

FILED
Superior Court of California
County of Los Angeles

04/17/2024

David W. Slayton, Executive Officer / Clerk of Court

By: N. Navarro Deputy

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

IBRAHIM SULTANI, individually and on
behalf of all others similarly situated,

Plaintiff,

vs.

AAI ASSOCIATES, INC., ADAMSON
ASSOCIATES, INC., and DOES 1 through
10, inclusive,

Defendants.

Case No.: 23STCV07165

ORDER GRANTING PLAINTIFF'S
MOTION TO APPROVE PAGA
SETTLEMENT

Date: April 17, 2024

Time: 10:00 a.m.

Dept.: SSC 17

This is an action alleging wage and hour claims by employee Ibrahim Sultani against former employers AAI Associates, Inc. (AAI) and Adamson Associates, Inc. The operative First Amended Complaint alleges causes of action for failures to pay minimum and overtime wages, provide compliant meal and rest periods, reimburse business expenses, timely pay wages due upon separation, and provide accurate itemized wage statements, as well as causes of action for unfair competition in violation of the Unfair Competition Law (Bus. & Prof. Code, § 17200 et seq.), and civil penalties under the Private Attorneys General Act of 2004. (Labor Code, §2698 et seq.)

1 The proposed Amended PAGA Settlement contains the following relevant terms,
2 among others:

- 3 • **Aggrieved Employees:** Persons employed by AAI as entry level architects paid on
4 a salary basis during the PAGA period. (Settlement ¶ 4.3, 1.9.)
- 5 • **PAGA Period:** April 22, 2022 until approval of the settlement. (Settlement ¶
6 1.19.)
- 7 • **Gross Settlement Amount (GSA):** “AAI promises to pay \$55,000.00 and no
8 more.” (Settlement ¶ 3.1.)
- 9 • **Payments:** "PAGA Counsel Fees Payment of up to one-third of the GSA" and
10 "PAGA Counsel Litigation Expenses Payment of not more than \$2,750.00."
11 (Settlement ¶ 3.2.1.) "Administrator Expenses Payment not to exceed \$2,000.00"
12 absent good cause. (Settlement ¶ 3.2.2.) "PAGA Penalties...with 75% allocated to
13 the LWDA Paga Payment and 25% allocated to the Individual PAGA Payments."
14 (Settlement ¶ 3.2.3.)
- 15 • **Net Settlement Amount:** The remainder of the GSA after said allocations,
16 including any amounts not approved for fees or expenses is to be distributed as
17 Individual PAGA Payments. (Settlement, ¶ 1.15, 3.2.) Individual PAGA
18 Payments are calculated by dividing the employees’ 25% share of penalties by the
19 number of pay periods they worked during the PAGA period and multiplying the
20 result by each employee’s number of pay periods. (Settlement, ¶ 3.2.3.1.) The
21 Settlement estimates there are five aggrieved employees. (Settlement, ¶ 4.1.)
- 22 • **Release by Aggrieved Employees:** “Upon tender of the [GSA] to the settlement
23 administrator, the Aggrieved Employees, the State of California, and anyone
24 purporting to act on its behalf, shall release all claims, demands, rights, liabilities
25 and causes of action under PAGA as asserted in the pleadings in the Action and/or
26 the PAGA notice sent to the LWDA dated March 30, 2023 ... that arose during the
27 PAGA Period premised on the facts, claims, causes of action or legal theories as
28 well as all claims, demands, rights, liabilities and causes of action under PAGA that

could have been alleged based on the facts that have been alleged in the pleadings in the Action and the PAGA notice sent to the LWDA...” (Settlement, ¶ 5.1.)

- **Released Parties:** “AAI and ADAMSON, and any of their predecessors, successors, subsidiaries, parents, and affiliates as defined by Corporations Code section 150, and each of their supervisory/managerial employees, managing agents, shareholders, directors, and/or officers.” (Settlement, ¶ 1.26.) The Aggrieved Employees’ release is limited to these parties. (Settlement, ¶ 5.1.)

The Gross Settlement Amount Is Reasonable

The settlement amount is fair, reasonable, and adequate in view of PAGA's purposes to remediate present labor law violations, deter future ones, and to maximize enforcement of state labor laws. The Settlement would provide for substantial recovery for the LWDA and Aggrieved Employees even after payment of attorney’s fees and costs and costs of administration (as discussed below) while avoiding the costs and risks of trial. The Settlement provides for at least \$32,000 in PAGA penalties to be split between the LWDA and five aggrieved employees. Given Plaintiff’s counsel’s representation that it would be difficult to recover even \$25,000 in PAGA penalties if the case goes to trial, the settlement deters future Labor Code violations and is favorable to aggrieved employees in light of the “strength of the plaintiff’s case.

