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**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE**

MANUEL REFUGIO GARCIA, individually, and on behalf of all others similarly situated,

Plaintiff,

v.

ALMANSOR COURT INC., a California Corporation; MAVERICK HOSPITALITY INC., a California Corporation; and DOES 1 through 10, inclusive,

Defendants

Case No.: 25STCV28925

*[Assigned for all purposes to the Hon. Carolyn B. Kuhl, Dept. 12]*

**PLAINTIFF'S NOTICE OF MOTION AND MOTION FOR APPROVAL OF PAGA SETTLEMENT; MEMORANDUM OF POINTS AND AUTHORITIES**

Settlement Approval Hearing:
Date: March 15, 2027
Time: 1:45 p.m.
Dept: 12

Complaint filed: September 30, 2025
FAC: August 6, 2026
Trial date: None Set

**TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:**

**PLEASE TAKE NOTICE** that on March 15, 2027, at 1:45 p.m., in Department 12 of the Spring Street Courthouse, located at 312 N. Spring St., Los Angeles, CA 90012, the Hon. Carolyn B. Kuhl presiding, Plaintiff Manuel Refugio Garcia ("Plaintiff") will and hereby does move for an order pursuant to Labor Code § 2699(s)(2) approving the Settlement and the Amended PAGA Settlement Agreement ("Agreement") entered into between Plaintiff and Defendants Almansor Court Inc. and Maverick Hospitality, Inc. ("Defendants") to settle the instant action brought by Plaintiff pursuant to the Private Attorneys General Act ("PAGA"), Lab. Code. § 2698, *et seq*. (the "Action"). A true and correct copy of the Agreement is attached as **Exhibit 2** to the concurrently filed Declaration of Tyler J. Woods in Support of Plaintiff's Motion to Approve PAGA Settlement ("Woods Decl.") ¶ 8.

The Settlement provides for the statutory allocation of civil penalties to the California Labor & Workforce Development Agency ("LWDA") and all "Aggrieved Employees," defined all current and former non-exempt employees employed by Defendants in California who worked for Defendants at any time during the PAGA Period, from October 1, 2024, through February 1, 2026 (the "PAGA Period"). The Parties agree that the total civil penalties to be paid by Defendants satisfies PAGA's purpose, and the Settlement is thus fair and reasonable.

This Motion will be based on this Notice, the Memorandum of Points and Authorities, the Woods Declaration, the Declaration of Manuel Refugio Garcia, and the complete files and records in this action. The LWDA has been served with this motion and the Settlement Agreement as set forth in the accompanying proof of service.

