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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF RIVERSIDE

(UNLIMITED JURISDICTION)

JESSICA GASCON,

Plaintiff,

vs.

OMEGA EXTRUDING CORP. OF CALIFORNIA; and DOES 1 to 25, inclusive,

Defendants.

Case No.: CVRI2305243

[Assigned for all purposes to Honorable Harold Hopp, Judge]

PLAINTIFF'S NOTICE OF MOTION AND MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF UNOPPOSED PAGA APPROVAL MOTION

[Filed Concurrently with Declaration of Harout Messrelian, Declaration of Jessica Gascon, Declaration of Michael Sutherland, and Proposed Order]

Hearing Date: September 16, 2026
Time: 8:30 a.m.
Department: 1
Reservation ID: 273981154894

Complaint Filed: October 3, 2023

TO ALL PARTIES, THE CALIFORNIA LABOR AND WORKFORCE DEVELOPMENT AGENCY, AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on September 16, 2026, at 8:30 a.m., or as soon thereafter as the matter may be heard, in Department 1 of the Riverside County Superior Court, located at 4050 Main St., Riverside, CA 92501, Plaintiff Jessica Gascon ("Plaintiff" or "Gascon") will and hereby does move this Court for an order approving the Private Attorneys General Act (Labor Code § 2698 *et seq*.) Settlement Agreement (the "Agreement" or "PAGA Settlement") and entering the [Proposed] Order and Judgment Approving PAGA Settlement.

The PAGA Settlement is on behalf of Gascon and all persons within the State of California who are or were employed by Defendant Omega Extruding Corp. of California (collectively "Defendant" or "OMEGA") from July 30, 2022, through March 30, 2026, (the "Aggrieved Employees"). Plaintiff alleges that Defendant is liable to her and other Aggrieved Employees for (1) failed to compensate for all hours worked and to pay minimum wages; (2) failed to pay overtime compensation; (3) failed to provide rest breaks; (4) failed to provide meal breaks; (5) failed to timely pay wages due during employment; (6) failed to provide accurate itemized wage statements; (7) failed to keep accurate and complete payroll records; (8) failed to pay wages at the end of employment; (9) failed to reimburse business expenses; and (10) failed to provide accurate sick pay.

The Motion is based on this Notice of Motion, the attached Memorandum of Points and Authorities, the declarations of Harout Messrelian, Jessica Gascon, and Michael Sutherland, the PAGA Settlement, all papers and pleadings on file with the Court in this action, all matters judicially noticeable, and on such oral and documentary evidence as may be presented in connection with the hearing on the Motion.

DATED: June 29, 2026 **MESSRELIAN LAW INC.**

By*/s/Harout Messrelian*
Harout Messrelian, Esq.
Attorney for Plaintiff
Jessica Gascon

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Plaintiff Jessica Gascon ("Plaintiff" or "Gascon") submits this memorandum of points and authorities in support of her motion for approval of the PAGA (Private Attorneys General Act, Labor Code § 2698 *et seq*.) Settlement Agreement (the "Agreement" or "PAGA Settlement")[1] for the civil penalties claim she brought against Defendant Omega Extruding Corp. of California ("Defendant" or "OMEGA") under the Labor Code Private Attorneys General Act of 2004, Labor Code §§ 2698, *et seq.* ("PAGA"). Plaintiff brings this motion because Labor Code section 2699(l) of the PAGA requires Court-approval of any civil penalties sought as part of a proposed settlement agreement. Through this motion, Plaintiff respectfully requests for this Court to approve the PAGA Settlement.

II. FACTUAL AND PROCEDURAL BACKGROUND

Defendant owned and operated a plastic bag manufacturer and extrusion company in Rancho Cucamonga, California. Plaintiff Jessica Gascon ("Plaintiff") was classified as an hourly, non-exempt employee and worked for Defendant at their facility, located at 9614 Lucas Ranch Rd., Rancho Cucamonga, CA 91730 from approximately October 2019 through on or around May 2023. Declaration of Harout Messrelian (hereinafter HM), ¶ 5.

A. Plaintiff's Written Notice to the State of California and Lawsuit

Plaintiff complied with the procedures of Labor Code § 2699.3 for bringing suit under the Labor Code Private Attorneys General Act of 2004, Labor Code §§ 2698, et seq. ("PAGA"). On March 17, 2023, Plaintiff Jessica Gascon on behalf of herself and Defendant's other California non-exempt employees (hereafter collectively the "Aggrieved Employees") gave written notice by electronic service to the California Labor and Workforce Development Agency ("LWDA") and via certified mail to Defendant of their claims against Defendant. In her notice to the LWDA, Plaintiff asserted on behalf of herself and the Aggrieved Employees that Defendant: (1) failed to compensate for all hours worked and to pay minimum wages (Labor Code Sections 1194, 1197, 1197.1); (2) failed to pay overtime compensation (Labor

[1] The PAGA Settlement Agreement in this case has been attached as Exhibit 1 to the Declaration of Harout Messrelian, filed concurrently herein.

