Corp.* (N.D. Cal. 2010) 716 F. Supp. 2d 848,
3 854 [finding that, if the court is asked to apply a negative multiplier, it “suggests the negotiated
4 fee award is a reasonable and fair valuation of the services rendered to the class by Plaintiff’s
5 Counsel.”].) Indeed, there is no reason for the Court to reduce PAGA Counsel’s lodestar with a
6 negative multiplier. (*Roos v. Honeywell Int’l, Inc.* (2015) 241 Cal. App. 4th 1472, 1495 [“a trial
7 court acts appropriately . . . when it accepts in a common-fund case a cap on fees . . . when the
8 application of the cap results in a lower award than would be authorized under the lodestar
9 method.”], disapproved on another ground in *Hernandez v. Restoration Hardware, Inc.* (2018) 4
10 Cal.5th 260.)

11 Given the considerable potential for adverse outcomes in this Action, including, but not
12 limited to, Defendant defeating Plaintiff’s claims on the merits, and/or facing a drastic reduction
13 to potential PAGA penalties, the contingent risk borne by PAGA Counsel was great. The quality
14 of PAGA Counsel’s work, and the efficiency and dedication with which it was performed,
15 should be compensated.

16 PAGA Counsel’s previous experience in litigating similar class and representative
17 actions also supports the reasonableness of the fee request. Plaintiff’s counsel brings extensive
18 plaintiff-side wage-and-hour class, collective, and representative action experience. (PAGA
19 Counsel Decl., at ¶¶ 34-41.) They have been found to be adequate counsel in numerous cases
20 alleging wage and hour claims. (*Id.*) Practice in the narrow field of wage-and-hour litigation
21 requires skill and knowledge concerning the rapidly evolving substantive state and federal law,
22 as well as the procedural law of class and representative action litigation. Because it is
23 reasonable to compensate Plaintiff’s counsel commensurate with its skill, reputation, and
24 experience, the requested PAGA Counsel Fees Payment is reasonable.

25 Plaintiff’s request for reimbursement of actual litigation costs of \$22,214.75 is also fair
26 and reasonable. As the evidence submitted herewith shows, all of Plaintiff’s litigation costs are
27 documented and reasonably incurred. (*See* PAGA Counsel Decl., Ex. 5.)
28

The Administration Expenses Payment in the amount of \$4,750.00 is reasonable, given the tasks to be performed by the Settlement Administrator, including, but not limited to, the following duties: mailing and re-mailing (if necessary) checks to approximately 305 Aggrieved Employees and the LWDA; establishing a qualified settlement fund; preparing and submitting to Aggrieved Employees and government entities all appropriate tax filings and forms; distributing the PAGA Representative Service Payment, PAGA Counsel Fees Payment, and PAGA Counsel Litigation Expenses Payment; keeping the Parties timely apprised of the performance of all obligations under the Agreement; and voiding uncashed or undeliverable checks to issue those funds to California Controller's Unclaimed Property. (PAGA Counsel Decl., ¶ 33; *see also* Settlement, *generally*.) Plaintiff respectfully requests that the Court approve the requested Administration Expenses Payment.

IV. CONCLUSION.

For the reasons set forth above, Plaintiff requests that the Court grant this Motion and approve the Parties' PAGA Settlement.

Respectfully submitted,

Dated: June 3, 2026

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