Dated: October 16, 2026

**WILSHIRE LAW FIRM, PLC**

By: _____

Tyler J. Woods

Attorney for Plaintiff

## TABLE OF CONTENTS


I. INTRODUCTION ..... 6

II. SUMMARY OF FACTS AND PROCEDURAL HISTORY ..... 6

III. THE PAGA SETTLEMENT ..... 7

A. Key Definitions ..... 7

B. Distribution of Gross Settlement Amount ..... 8

C. Releases ..... 9

D. Settlement Administration ..... 9

IV. THE PAGA SETTLEMENT IS FAIR AND SHOULD BE APPROVED ..... 10

A. Legal Standard ..... 11

1. The Settlement was Reached through Arm's-Length Negotiations ..... 12

2. The Settlement is Based on Sufficient Investigation and Discovery ..... 13

3. PAGA Counsel have Extensive Experience in PAGA Actions ..... 13

B. The Settlement is Reasonable Given the Risks of Further Litigation ..... 13

C. PAGA Counsel's Fees and Costs are Reasonable ..... 16

D. The PAGA Service Award is Reasonable ..... 18

E. Settlement Administrator Costs are Reasonable ..... 18

F. The Settlement Fulfills PAGA's Purpose to Benefit the Public ..... 19

V. CONCLUSION ..... 20

## TABLE OF AUTHORITIES

**STATE CASES**

*Carrington v. Starbucks Corp.*, 30 Cal.App.5th 504 (2018).....14
*City and County of San Francisco v. Sweet*, 12 Cal.4th 105 (1995).....16
*Dunk v. Ford Motor Co.*, 48 Cal.App.4th 1794 (1996).....12
*Gouskos v. Aptos Village Garage, Inc.*, 94 Cal.App.4th 754 (2001).....16
*Graciano v. Robinson Ford Sales, Inc.*, 144 Cal. App. 4th 140 (2006).....16
*Huff v. Securitas Sec. Servs., USA, Inc.*, 23 Cal.App.5th 745 (2018).....12
*In re Consumer Privacy Cases*, 175 Cal.App.4th 545 (2009).....17
*Iskanian v. CLS Transportation*, 59 Cal. 4th 348 (2014).....5, 12, 15
*Kim v. Reins Int'l California, Inc.*, 9 Cal.5th 73 (2020).....12
*Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116 (2008).....12
*Laffitte v. Robert Half Int'l, Inc.*, 1 Cal.5th 480 (2016).....18
*Lealao v. Beneficial Cal., Inc.*, 82 Cal.App.4th 19 (2000).....17
*Melnyk v. Robledo*, 64 Cal.App.3d 618 (1976).....18
*Moniz v. Adecco USA, Inc.*, 72 Cal. App. 5th 56 (Cal. Ct. App. Nov. 30, 2021).....11
*PLCM Group, Inc. v. Drexler*, 22 Cal.4th 1084 (2000).....18
*Quinn v. State of California*, 15 Cal.3d 162 (1975).....16
*Serrano v. Priest*, 20 Cal.3d 25 (1977).....16
*ZB, N.A. v. Superior Court*, 8 Cal. 5th 175 (2019).....5, 7, 12

**FEDERAL CASES**

Cal. Labor Code § 2699(e)(2).....15
Cal. Labor Code § 2699(g)(1).....5, 16
Cal. Labor Code § 2699(k)(l).....20
Cal. Labor Code § 2699(l).....11

**TREATISES**

*Newberg on Class Actions*, 4th Ed. 2002.....17

**FEDERAL CASES**

*Boeing v. Van Gemert*, 444 U.S. 472 (1980) ..... 17

*Cardenas v. McLane Foodservice, Inc.*, No. BCV-23-102915, 2011 U.S. Dist. LEXIS 13126 (C.D. Cal. Jan. 31, 2011) ..... 14

*Echavez v. Abercrombie & Fitch Co.*, No. CV 11-09754-GAF, 2017 WL 3669607 (C.D. Cal. Mar. 23, 2017) ..... 13

*Fleming v. Covidien*, No. ED CV 10-01487 RGK (OPx), 2011 U.S. Dist. LEXIS 154590 (C.D. Cal. Aug. 12, 2011) ..... 14

*Flores v. Starwood Hotels & Resorts Worldwide, Inc.*, 253 F.Supp.3d 1074 (C.D. Cal. 2017) ..... 12

*In re Activision Securities Litigation*, 723 F.Supp. 1373 (N.D. Cal. 1989) ..... 17

*Jordan v. TCS Grp., Inc.*, No. EDCV161701JVSSPX, 2018 WL 1409590 (C.D. Cal. Jan. 5, 2018) ..... 13

*McKenzie v. Federal Exp. Corp.*, 765 F.Supp.2d 1222 (C.D. Cal. 2011) ..... 12

*O'Connor v. Uber Technologies, Inc.*, 201 F. Supp. 3d 1110 (N.D. Cal. 2016) ..... 11

*Vincent v. Hughes Air West, Inc.*, 557 F.2d 759 (9th Cir. 1977) ..... 16

## MEMORANDUM OF POINTS AND AUTHORITIES

## I. INTRODUCTION

Plaintiff Manuel Refugio Garcia ("Plaintiff") and Defendants Almansor Court Inc. and Maverick Hospitality, Inc. ("Defendants") (collectively, the "Parties") reached a settlement of the claims asserted in this Action pursuant to the Private Attorneys General Act ("PAGA"), Lab. Code § 2699, *et seq*. The proposed Settlement is for PAGA civil penalties and does not release the individual wage claims, if any, of any affected employee other than Plaintiff. Lab. Code § 2699(k)(1); *Turrieta v. Lyft, Inc.* (2024) 16 Cal. 5th 664, 680 ("[C]ivil penalties recovered on the state's behalf are intended to remediate present violations and deter future ones, not to redress employees' injuries.") (internal quotations and citation omitted); *ZB, N.A. v. Superior Ct*. (2019) 8 Cal. 5th 175, 193 (emphasizing that "unpaid wages are not recoverable as civil penalties under the PAGA").

Pursuant to Labor Code § 2699(s), Plaintiff respectfully requests that the Court approve the Parties' proposed Settlement, as set forth in the Amended PAGA Settlement Agreement ("Agreement") attached as Exhibit 2 to the concurrently filed Declaration of Tyler J. Woods in Support of Plaintiff's Motion to Approve PAGA Settlement ("Woods Decl.") ¶ 8. As used here, defined terms shall have the same meaning as in the Agreement.

Plaintiff gave notice of the Settlement to the Labor and Workforce Development Agency ("LWDA") on October 14, 2026. *Id*. ¶ 62, Ex. 7.

## II. SUMMARY OF FACTS AND PROCEDURAL HISTORY

On September 30, 2025, Plaintiff filed a class action complaint alleging against Defendants the following causes of action: 1) failure to pay minimum and straight time wages; 2) failure to pay overtime wages; 3) failure to provide meal periods; 4) failure to authorize and permit rest periods; 5) failure to indemnify employees for expenditures; 6) failure to provide accurate itemized wage statements; 7) failure to timely pay final wages at termination; 8) failure to timely pay wages during employment and 9) unfair business practices under the Unfair Competition Law ("UCL"), Bus. & Prof. Code § 17200, *et seq*. Woods Decl. ¶ 3.