Code Section 510); (3) failed to provide rest breaks (Labor Code Section 226.7); (4) failed to provide meal breaks (Labor Code Sections 512, 226.7); (5) failed to timely pay wages due during employment (Labor Code Section 204); (6) failed to provide accurate itemized wage statements (Labor Code Section 226); (7) failed to keep accurate and complete payroll records (Labor Code Section 1174/1174.5); (8) failed to pay wages at the end of employment (Labor Code section 203); (9) failed to reimbursement business expenses (Labor Code section 2800/2802); and (10) failed to provide accurate sick pay (Labor Code section 233/246). Plaintiff filed her initial lawsuit against Defendant on October 3, 2023, in the Superior Court for the State of California, County of Riverside, Case No. CVRI2305243, with one cause of action for PAGA penalties on the same theories as outlined in the PAGA Notice. HM ¶ 6, Ex. 3.

B. Mediation With Mark Lemke and Adrienne Publicover

The Parties had attended a pre-litigation mediation with Mark Lemke on October 3, 2023, which was unsuccessful, and then attended a full-day mediation with experienced mediator Adrienne Publicover on January 28, 2026, wherein the matter was settled. Before agreeing to the terms of the Settlement Agreement, the Parties engaged in extensive informal discovery regarding Defendant’s policies, practices, operations, time and payroll information and other topics. Prior to negotiation, Defendant produced Plaintiff’s personnel file, time and payroll data for Plaintiff, and time records and payroll records for 264 aggrieved employees falling within Plaintiff’s Aggrieved Employees definition and during the applicable PAGA period. Through extensive arm’s length negotiations and only after extensive discovery and investigation were performed, the Parties agreed to settlement terms. HM, ¶ 9.

III. OVERVIEW OF SETTLEMENT

A. “Aggrieved Employees” Definition

The Aggrieved Employees means any person employed by Defendant in California, classified as a non-exempt hourly employee, who worked for Defendant during the PAGA Period, as defined below. The aggrieved group consists of current and former non-exempt or hourly paid employees in California during the relevant period, ¶ 1.4. The PAGA Period means the period of time from July 30, 2022, to March 30, 2026. ¶ 1.19.

B. Monetary Terms of the Settlement

Defendant has agreed to pay a total of $415,000 ("Gross Settlement Amount" or "GSA") to settle the PAGA lawsuit. In consideration for the release of all claims of Plaintiff and the Aggrieved Employees against Defendant (described more fully below), Defendant agreed to pay $415,000 toward the GSA from which all settlement payments for the Net Settlement Amount, Court approved attorneys' fees and costs, Plaintiff's enhancement award, and Settlement Administration Costs shall be paid. Individual PAGA Payments are the Aggrieved Employees' pro rata share of 25% of PAGA penalties based on pay periods. Agreement, ¶¶ 1.11. The GSA will be divided as follows:

1. PAGA Counsel Fees Payment amounting to $138,333.33 (1/3 of the GSA), and PAGA Counsel's Litigation Expenses in the amount of $11,763.42;
2. Enhancement Award to Plaintiff up to $10,000.00.
3. Settlement Administration Costs of $4,990.00 to Apex Class Action Administration Solutions ("Apex" or "Settlement Administrator") to administer the Settlement;
4. Approximately $249,913.25 ("Net Settlement Amount"), divided as follows:
    a. $187,434.94 to the LWDA (75%); and
    b. $62,478.31 to the Aggrieved Employees (25%)

Agreement ¶¶ 3.1, 3.2.

C. Funding and Distribution of the Settlement

Within fifteen (15) days after Preliminary Approval, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. The Administrator must maintain the Aggrieved Employee Data in confidence, use it only for purposes of this Settlement and restrict access to employees who need such access to perform this Agreement. Defendant must promptly supplement any missing or corrected information. Agreement, ¶ 4.2.

Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 30 days after the Effective Date. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, and the PAGA Counsel Fees Payment and Litigation Expenses Payment.

Disbursement of the PAGA Counsel Fees Payment and Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments. Agreement, ¶ 4.3-4.4.

The Administrator will issue checks for the Individual PAGA Payments and send them via First Class U.S. Mail, postage prepaid, with a void date not less than 180 days after mailing. Before mailing, the Administrator must update addresses using the National Change of Address Database. Settlement checks shall have a void date of not less than 180 days, with address updates through the National Change of Address Database. The Administrator must conduct an Aggrieved Employee Address Search for all returned checks without forwarding addresses and re-mail within 7 days. Replacement checks shall be issued upon request before the void date. Agreement, ¶¶ 4.4.1, 4.4.2.

D. <u>Individual PAGA Payments and Uncashed Checks</u>

The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant. For any uncashed, cancelled checks after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee. Uncashed funds may be transmitted to the California Controller's Unclaimed Property Fund in the name of the Payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments beyond those specified in this Agreement. Agreement, ¶¶ 3.1, 4.4.3, 4.4.4.