The Requested Attorney’s Fees and Costs Are Reasonable

Plaintiff’s counsel requests one-third of the GSA (\$18,333.33 out of \$55,000.00) in attorney’s fees. This is consistent with the “average” fee award in class actions.

For purposes of a lodestar cross-check Leviant declares the actual reasonable fees incurred are \$25,983.50 based on 12.4 hours of work at \$725 per hour by Kane Moon (\$8,990.00), 17.3 hours of work at \$795 per hour by Leviant (\$13,753.50), and 8.64 hours of work at \$375 per hour by Mariam Ghazaryan (\$3,240.00). (Leviant Decl., ¶ 37.) The requested amount is well below the claimed lodestar and is reasonable here.

1 In addition, Plaintiff's counsel requested reimbursement of \$2,750.00 in costs.
2 (Leviant Decl., ¶ 16(f).) This request is substantiated by the breakdown of litigation costs.
3 (*Id.*, Ex. 2.)

4 **Settlement Administration Charges Are Reasonable and Substantiated**

5 The Settlement provides for no more than \$2,000 in administration costs. Plaintiff
6 substantiated \$1,847.88 for administration costs. (Moore Decl., ¶¶ 16-17, Ex. B (detailed
7 cost breakdown).) Settlement administration charges in that amount are reasonable.

8 **The Amended Release Is Adequate**

9 The amended Release states, "Upon tender of the [GSA] to the settlement
10 administrator, the Aggrieved Employees, the State of California, and anyone purporting to
11 act on its behalf, shall release all claims, demands, rights, liabilities and causes of action
12 under PAGA as asserted in the pleadings in the Action and/or the PAGA notice sent to the
13 LWDA dated March 30, 2023 ... that arose during the PAGA Period premised on the facts,
14 claims, causes of action or legal theories as well as all claims, demands, rights, liabilities
15 and causes of action under PAGA that could have been alleged based on the facts that have
16 been alleged in the pleadings in the Action and the PAGA notice sent to the LWDA..."
17 (Settlement, ¶ 5.1.) This release is proper and adequate.

18 **The Settlement Notice Process Is Adequate**

19 The GSA is to be funded within two weeks of final approval of the Settlement.
20 Two weeks after that, PSA will make all required payments from the GSA and will not
21 prioritize fees and costs over individual disbursements.

22 The Settlement requires PSA to update employees' addresses "using the National
23 Change of Address Database" prior to mailing any checks. (Settlement, ¶ 4.4.1.) If any
24 are returned PSA must attempt to deliver them by either forwarding the returned mail to
25 the affixed forwarding address or conducting an address search for the employee.
26 (Settlement, ¶ 4.4.2.) Any checks successfully mailed will "become null and void" if not
27 cashed within 120 days and will escheat to "to the State of California Unclaimed Wages
28 Fund in the name of the Aggrieved Employee." (Settlement, ¶ 4.4.3.)

1 Aggrieved employees' individual payments will be calculated based on their pay
2 periods worked during the PAGA period. The Settlement now provides a mechanism for
3 an employee to challenge the calculation of their individual payment which is to be
4 explained in the Notice describing the terms of the settlement.

5 **Judgment, Continuing Jurisdiction, and Notice to LWDA**

6 The Settlement provides for the court to retain jurisdiction to enforce the Settlement
7 and supervise its administration following entry of judgment pursuant to Code of Civil
8 Procedure, section 664.6. (Settlement, ¶ 9.1.) Notice is to be given to the LWDA of the
9 Order and Judgment approving the Settlement. (Settlement, ¶ 6.2; Labor Code, §
10 2699(1)(3).)

11 Plaintiff's motion to approve the PAGA settlement is GRANTED.

12 Plaintiff is to file a report regarding payments by October 25, 2024. The court sets a
13 non-appearance case review regarding the filing of a final report regarding payments for
14 October 31, 2024 at 8:30 a.m.

15
16
17 Dated: April 17, 2024

/S/

LAURA A. SEIGLE
JUDGE OF THE SUPERIOR COURT