On October 1, 2025, pursuant to Labor Code § 2699.3(a), Plaintiff gave timely written

notice to Defendants and the LWDA of the specific Labor Code provisions alleged to have been violated, including the facts and theories in support, Case No. LWDA-CM-1129053-25 ("PAGA Notice"). Woods Decl. ¶ 4, Ex. 1. The LWDA did not give notice of any intent to investigate claims within the statutory waiting period. Accordingly, on August 6, 2026, Plaintiff filed a First Amended Complaint ("FAC") adding a PAGA cause of action seeking civil penalties for violations alleged in the PAGA Notice. *Id*. ¶ 5.

PAGA Counsel conducted a thorough investigation of the claims and defenses at issue and all applicable law and obtained, through informal discovery, Plaintiff's personnel file, Aggrieved Employees' time and payroll records, and Defendants' written policies in effect during the PAGA Period, from October 1, 2024, through February 1, 2026, *infra*. *Id*. ¶ 6. Defendants also provided evidence of a prior PAGA settlement and financial hardship. Based on all information available, having considered the claims and defenses at issue, as well as the low number of pay periods and Defendant's financial condition, the Parties agreed, in the interests of justice and judicial efficiency, that the early and efficient resolution of all claims was warranted. *Id*. ¶¶ 6, 7.

The Parties negotiated the proposed Settlement in good faith based on the informal exchange of information sufficient to satisfy the criteria for court approval set forth in *Moniz v. Adecco USA, Inc*. (2021) 72 Cal. App. 5th 56, 77, *disapp'd of on other grounds by Turrieta v. Lyft, Inc*. (2024) 16 Cal. 5th 664 (holding that "a trial court should evaluate a PAGA settlement to determine whether it 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.") (citation omitted). Moreover, the negotiations were adversarial and at arm's length, as both Parties were prepared to proceed to trial if they were unable to resolve all claims. Settlement terms are set forth in the Agreement. Woods Decl. ¶ 8, Ex. 2.

## III. THE PAGA SETTLEMENT

### A. Key Definitions

"Aggrieved Employees" means all current and former non-exempt employees employed by Defendants in California who worked for Defendants at any time during the PAGA Period, from October 1, 2024, through February 1, 2026. Woods Decl. ¶¶ 9, 10.

"PAGA Pay Period" means any pay period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period. *Id*. ¶ 11.

"Released Parties" means Defendants and each of its former and present directors, officers, shareholders, owners, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates. *Id*. ¶ 12.

"Effective Date" means the date on which the Judgment becomes final. If the LWDA does not object to the Settlement, the Judgment is final the day it is entered. If the LWDA objects, the Judgment is final the day after the deadline for filing a notice of appeal from the Judgment, or, if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur. *Id*. ¶ 13.

"Approval Order" means Court's order granting approval of the Settlement. *Id*. ¶ 14.

**B. Distribution of Gross Settlement Amount**

The Agreement provides for a Gross Settlement Amount ("GSA") of $117,000.00 to resolve the Action in its entirety, and Defendants shall transmit all funds to the Administrator no later than 30 days after the Effective Date. Woods Decl. ¶¶ 15, 16. Subject to Court approval, the following payments will be deducted from the GSA: 1) an Enhancement Award not to exceed $10,000.00; 2) a PAGA Counsel Fees Payment not to exceed 33.33% of the GSA (currently $38,996.10); 3) a PAGA Counsel Litigation Expenses Payment not to exceed $10,000.00 (currently $7,639.29); and 4) an Administration Expenses Payment not to exceed $3,500.00. *Id*. ¶ 17. If the Court approves the Settlement and these payments, the amount remaining ($56,864.61) will be paid to the LWDA and Aggrieved Employees to settle all PAGA claims ("PAGA Penalties"). *Id*. ¶ 18.

The PAGA Penalties will be allocated 65% ($36,962.00) to the LWDA ("LWDA PAGA Payment") and 35% ($19,902.61) to Aggrieved Employees ("Net Settlement Amount"). If the Court approves any payment less than the amount requested above, the Administrator will retain the remainder in the Net Settlement Amount to be disbursed to Aggrieved Employees on a pro-rata basis as Individual PAGA Payments. *Id*. ¶¶ 19, 20. The Administrator will calculate each Individual PAGA Payment by (a) dividing the Net Settlement amount ($19,902.61 + $2,360.71)

by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. *Id*. ¶ 21.