E. <u>Release of Claims for Plaintiff, Aggrieved Employees, and PAGA Counsel</u>

Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiff and PAGA Counsel will release claims against all Released Parties as follows:.

Release by Plaintiff:

> Plaintiff and her respective former and present representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors and assigns generally release and discharge Released Parties from all claims, transactions or occurrences that occurred during the PAGA Period, including, but not limited to, all claims that were, or reasonably could have been, alleged, based on the facts contained in the operative complaint and the PAGA Notice ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment

> benefits, disability benefits, social security benefits, or workers' compensation benefits outside the PAGA Period. Plaintiff acknowledges that she may discover facts or law different from, or in addition to, those now known but agrees that Plaintiff's Release shall remain effective notwithstanding such differences.

Agreement, ¶ 5.1

Release by Aggrieved Employees:

> All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the operative complaint and the PAGA Notice.

Agreement, ¶ 5.2

Release by PAGA Counsel:

> PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for PAGA fees incurred in connection with the operative complaint and the PAGA Period facts stated in the operative complaint and the PAGA Notice.

Agreement, ¶ 5.3

IV. ARGUMENT

A. Standard for Approval of a PAGA Settlement

The Settlement of a PAGA claim requires court approval. Lab. Code §2699(l)(2). The Court necessarily has broad discretion in making the decision to approve or reject a settlement for civil penalties as the statutory scheme authorizes the Court to determine whether, in certain circumstances, penalties should be assessed and, if so assessed, the appropriate amount of penalties based on the facts and circumstances of the particular case. Lab. Code § 2699(e)(1)-(2). Although the PAGA does not set forth the particular standards against which a PAGA settlement should be evaluated, the LWDA has provided guidance for approval that mirrors the standards for evaluating class action settlements. HM, ¶ 12; *see, e.g., Salazar v. Sysco Cent. Cal., Inc.,* 2017 U.S. Dist. LEXIS 14971, *6, n.4-5 (E.D. Cal. 2017) (stating, based on the LWDA's guidance, that approval of PAGA settlements may be had where the statutory requirements of the PAGA are met and the terms of the settlement are fundamentally fair, reasonable, and adequate). The established standards for evaluating whether class action settlements are fair, reasonable, and adequate provide a familiar, useful framework for the Court to evaluate PAGA settlements and have been adopted by several courts. *Id.*, *see also Juarez v. Villafan,* 2017 U.S. Dist. LEXIS 137205, *5 n.4 (E.D. Cal. 2017) (*citing Officers for Justice v. Civil Serv. Comm'n of City & Cty. of San Francisco,* 688 F.2d 615, 625 (9th Cir. 1982)); *Ramirez v. Benito Valley Farms, LLC,* 2017 U.S. Dist. LEXIS 137272, *8-9 (N.D. Cal. 2017) (citing *Hanlon v. Chrysler Corp.,* 150 F.3d 1011, 1026 (9th Cir. 1998)); *Gutilla v. Aerotek, Inc.,* 2017 U.S. Dist. LEXIS 41655, *7, n.4 (E.D. Cal. 2017); *Smith v. H.F.D. No. 55, Inc.,* 2018 U.S. Dist. LEXIS 67192, *6 (E.D. Cal. 2018); *Rincon v. W. Coast Tomato Growers, LLC,* 2018 U.S. Dist. LEXIS 22886, *6 (S.D. Cal. 2018).

In making the determination whether a settlement taken as a whole is fair, reasonable, and adequate, the Court should be careful to still give "proper deference to the private consensual decision of the parties," since "the court's intrusion upon what is otherwise a private consensual agreement negotiated between the parties to a lawsuit must be limited to the extent necessary to reach a reasoned judgment that the agreement is not the product of fraud or overreaching by, or collusion between, the negotiating parties . . . ." *Hanlon,* 150 F.3d at, 1027. The law favors settlement of lawsuits, particularly complex litigation cases where substantial resources can be conserved by avoiding the time, expense, and rigors of formal litigation. *see Neary v. Regents of Univ. of Cal.,* 3 Cal. 4th 273, 277-81 (1992); *In re Synocor ERISA Litigation,* 516 F.3d 1095, 1101 (9th Cir. 2008); *In re Exec. Life Ins.* Co., 32 Cal. App. 4th 344, 382 (1995).

B. <u>The Settlement Meets the Statutory Requirements of PAGA</u>

PAGA imposes two requirements for the settlement of a PAGA claim. Both are met here. First, any civil penalties recovered, whether by judgment or settlement, must be distributed as follows: 75 percent to the LWDA, and the remaining 25 percent to the aggrieved employees. *see Moorer v. Noble L.A. Events, Inc.*, 32 Cal. App. 5th 736, 742 (2019); Lab. Code § 2699(i). The parties' Settlement so provides. Agreement, ¶¶ 3.2.4. Second, the LWDA must be given notice of the settlement so that it may be heard before the Court decides whether to grant approval. Lab. Code § 2699(l)(2). Here, notice is being given to the LWDA concurrently with the filing of this motion. HM, ¶ 37, Ex. 7. As a result, Plaintiff has met all procedural statutory requirements for settling a PAGA action.