Defendants estimate that approximately 67 Aggrieved Employees worked 1,795 PAGA Pay Periods during the PAGA Period. Accordingly, the estimated value of each PAGA Pay Period is $12.40 ($19,902.61 + $2,360.71 ÷ 1,795), and the average Individual PAGA Payment is approximately $332.29 ($19,902.61 + $2,360.71 ÷ 67). *Id*. ¶¶ 22, 23.

**C. Releases**

"Plaintiff's Release" provides in pertinent part that Plaintiff and Plaintiff's respective former and present representatives, agents, attorneys (including PAGA Counsel), administrators, successors, and assigns generally, release and discharge Released Parties from (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint, First Amended Complaint and Plaintiff's PAGA Notice and (b) any other claims, debts, liabilities, demands, damages, obligations, actions and causes of actions, of any nature whatsoever, whether known or unknown, or suspected or unsuspected, arising out of or in connection with Plaintiff's employment with Defendants, the separation of such employment, or any other act, omission or event occurring between the Parties at any time prior to the date Plaintiff executed this Agreement ("Plaintiff's Release"). Plaintiff's Release is a general release, and Plaintiff also waives rights under Civil Code § 1542. Woods Decl. ¶¶ 24, 25.

The "Release by Aggrieved Employees" provides that "[a]ll Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, 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 facts and allegations in the Operative Complaint and the PAGA Notice that are alleged to have occurred during the PAGA Period." *Id*. ¶ 26.

**D. Settlement Administration**

Defendants will provide Aggrieved Employee identifying information in Defendants'

possession in the form of an Excel spreadsheet ("Aggrieved Employee Data") to the Administrator not later than fifteen (15) days after the Court grants Approval and fully fund the GSA not later than thirty (30) days after the Effective Date. Woods Decl. ¶ 27.

Within fourteen (14) days after Defendants fund the GSA, the Administrator will mail all checks for all payments via First-Class U.S. Mail, and Individual PAGA Payments shall be disbursed before the PAGA Counsel Fees and Litigation Expenses Payments. *Id*. ¶ 28. The Administrator will issue Aggrieved Employees an IRS Form 1099 for the Individual PAGA Payments, and checks to Aggrieved Employees shall prominently state the date when the check will be voided (not less than 180 days after the date of mailing). *Id*. ¶¶ 29, 30. Before mailing any check, the Administrator must update recipients' mailing addresses using the National Change of Address ("NCOA") Database. *Id*. ¶ 31. In addition, within five (5) days of receiving a check returned as undeliverable, the Administrator must re-mail the check to the USPS forwarding address provided or to any address ascertained through an Address Search. *Id*. ¶ 32. Finally, the Administrator shall transmit the funds represented by any Individual PAGA Payment check that is uncashed and cancelled after the void date to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee. *Id*. ¶ 33.

On October 14, 2026, Plaintiff submitted the Agreement to the LWDA, pursuant to Labor Code § 2699(s)(2). Woods Decl. ¶ 62, Ex. 7. To date, the LWDA has not responded or objected to the proposed Settlement, and Plaintiff will submit a copy of the Approval Order to the LWDA within ten (10) days after entry of judgment or order. *Id*. ¶¶ 63, 64.

## IV. THE PAGA SETTLEMENT IS FAIR AND SHOULD BE APPROVED

PAGA permits an aggrieved employee to sue an employer for civil penalties associated with the employer's alleged Labor Code violations. Lab. Code § 2699(a). Under the statute, the amount paid to settle PAGA claims is allocated 65% to the LWDA and 35% to aggrieved employees. Lab. Code § 2699(m). Any civil action filed pursuant to PAGA shall be reviewed and approved by the court. Lab. Code § 2699(s)(2). Such approval requires the court to determine whether the settlement "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." *Moniz v. Adecco USA, Inc.* (2021) 72 Cal. App. 5th 56, 77, *disapproved of on other grounds by Turrieta v. Lyft, Inc.* (2024) 16 Cal. 5th 664. The approval process also prevents fraud, collusion, and unfairness to absent individuals. *Malibu Outrigger Bd. Of Governors v. Super. Ct*. (1980) 103 Cal.App.3d 573, 578-79.