C. **This Court Should Approve the PAGA Settlement Because It Is Fair, Reasonable and Adequate**

To make its determination that the PAGA settlement is fair, reasonable, and adequate, the Court may consider several factors, including: the strength of the Plaintiff's case, the risk, expense, complexity and likely duration of further litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the extent of discovery completed and the stage of the proceedings, and the experience and views of counsel. *Dunk v. Ford Motor Co.*, 48 Cal. App. 4th 1794, 1801 (1996); *Juarez,* 2017 U.S. Dist. LEXIS 137205, *5 n.4; *Ramirez,* 2017 U.S. Dist. LEXIS 137272, *8-9; *Gutilla,* 2017 U.S. Dist. LEXIS 41655, *7, n.4; *Smith,* 2018 U.S. Dist. LEXIS 67192, *6; *Rincon*, 2018 U.S. Dist. LEXIS 22886, *6. However, this Court should begin its analysis with a presumption that the proposed settlement is fair. "A presumption of fairness exists where: (1) the settlement is reached through arm's length bargaining; (2) investigation and discovery are sufficient to allow counsel and the court to act intelligently; (3) counsel is experienced in similar litigation . . . ." *Dunk,* 48 Cal. App. 4th at 1802.

The PAGA Settlement warrants a presumption of fairness for several reasons: (1) The parties reached the Settlement through arm's-length bargaining with the aid of a respected mediator; (2) The parties conducted sufficient investigation and discovery to allow Counsel and the Court to act intelligently. Plaintiff requested and Defendant provided the number Aggrieved Employees, the total number of pay periods during the PAGA Period, all policies in effect during the PAGA Period, and a sampling of time records; and (3) Counsel for the Parties are experienced with PAGA cases. Moreover, neither Plaintiff nor Plaintiff's Counsel have any conflicts of interest with the absent Aggrieved Employees and there are no issues of ascertainability. HM, ¶ 13. For the reasons discussed below, this Court should approve the PAGA Settlement.

1. The PAGA Settlement Is a Result of Extensive, Non-Collusive Arm's Length Negotiations Between the Parties

The Parties had attended a pre-litigation mediation with Mark Lemke on October 3, 2023, which was unsuccessful, and then attended a full-day mediation with experienced mediator Adrienne Publicover on January 28, 2026, wherein the matter was settled. Before agreeing to the terms of the Settlement Agreement, the Parties engaged in extensive informal discovery regarding Defendant's policies, practices, operations, time and payroll information and other topics. Prior to negotiation, Defendant produced Plaintiff's personnel file, time and payroll data for Plaintiff, and time records and payroll records for 264 aggrieved employees falling within Plaintiff's Aggrieved Employees definition and during the applicable PAGA period. Through extensive arm's length negotiations and only after extensive discovery and investigation were performed, the Parties agreed to settlement terms. HM, ¶ 9.

The Parties conducted investigation of the facts and law the lawsuit was filed. Counsel for the Parties have further investigated the applicable law as applied to the facts discovered regarding Plaintiff's claims, the defenses thereto, and the Labor Code violations claimed by Plaintiff. Based on their own independent investigations and evaluations, the Parties and their respective counsel are of the opinion that the Settlement for the consideration and on the terms set forth in this Motion are fair, reasonable and adequate and are in the best interests of Plaintiff, the PAGA Members, and Defendant in light of all known facts and circumstances and the risks inherent in litigation, especially in this post-pandemic era when most California businesses in the multiple industry are still struggling to remain afloat, much less prosper and make a large profit. HM, ¶ 10.

2. The Extent of Investigation and Discovery Completed Provided Ample Information to Enter into an Informed and Reasonable Settlement

Plaintiff considered various sources of information that enabled me to decipher the key issues regarding labor code compliance in this case. HM, ¶ 14. Among other things, Plaintiff considered the following:

- Defendant produced and Plaintiff's counsel reviewed Plaintiff's personnel file.
- Plaintiff's counsel requested that Defendant provides any and all policies, memos, and guides regarding overtime and double-time wages, off-the-clock work, expense reimbursement, meal periods, rest breaks, meal period waivers and agreements, arbitration agreements, among others, in effect during the relevant time period. Defendant produced those policies, both independently where they existed, and as part of their employee handbook.
- Plaintiff's counsel requested that Defendant provide the total number of employees, paychecks, and the pay cycles during the relevant period. Defendant provided the answers to each of these questions.
- Plaintiff's counsel requested a sample of time and payroll records for the relevant time period. Defendant provided a sampling of time and pay records for 264 of its employees. This represents approximately 71% of the total employees (372) that Defendant employed during the PAGA Period based on data available at the time.
- Plaintiff's counsel then retained a professional data analyst, James Toney, to examine the records and determine the meal period violation rates, if there was any pay discrepancy in timesheet hours versus paid hours, regular rate of pay violations, and if there was any rounding/time shaving issues.