**A. Legal Standard**

A PAGA action is "designed to protect the public and penalize the employer for past illegal conduct," and its purpose is to enforce the Labor Code, "not to recover damages or restitution." *Brown v. Ralphs Grocery Co.* (2011) 197 Cal. App. 4th 489, 499, 501, *as modified* (July 20, 2011) (citations omitted); *see also Estrada v. Royalty Carpet Mills, Inc.* (2022) 76 Cal. App. 5th 685, 710, *aff'd,* 15 Cal. 5th 582 (2024) ("The purpose of PAGA is to incentivize private parties to recover civil penalties for the government that otherwise may not have been assessed and collected by overburdened state enforcement agencies.") (citations omitted). Notably, absent aggrieved employees have no property interest in a PAGA claim and "need not be given notice of the PAGA claim, nor do they have the ability to opt-out of the representative PAGA claim." *Palmer v. Avenu Insights & Analytics, LLC*, 2023 WL 11950640, at *4 (C.D. Cal. Apr. 3, 2024) (citation omitted); *see also Hutcheson v. Superior Ct*. (2022) 74 Cal. App. 5th 932, 943 ("[PAGA] does not create property rights or any other substantive rights.") (citation omitted). The goal of a PAGA enforcement action is to achieve "maximum compliance with state labor laws" and "not to recover damages on behalf of a particular individual." *Huff v. Securitas Sec. Servs., USA, Inc*. (2018) 23 Cal.App.5th 745, 756, 760. Nevertheless, as with any lawsuit, "[s]ettlement is a *compromise*, which balances the possible recovery against the risks inherent in litigating further." *In re TD Ameritrade Account Holder Litig.,* 2011 WL 4079226, at *9 (N.D. Cal. Sept. 13, 2011); *see also Officers for Justice v. Civil Service Com*., 688 F.2d 615, 624-25 (9th Cir. 1982) ("[I]t is the very uncertainty of outcome in litigation and avoidance of wasteful and expensive litigation that induce consensual settlements.")

In reviewing the PAGA settlement, the court is not required to consider the value of individual damages, which are not at issue. *See Kim v. Reins Int'l California, Inc.* (2020) 9 Cal. 5th 73, 81 ("Relief under PAGA is designed primarily to benefit the general public, not the party

bringing the action."); *ZB, N.A.,* 8 Cal. 5th at 185-197 (distinguishing civil penalties from compensatory damages). Furthermore, the scope of release permitted in a PAGA settlement is limited; while "judgment in [a PAGA] action is binding not only on the named employee plaintiff but also on government agencies and any 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 Ct*. (2009) 46 Cal. 4th 969, 986-87. A PAGA settlement "therefore does not have to meet the requirements of [a class action]." *Casida v. Sears Holdings Corp*. (E.D. Cal. Jan. 26, 2012) 2012 WL 253217, at *3 (citations omitted); *see also Arias,* 46 Cal. 4th at 975 (finding that "[class action] requirements need not be met when an employee's representative action against an employer is seeking civil penalties under [PAGA]."). However, because the operative PAGA statute does not set forth the criteria by which a PAGA settlement is to be judged, the reviewing court may use some of the relevant class action factors. To approve a class or representative settlement, a trial court must develop an understanding "of the amount that is in controversy and the realistic range of outcomes of the litigation." *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 120. In addition, a presumption of fairness exists where: (1) the settlement is reached as a result of arm's length negotiations; (2) there has been sufficient investigation and discovery; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small. *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1802.

The LWDA has not objected to the proposed Settlement, and aggrieved employees have no right to object to a PAGA settlement, which moots factor (4). The proposed Settlement satisfies factors (1) through (3).

1. The Settlement was Reached through Arm's-Length Negotiations

The Parties' negotiations were adversarial and at arm's length, as both Parties were also prepared to litigate their positions through trial and appeal if a settlement had not been reached. Woods Decl. ¶¶ 6-8.

///

2. The Settlement is Based on Sufficient Investigation and Discovery

PAGA Counsel conducted a thorough investigation of the claims and defenses at issue and all applicable law and obtained, through informal discovery, Plaintiff's personnel file, Aggrieved Employees' time and payroll records, and Defendants' written policies in effect during the PAGA Period. Defendants also provided evidence of a prior PAGA settlement and financial hardship. Woods Decl. ¶ 6. As discussed below, PAGA Counsel were able to act intelligently and effectively in negotiating the proposed Settlement in light of all known facts and circumstances and the uncertainty associated with litigation, including the risk of Plaintiff's failing to meet his burden of proof at trial and the significant delay and potential appellate issues inherent in litigation. *Id*. ¶¶ 7, 34-37.

3. PAGA Counsel have Extensive Experience in PAGA Actions

Highly capable and experienced counsel conducted the settlement negotiations. PAGA Counsel are respected members of the Bar with a strong record of vigorous and effective advocacy for their clients, and they are experienced in handling complex wage and hour litigation, including representative PAGA actions. Woods Decl. ¶¶ 39-50. While they were prepared to litigate the claims in this action, Plaintiff and PAGA Counsel believe the proposed Settlement is in the best interests of the State and all Aggrieved Employees. *Id*. ¶ 37.

**B. The Settlement is Reasonable Given the Risks of Further Litigation**

Defendants maintain that Plaintiff and other Aggrieved Employees were compensated correctly and that Defendants did not violate any Labor Code provision. Thus, while Defendants dispute and deny all Plaintiff's allegations, Plaintiff would have to meet the burden of proof for each underlying Labor Code violation to recover civil penalties at trial. Woods Decl. ¶¶ 34, 35; *see, e.g., Estrada,* 76 Cal. App. 5th at 711 ("Seeking civil penalties on behalf of aggrieved employees may make plaintiff's case difficult to prove, and may require evidence regarding a significant number of individual employees."). Indeed, Defendants' defenses, not only as to liability, but also as to the extent of exposure, include that violations, if any, were not willful, and present a significant risk in that some or all the civil penalties sought may not be awarded. Woods Decl. ¶ 34; *see, e.g*., *Estrada,* 76 Cal. App. 5th at 729 ("The fact that a defense is

ultimately unsuccessful will not preclude a finding that a good faith dispute did exist."); *Linney v. Cellular Alaska Partnership* 151 F.3d 1234, 1242 (9th Cir. 1998) ("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.") (internal quotations omitted). For purposes of settlement, while Plaintiff is confident in the merits of the claims alleged, a legitimate controversy exists as to each. Woods Decl. ¶ 35.

PAGA also authorizes courts to award a lesser amount than the maximum civil penalty "if, based on the facts and circumstances, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." Lab. Code § 2699(e)(2); *see also Carrington v. Starbucks Corp*. (2018) 30 Cal.App.5th 504, 529 (affirming a judgment after trial for a PAGA penalty of $5 per pay period "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."). Therefore, any civil penalties awarded at trial could be significantly less than those calculated by Plaintiff, even if Plaintiff prevailed on the merits. *See Fleming v. Covidien*, No. ED CV 10-01487 RGK (OPx), 2011 U.S. Dist. LEXIS 154590 (C.D. Cal. Aug. 12, 2011) (a federal court reduced PAGA penalties from $2,800,000.00 to $500,000.00, a reduction of 82.2%, because the court found maximum penalties "unjust" because the employees had suffered no injuries).

Plaintiff accounted further for the fact that continued litigation would be expensive, involving a trial and possible appeals, and would substantially delay and potentially reduce any recovery, both to the State and to Aggrieved Employees. Woods Decl. ¶ 35. Furthermore, based on all available information, "stacking" penalties, or seeking more than one PAGA penalty per aggrieved employee per pay period, is not justified here. *See, e.g., Posephny v. AMN Healthcare Inc*., No. 18-CV-06284-KAW, 2020 WL 13612298, at *3 (N.D. Cal. July 9, 2020) ("[T]here is legal uncertainty as to whether stacking is permitted"); *cf. Schiller v. David's Bridal, Inc*., No. 1:10-CV-00616 AWI, 2010 WL 2793650, at *6 (E.D. Cal. July 14, 2010) (noting "at least two other courts have allowed the amount in controversy to be tabulated by aggregating all potential PAGA penalties alleged as to each cause of action—in other words, stacking the penalties.")

(citations omitted); *Snow v. United Parcel Serv., Inc*., No. EDCV20025PSGAFMX, 2020 WL 1638250, at *3 (C.D. Cal. Apr. 1, 2020) (for purposes of calculating the amount in controversy, civil penalties may be stacked, but "plaintiffs may only recover a set of civil penalties for each type of violation."). Assuming, therefore, that Plaintiff could meet his burden of proof for unstacked penalties of at least one violation per PAGA Pay Period and the Court awarded the $100.00 default for each of 1,795 estimated PAGA Pay Periods, Defendants' maximum exposure would be approximately $179,500.00, subject to reduction by the Court. However, taking into account Defendants' reasonable defenses and evidence of financial hardship, Plaintiff discounted Defendants' maximum exposure by 50%, such that Defendants' estimated realistic exposure is $89,750, and the PAGA Penalties represent 63% of that figure ($56,864.61 / $89,750). Woods Decl. ¶¶ 35, 36; *see Amaral v. Cintas Corp. No. 2* (2008) 163 Cal.App.4th 1157, 1207 (finding that the "initial" violation rate applies until the employer has been notified that it is violating a Labor Code provision); *see also Fleming v. Covidien Inc.*, No. (OPX)) 2011 WL 7563047, at *4 (C.D. Cal., Aug. 12, 2011) (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 facts and circumstances warranted reduction to avoid unjust result).

Considering the risks of litigation, the burdens of proof necessary to establish liability, and the likelihood of appeal from a favorable judgment, as well as the Court's discretion to reduce civil penalties, Plaintiff reasonably balanced the strengths and weaknesses of his claims against the risk of continued litigation to resolve the PAGA claims in their entirety. Woods Decl. ¶ 37. The Settlement also serves to further PAGA's objectives by imposing civil penalties sufficient "to punish and deter" without being "unjust, arbitrary and oppressive, or confiscatory." Lab. Code § 2699(e)(2); *see also Taduran v. James R. Glidewell, Dental Ceramics, Inc*. (2026) 121 Cal. App. 5th 197, 207, *as modified* (July 1, 2026), *review filed* (July 27, 2026) (Pursuant to Labor Code § 2699, "after calculating the maximum civil penalty on a per pay period basis, the trial court is not precluded from using any reasonable method to reduce that amount, including applying a reduction on a percentage, per pay period or per employee basis.").