HM, ¶ 14.

3. The Settlement Is Fair and Reasonable Based on the Risks and Costs of Further Litigation

Through informal discovery and at mediation, Defendant produced records and represented that they employed approximately 372 employees falling within Plaintiff's Aggrieved Employees definition for the period from July 30, 2022 (one year and 65 days before Plaintiff's PAGA lawsuit filing date) through March 30, 2026, who worked approximately 11,152 pay periods that same time period. HM, ¶ 7.

Plaintiff alleges a broad range of PAGA claims but believes that the strongest claims are that Plaintiff and other PAGA Members were not provided meal and rest breaks under the law. HM, ¶ 14.

As it relates to Plaintiff's argument for meal break violations, Plaintiff's data analysis revealed an aggregate shift violation rate of <u>37.7%</u> for short, late, or no meal breaks for shifts greater than 5 hours (which occurred in 99.2% of the workdays in the sample data). If you extrapolate the 37.7% shift violation rate, it amounts to <u>62.6%</u> of pay periods having at least one meal period violation. As such, the maximum exposure for meal period violations in the PAGA period would be **$346,250**, which is calculated as follows: 11,152 pay periods x 99.2%

(to calculate the number of pay periods that had shifts over 5 hours long) equates to 11,063 pay periods. 11,063 pay periods x 62.6% pay period violation rate equates to approximately 6,925 pay periods wherein there was a meal period violation. 6,925 pay periods x $50/pay period (civil penalty) amounts to $346,250 in exposure. There are risks to Plaintiff's meal period claims. Defendants contend that, to establish a violation for missed meal periods, a plaintiff must do more than show that a meal break was not taken, and that determining from Defendants' time records the exact reasons why a meal period appears short, late, or not taken would present individualized inquiries and potential manageability problems. The latter exposure calculation does not take into account the fact that Defendant had written meal period policies. Discounting the meal period exposure by 20% to account for these risks yields a realistic rest break exposure of approximately **<u>$277,000</u>**. HM, ¶ 15.

As it relates to Plaintiff's argument for rest break violations, while Plaintiff did not have any rest break data to analyze since Defendant's employees did not clock in and clock out for rest breaks, Plaintiff utilized the meal period violation data to extrapolate for rest period violations. As such, if you extrapolate the 37.7% shift violation rate, it amounts to <u>62.6%</u> of pay periods having at least one rest period violation. As such, the maximum exposure for rest period violations in the PAGA period would be **$692,500**, which is calculated as follows: 11,152 pay periods x 99.2% (to calculate the number of pay periods that had shifts over 3.5 hours long) equates to equates to 11,063 pay periods. 11,063 pay periods x 62.6% pay period violation rate equates to approximately 6,925 pay periods wherein there was a meal period violation. 6,925 pay periods x $100/pay period (civil penalty) amounts to **$692,500** in exposure. Plaintiff recognizes substantial risk on this claim, however, because Defendants did not track rest periods on paper—nor does the law require such tracking, as is common for most California businesses—which makes proof of rest break violations difficult. The latter exposure calculation also does not take into account the fact that Defendant had written rest period policies. Discounting the rest period exposure by 40% to account for these risks yields a realistic rest break exposure of approximately **<u>$415,500</u>**. HM, ¶ 16

As it relates to Plaintiff's other claims, there would be substantial issues with proof. As it relates to "off the clock", minimum wage and rounding claims, Plaintiff's claim fails because there was no rounding—Defendant paid employees' hours to the second decimal point. As it relates to straight overtime, the data showed that overtime hours were paid correctly when employees did in fact work overtime. Additionally, Defendant operated under an Alternative Work Week Schedule of 10 hours a day for 4 days a week. The data analysis indicated that overtime was paid correctly based on the Alternative Work Week schedule. As it relates to Plaintiff's claim of business expense reimbursement, Defendant argues that personal cell phones were not required to perform job duties, and in any event, the inquiry would be individualized in nature. Defendant also argued that to the extent employees utilized their personal cell phones to communicate with management and/or co-workers in the same factory, that was a voluntary choice. For the argument that employees needed to provide their own uniforms, gloves, and staple guns, Defendant argued that those items were in fact provided to employees. HM, ¶ 17.

In terms of any regular rate issue, while bonuses, incentive payments, or shift differential payments were noted in the sampling, these payments were seen in less than half percent of the pay periods in the sample and would not be significant. Moreover, Defendant argued that any bonus or incentive payments would be discretionary in any event. The other derivative claims for violations of Labor Code sections 203, 204, 226, and 1174.5 for not being paid all wages owed every pay period or at the end of employment, not receiving accurate, itemized wage statements, and not keeping accurate time records, would not be triggered based on potential meal/rest period violations. HM, ¶ 18.

Based on the above calculations, Plaintiff's aggregate potential exposure for the strongest disputed claims would be **$692,500** and this also represents a penalty figure which Plaintiff believes Defendant would have to pay after a court trial. Assuming that Plaintiff's calculations and analysis are accurate, the maximum exposure presumes that the Court will not reduce the penalty award as unjust, arbitrary, oppressive, or confiscatory. Furthermore, Plaintiff believes there is a very low probability that any of the alleged violations would be found to be knowing and intentional based on the nature of Plaintiff's strongest claims relating to statutory breaks. Based on the above analysis, a gross settlement in the amount of $415,000 is a strong result, especially in light of the risk factors as discussed above. Moreover, Plaintiff is aware of no California state courts awarding Plaintiff multiple PAGA penalties for the same violation for the same pay period under different Labor Code provisions. As such, one of the risks Plaintiff faces is that the Court would refuse to "stack" civil penalties arising under the various Labor Code statutes. At best, Plaintiff could hope to recover one penalty for each pay period (regardless of the different Labor Code violations that potentially occurred for the same employee, during the same pay periods). Furthermore, judges have awarded extremely small sums to PAGA claimants in the past. Defendant also adamantly dispute all of Plaintiff's allegations in the operative Complaint. HM, ¶ 19.

Additionally, PAGA states a court has discretion to award a lesser amount than the maximum penalty. *see* Lab. Code § 2699(e)(2) ("…a court may award a lesser amount than the maximum civil penalty amount specified by this part if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory.*"); see also Thurman v. Bayshore Transit Management, Inc.*, 203 Cal. App. 4th 1112, 1135 (2012) (reducing PAGA award). There is a substantial risk that the Court could reduce civil penalties to an insignificant amount if it is unpersuaded by Plaintiff's evidence of willful and intentional conduct. *Carrington v. Starbucks* illustrates this. In that case, the Court of Appeal affirmed a trial court's heavily discounted award of only $5 per violation because it was within the Court's discretion to significantly reduce PAGA penalties even when there is a finding that a violation of the California Labor Code occurred. *Carrington v. Starbucks*, 30 Cal. App. 5th 504 (2018). The plaintiff in *Carrington* had requested penalties in excess of $70 million and was successful in proving the PAGA claim during a bench trial. However, the trial court reduced the total award after trial to only $150,000 (30,000 violations x $5) and stated that this reduction was warranted because imposing the maximum penalty would be "unjust, arbitrary, and oppressive", based on Starbucks's "good faith attempts" to comply with meal break obligations and because the Court found the violations were minimal. Applying the same formula here and assuming there was one violation during each pay period, the award of civil penalties could not exceed $55,760 in PAGA penalties (11,152 violations x $5). As such, this Settlement is a great result based solely on the risk the Court chooses to apply the *Carrington* formula. Thus, the chance of Plaintiff recovering a higher amount than the Gross Settlement Amount is uncertain. HM, ¶ 20.

The Parties further recognize that the issues presented in the representative PAGA claim are likely only to be resolved with extensive and costly pretrial and trial proceedings, and that further litigation will cause inconvenience, distraction, disruption, delay, and expense disproportionate to the maximum potential benefits to the Aggrieved Employees and Plaintiff from continued litigation, especially in the post pandemic era where further and extensive litigation may cause businesses to shut down, resulting in no monetary compensation to Plaintiff, Plaintiff's attorneys, other Aggrieved Employees, and the State of California. HM, ¶ 21.

The settlement of the representative PAGA claim involves monetary relief to all Aggrieved Employees, Plaintiff, her attorneys, and the State of California. The Settlement is reasonable given the uncertainties this lawsuit entails. It is also reasonable given the structure and purpose of the PAGA, since the PAGA is not a restitution statute. Rather, it is essentially a punishment statute. It provides for civil penalties only. Within the PAGA framework she is bound by, Plaintiff, considering the evidence she faced, achieved a great result for the employees concerned. Furthermore, any employees who are dissatisfied with the amount they received in civil penalties can pursue any damages they believe they are owed by the Defendant. The Settlement does not require them to opt out to do so. HM, ¶ 22.

Furthermore, Plaintiff recognizes that continued litigation presents significant risks that support a significant downward departure from Plaintiff's estimated civil penalties amount. In view of the risks, the Settlement represents a fair, adequate, and reasonable compromise amount for these claims and is in the best interest of Plaintiff and Aggrieved Employees and thus, warrants approval. *see Laguna v. Coverall N. Am., Inc.,* Case No. 12-55479 2014 WL 2465049, * 3 (9th Cir. June 3, 2014). The PAGA settlement and its terms are fair, just, reasonable, adequate, and equitable to Defendant, Plaintiff, and the State, especially in light of the current economic climate, and are the product of good faith, and informed arms-length negotiations between the Parties consistent with public policy and fully comply with applicable provisions of law. HM, ¶ 23.

As such, the settlement of PAGA penalties in the gross sum of $415,000, of which 75% of the net amount after attorney's fees, litigation costs, Plaintiff's enhancement awards, and settlement administration costs ($187,434.94) will be paid to the LWDA and 25% ($62,478.31) will be distributed to the Aggrieved Employees, is reasonable and appropriate under the circumstances. HM, ¶ 24.