### C. PAGA Counsel's Fees and Costs are Reasonable

The prevailing party in a PAGA action is entitled to recover reasonable attorneys' fees and costs. Lab. Code § 2699(k). "[P]laintiffs may be considered 'prevailing parties' for attorney's fees purposes if they succeed on any significant issue in litigation which achieves some of the benefit the parties sought in bringing suit." *Maria P. v. Riles* (1987) 43 Cal. 3d 1281, 1292) (citation omitted). Moreover, a fee award is justified where the settlement of a legal action has produced the benefit. *Westside Cmty. for Indep. Living, Inc. v. Obledo* (1983) 33 Cal. 3d 348, 356–57 ("'[V]oluntary' corrective action, induced by litigation, may properly be considered a 'benefit' of the litigation in determining the propriety of an attorney fee award.") (citation omitted).

Fee awards of roughly one third of the settlement fund are routinely awarded in California courts in class and representative actions. *See, e.g.*, *Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 66, fn. 11 ("[F]ee awards in class actions average around one-third of the recovery."); *see also In re Pacific Enterprises Securities 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) (holding that class counsel's fee award should have been calculated as one-third of the gross settlement fund); *Chavez v. Saticoy Lemon Ass'n,* No. 56201500468600CUOEVT, 2015 WL 5561118, at *2, 4 (Cal.Super. Aug. 10, 2015) (approving attorneys' fees of 33.33% of settlement fund to PAGA Counsel); *Clavel v. Lupe's Thousand Oaks Mexican Restaurant, Inc.*, No. 56201500467353CUOEVT, 2016 WL 1601221, at *5 (Cal.Super. Mar. 25, 2016) (same).

The requested fee award of $38,996.10, representing 33.33% of the Gross Settlement Amount, is justified because the Settlement confers a significant benefit on the LWDA and the general public, the award is in line with comparable cases, and PAGA Counsel expended significant time and resources in litigating this case despite the substantial risks of representation on a contingency basis. Woods Decl. ¶¶ 34-38.

Indeed, this settlement exceeds other PAGA awards approved by courts. *See, e.g., Aguirre v. DSW, Inc.,* 2012 WL 11875296, *3 (C.D. Cal. Nov. 29, 2012) (approving $10,000 PAGA payment); *Garcia v. Gordon Trucking, Inc.,* 2012 WL 5364575, *7 (E.D. Cal. Oct. 31,

2012) ("GTI agrees to allocate $10,000 to Plaintiffs' PAGA claims, and will pay $7,500 to the LWDA, and $2,500 to participating Class Members on a pro-rata basis. This comports with settlement approval of PAGA awards in other cases…Therefore, the Court will approve the allocation of the Settlement to Plaintiffs' PAGA claim.") (citations omitted); *Boyd v. Bank of America Corp.,* 2014 WL 6473804, *8 (C.D. Cal. Nov. 18, 2014) (approving $18,750 PAGA payment); *Franco v. Ruiz Food Prods.,* 2012 WL 5941801, *14 (E.D. Cal. Nov. 27, 2012) (approving $10,000 PAGA payment); *Chu v. Wells Fargo Investments,* 2011 WL 672645, at *1 *LLC* (N.D. Cal. Feb. 16, 2011) (approving $10,000 PAGA payment); *cf. Nordstrom Comm'n Cases* (2010) 186 Cal.App.4th 576, 589 (holding that trial court did abuse its discretion in approving wage and hour class action settlement that involved PAGA claims even though no settlement money was allocated to the PAGA claims and paid to the LWDA). Here, PAGA Counsel achieved a fair, adequate, and reasonable settlement without engaging in a protracted legal battle with experienced defense counsel over disputed claims, which supports a finding that the requested fee award is reasonable. *See* Woods Decl. ¶¶ 34-37.

As discussed above, this case carried significant risk as to the merits as well as the potential of the Court drastically reducing penalties in a bench trial or summary judgment proceeding. Accordingly, it is fair and reasonable to account for these risks in compensating PAGA Counsel, who have dedicated substantial resources to this litigation, including a lodestar of more than $27,075.00 and at least $7,639.29 in costs, without any compensation to date. *Id*. ¶ 55-59, Ex. 5. Given the considerable potential for an adverse outcome in this case, the risk borne by PAGA Counsel was considerable, and PAGA Counsel's work should be compensated within the reasonable range of attorneys' fees for a PAGA action.