4. **Each Aggrieved Employee Will Be Paid Based on the Potential Extent of His or Her Injury Compared to Other Aggrieved Employees**

Each Aggrieved Employee will receive a portion of the civil penalties on a pro-rata basis depending on the number of pay periods Defendant employed them for during the PAGA Period. Agreement, ¶ 1.11. With a total of 372 Aggrieved Employees, the average estimated individual PAGA payment for each Aggrieved Employee is approximately $167.95 (the 25% Aggrieved Employee share in the amount of $62,478.31 / 372 Aggrieved Employees). HM, ¶ 25.

5. **Counsel for the Parties Are Experienced in Similar Litigation**

Plaintiff's counsel has considerable experience in wage and hour litigation and is qualified to evaluate the PAGA claims, the value of settlement versus moving forward with litigation, and viability of possible affirmative defenses. Similarly, Defendant's counsel, have has experience in handling employment matters and wage and hour litigation. *See* HM, ¶¶ 2, 30.

6. **The Proposed Attorney's Fees and Costs Are Fair, Adequate, and Reasonable and Should Be Approved.**

Of the $415,000.00 allocated towards the GSA, Plaintiff's counsel requests $138,333.33 (1/3 of the GSA) in attorney's fees and $11,763.42 in litigation expenses, which is fair and reasonable. HM, ¶ 26.

It is an accepted practice in wage and hour class action settlements to award attorneys' fees to Plaintiff's counsel based on a percentage of the total settlement value agreed upon by the parties. California courts have long recognized that an appropriate method for awarding attorneys' fees in class actions is to award a percentage of the common fund. (*Serrano v. Priest* (1977) 20 Cal.3d 25, 48-49 ["when a number of persons are entitled in common to a specific fund, and an action brought by a plaintiff or plaintiffs for the benefit of all results in the creation or preservation of that fund, such plaintiff or plaintiffs may be awarded attorney's fees out of the fund"]; *Wershba v. Apple Computer, Inc.*, 91 Cal. App. 4th 224, 254 (2001); *Lealao v. Beneficial California, Inc.*, 82 Cal. App. 4th 19, 26-30 (2000).

California courts have the discretion to employ (or decline to employ) a "lodestar cross-check" on a request for a percentage of the fund award. *Laffitte v. Robert Half Intern, Inc.*, 1 Cal. 5th 480, 505 (2016). However, the California Supreme Court in *Laffitte* has now made clear that this cross-check is not required and approved one-third of the class action settlement fund as reasonable attorney fees as "[t]he percentage of the fund method survives in California class action cases...." *Id.* at 574. As other courts have acknowledged since *Laffitte*, "California courts routinely award attorneys' fees of one-third of the common fund." *Lopez v. Mgmt. & Training Corp.,* U.S. Dist. LEXIS 70029 (S.D. Cal. Apr. 20, 2020). The *Lopez* court explained that it need not "engage in a full-blown lodestar analysis when the primary basis remains the percentage method…" The lodestar calculation is merely a "useful perspective on the reasonableness of a given percentage award." *Id.*, *see also Austin v. Foodliner, Inc.,* 2019 U.S. Dist. LEXIS 79638 ("Trial courts 'also retain the discretion to forgo a lodestar cross-check and use other means to evaluate the reasonableness of a requested percentage fee.'"[2] *Id.* (citing *Laffitte*)).

"[R]egardless whether the percentage method or the lodestar method is used, fee awards in class actions average around one-third of the recovery." (*see Chavez v. Netflix, Inc.*,

[2] The prohibition on citing unpublished California decisions does not apply to unpublished decisions from the lower federal courts. Cal. Rules of Court, rule 8.1115(a); *Farm Raised Salmon Cases*, 42 Cal. 4th 1077, 1096, fn. 18 (2008) ["Citing unpublished federal opinions does not violate our rules."].) Like published decisions of the lower federal courts, unpublished decisions are not binding on us even on questions of federal law, but they are persuasive authority. *Western Heritage Ins. Co. v. Frances Todd, Inc.*, 33 Cal. App. 5th 976, 989, fn. 6 (2019).

162 Cal. App. 4th 43, 66, fn.11 (2008); *In re Pacific Enter. Sec. Litig.*, 47 F.3d 373, 379 (9th Cir. 1995) [affirming 33% fee award]; *Williams v. MGM-Pathe Communications Co.*, 129 F.3d 1026, 1027 (9th Cir. 1997) (awarding 33% of total fund amount).) This is also consistent with Plaintiff's Counsel's experience in wage and hour class and PAGA settlements. HM, ¶ 26.

Should the Court elect to use Plaintiff's Counsel's lodestar as the method for awarding fees, notwithstanding courts' clear preference for the percentage method, my request for attorney's fees of $138,333.33 (1/3 of the Gross Settlement Amount of $415,000) is fair and reasonable based on Plaintiff's Counsel's lodestar as cross-checked against the percentage of the recovery. HM, ¶¶ 27. Plaintiff's counsel's previous experience in litigating wage and hour class actions and the caliber of opposing counsel also support the reasonableness of the fee request. HM, ¶ 30. The award of attorneys' fees sought is also justified by the contingency nature of the attorney-client relationship, the risks of non-payment and non-reimbursement, the delay in payment and cost reimbursement, and the great results Plaintiff's Counsel has achieved for the Aggrieved Employees. HM, ¶ 31.

In addition, Plaintiff's Counsel incurred substantial costs, $11,763.42 to date, including the costs of a mediator, to aid in the representation of the Aggrieved Employees. HM, ¶ 29. All of these costs are documented and reasonably incurred. *Id*. Accordingly, they warrant the Court's approval.

7. <u>The Proposed Settlement Administration Costs Are Fair and Reasonable and Should Be Approved</u>

With regard to the settlement administration costs provision, it is reasonable. Before agreeing to Apex Class Action Administration Solutions, the Parties sought and reviewed bids from other reputable third-party administrators which provided higher bids. HM, ¶ 32, Exs. 4-6. *See generally* Declaration of Harout Messrelian. Thus, the settlement administration costs provision should be given approval.

8. Plaintiff's Enhancement Award is Fair, Adequate, and Reasonable and Should be Approved

Plaintiff's Enhancement Award of $10,000 is being paid to Plaintiff for her service to the State of California and the Aggrieved Employees in prosecuting the Lawsuit and for her General Release. HM, ¶¶ 34-36, Agreement ¶¶ 1.29, 3.2.2; *See also* Declaration of Jessica Gascon ("Gascon Decl.").

There is authority for the Enhancement Award to Plaintiff. While the statutory language of the PAGA is silent on the issue of incentive awards to named Plaintiff, it nonetheless provides implicit support for incentive payments to named plaintiffs. Moreover, language from the Ninth Circuit Court of Appeals and recent California district court caselaw indicates that such awards are permitted. *See* HM, ¶¶ 34-36.

V. CONCLUSION

For the reasons stated above, this Court should grant Plaintiff's Motion in its entirety and adopt the proposed order submitted concurrently herewith.

DATED: June 29, 2026 **MESSRELIAN LAW INC.**

By*/s/Harout Messrelian*
Harout Messrelian, Esq.
Attorney for Plaintiff
Jessica Gascon

PROOF OF SERVICE

STATE OF CALIFORNIA, RIVERSIDE COUNTY

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 101 N. Brand Blvd, Suite 1450, Glendale, CA 91203.

On June 29, 2026, I served the foregoing document(s) described as **PLAINTIFF'S NOTICE OF MOTION AND MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF UNOPPOSED PAGA APPROVAL MOTION** on the interested parties in this action by attaching true copies thereof and addressing it as follows:

Christina Loni
CLoni@wshblaw.com
Keith E. Smith
KESmith@wshblaw.com
Raven L. Washington
RWashington@wshblaw.com
WOOD SMITH HENNING & BERMAN LLP

Attorneys for Defendant OMEGA EXTRUDING CORP. OF CALIFORNIA

____ (**BY MAIL**) I caused such envelope to be deposited in the mail at Glendale, California. The envelope was mailed with postage thereon fully paid. As follows: I am "readily familiar" with the firm's practice of collection and processing correspondence from mailing. Under that practice it would be deposited with the U.S. postal service on that same day with postage thereon fully prepaid at Glendale, California, in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after the date of deposit for mailing in affidavit.

____ (**BY OVERNIGHT DELIVERY**) I caused such envelope to be delivered via overnight delivery to the addressee listed above.

__X__ (**BY ELECTRONIC TRANSMISSION**) I caused such document to be delivered via electronic transmission to the addressee(s) listed above.

I served the documents by the means described above on June 29, 2026.

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

/s/Yervand Boyajyan
Yervand Boyajyan, Esq.

THE SUPERIOR COURT OF CALIFORNIA
COUNTY OF RIVERSIDE

Make a Reservation

GASCON vs OMEGA EXTRUDING CORP. OF CALIFORNIA

Case Number: CVRI2305243 Case Type: Civil Category: Unlimited Civil Other Employment
Date Filed: 2023-10-03 Location: Historic Court House - Department 1

Reservation

Case Name: GASCON vs OMEGA EXTRUDING CORP. OF CALIFORNIA	Case Number: CVRI2305243
Type: Motion for Approval of PAGA Settlement	Status: RESERVED
Filing Party: JESSICA GASCON (Plaintiff)	Location: Historic Court House - Department 1
Date/Time: 09/16/2026 8:30 AM	Number of Motions: 1
Reservation ID: 273981154894	Confirmation Code: CR-8WXDQPCV7HWB94XSO

Fees

Description	Fee	Qty	Amount
Motion for Approval of PAGA Settlement	0.00	1	0.00
TOTAL			**$0.00**

Payment

Amount: $0.00	Type: NOFEE
Account Number: n/a	Authorization: n/a

Print Receipt | Reserve Another Hearing | View My Reservations

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