Lastly, PAGA Counsel have been found to be adequate counsel in numerous cases alleging wage and hour claims. *Id.* ¶ 40. A fee award of 33.33% of the GSA is commensurate with PAGA Counsel's skill, reputation, and experience and thus reasonable. Plaintiff's request for reimbursement of actual litigation costs of $7,639.29 is also fair and reasonable, especially given that it is less than the amount anticipated, and the remainder ($2,360.71) will revert to the Net Settlement Amount.

**D. The PAGA Service Award is Reasonable**

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

The instant Settlement provides for Service Award in an amount not to exceed $10,000.00 total. Woods. ¶ 15. The award is intended to recognize and acknowledge the time and effort that Plaintiff has expended on behalf of the State and all Aggrieved Employees, the financial and reputational risks to Plaintiff as a result of bringing this action, Plaintiff's putting the interests of the State and other Aggrieved Employees ahead of his own, and the benefit conferred on the State and the general public as a result of Plaintiff's efforts. Plaintiff dedicated hours to this case, including by consulting with PAGA Counsel regarding claims and case status, searching for and producing relevant documents, reviewing Defendants' document production and settlement documents, keeping informed of case developments, and participating in decisions concerning the case, including settlement. *Id*. ¶¶ 61, 62; Declaration of Manuel Refugio Garcia in Support of Plaintiff's Motion for Approval of PAGA Settlement ("Garcia Decl.") ¶¶ 6-12. As a result of his efforts, the LWDA and approximately 67 Aggrieved Employees will benefit from civil penalties imposed to punish alleged past violations and deter future misconduct. Woods Decl. ¶ 58.

In short, this action would not have been possible without Plaintiff's efforts. Accordingly, the requested Service Award is reasonable and should be approved.

**E. Administrator Costs are Reasonable**

Administration Costs not to exceed $3,500.00 is reasonable, given the tasks to be performed by the Administrator (Phoenix Settlement Administrators), including mailing and re-mailing (if necessary) checks to approximately 67 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 all payments, keeping the Parties apprised of all occurrences and transactions, and remitting funds represented by uncashed checks to the California Controller's Unclaimed Property Fund. Woods Decl. ¶¶ 21, 29-33. Plaintiff respectfully requests that the Court approve the requested costs.

**F. The Settlement Fulfills PAGA's Purpose to Benefit the Public**

The Gross Settlement Amount of $117,000.00 is sufficient to penalize Defendants for alleged past violations and to deter future violations. After deducting the Service Award ($10,000.00), Class Counsel's fees and costs ($46,635.39), and the Administrator's costs ($3,500), subject to Court approval, the remaining PAGA Penalties are $56,864.61, allocated 65% ($36,962.00) to the LWDA and 35% ($19,902.61) to Aggrieved Employees on a pro rata basis, distributed as Individual PAGA Payments. Woods Decl. ¶¶ 15-21. The Settlement thus reasonably fulfills PAGA's public interest goals not only by enforcing compliance, but also by providing relief for the alleged non-compliance. *See Jordan v. TCS Grp., Inc*., No. EDCV161701JVSSPX, 2018 WL 1409590, at *3 (C.D. Cal. Jan. 5, 2018) ("The proposed settlement imposes a substantial penalty payment of $150,000.00…[and] has the effect of protecting workers from unlawful employment practices and working conditions."); *Echavez v. Abercrombie & Fitch Co*., No. CV 11-09754-GAF, 2017 WL 3669607, at *3 (C.D. Cal. Mar. 23, 2017) (finding that the proposed PAGA penalty, $340,000 of $700,000 settlement served "[t]he primary purpose of PAGA, *i.e.*, the empowerment of Aggrieved Employees to act as private attorneys general to collect civil penalties from their employers for Labor Code violations.").

As discussed above, Plaintiff's conservative estimate of Defendant's realistic exposure for civil penalties was $89,750.00 for 67 employees who worked 1,795 total Pay Periods. Woods Decl. ¶ 35. PAGA Penalties in the amount of $56,864.61 is consistent with, and represents approximately 65% of, that estimate. Moreover, the proposed Settlement will provide the State and Aggrieved Employees timely, guaranteed relief and avoid the risk of an unfavorable judgment. In the context of PAGA settlements, given the specific facts and circumstances,

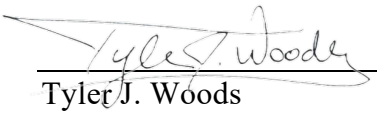
Plaintiff and PAGA Counsel believe this is a fair and reasonable result that benefits California and the general public. *Id*. ¶ 58.

## V. CONCLUSION

Based on the foregoing, Plaintiff respectfully requests this Court approve the Settlement as set forth in the Agreement and enter the concurrently filed proposed Approval Order and Judgment.

Dated: October 16, 2026

**WILSHIRE LAW FIRM, PLC**

By: 

Tyler J. Woods

Attorneys for Plaintiff