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9 Attorneys for Plaintiff JUANA PARADA

10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

11 **COUNTY OF LOS ANGELES – STANLEY MOSK COURTHOUSE**

12 JUANA PARADA, individually, and on
13 behalf of other aggrieved employees,

14 Plaintiff,

15 vs.

16 ROCHELLE STERLING and DONALD T.
17 STERLING, a married couple, doing business
as BEVERLY HILLS PLAZA HOTEL &
18 SPA; and DOES 1 through 100, inclusive,

19 Defendants.
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Case No. 23STCV27868

[Assigned for all purposes to the Hon. Alison Mackenzie, Dept. 55]

**NOTICE OF MOTION AND MOTION
FOR APPROVAL OF PAGA
SETTLEMENT; MEMORANDUM OF
POINTS AND AUTHORITIES IN
SUPPORT**

Date: December 4, 2025

Time: 8:30 a.m.

Dept: 55

Reservation ID: 014313461645

[Filed concurrently with Declaration of Karen L. Wallace; [Proposed] Order]

Complaint filed: November 14, 2023

FAC filed: January 17, 2024

Trial date: None set

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

2 **PLEASE TAKE NOTICE** that on December 4, 2025, at 8:30 a.m. or as soon thereafter as
3 the matter may be heard in Department 55 of the above-entitled court, located at 111 N. Hill St.,
4 Los Angeles, CA 90012, Plaintiff Juana Parada (“Plaintiff”) will move the Court for an order
5 approving the settlement of Plaintiff’s claim pursuant to the Private Attorneys General Act
6 (“PAGA”), Lab. Code § 2698, *et seq.*

7 This motion will be based upon this notice, the attached Memorandum of Points and
8 Authorities, the concurrently filed Declaration of Karen L. Wallace, the settlement agreement, the
9 records and files in this action, and such further evidence and argument as may be presented prior
10 to or at the time of hearing on the motion.

11
12 Date: September 16, 2025

AEQUITAS LEGAL GROUP

13 By:  _____

14 Ronald H. Bae

15 Karen L. Wallace

Olivia D. Scharrer

16 Carson M. Turner

Attorneys for Plaintiff JUANA PARADA

1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 On August 29, 2023, pursuant to the Private Attorneys' General Act ("PAGA"), Lab. Code
4 § 2698, *et seq.*, Plaintiff JUANA PARADA ("Plaintiff"), an aggrieved employee, submitted notice
5 of alleged Labor Code violations by her employer, Defendant ROCHELLE STERLING and
6 DONALD T. STERLING, a married couple, dba BEVERLY HILLS PLAZA HOTEL & SPA
7 ("Defendant"), to the California Labor and Workforce Development Agency ("LWDA") ("PAGA
8 Notice"). A true and correct copy of the PAGA Notice is attached as **Exhibit A** to the concurrently
9 filed Declaration of Karen L. Wallace ("Wallace Decl.") ¶ 3.

10 The PAGA Notice alleges the following violations: Lab. Code §§ 1194, 1197, and 1197.1,
11 as well as LAMC § 182.00 (failure to pay all minimum and overtime wages); Lab. Code §§ 226.7
12 and 512, as well as Wage Order 5 (failure to provide meal periods or compensation in lieu
13 thereof); Lab. Code § 226.7 (failure to provide rest periods or compensation in lieu thereof); Lab.
14 Code §§ 201-203 (failure timely to pay final wages); Lab. Code § 204 (failure timely to pay
15 wages during employment); and Lab. Code § 226 (failure to provide accurate wages statements).
16 The PAGA Notice also alleges liability pursuant to Lab. Code § 558. On submission, Plaintiff's
17 claims were designated Case No. LWDA-CM-978353-23. (Wallace Decl. ¶¶ 3-4.)

18 Subsequently, on November 14, 2023, on behalf of herself, the State, and other aggrieved
19 employees, Plaintiff filed a complaint in the above-captioned court based on those allegations,
20 including for recovery of PAGA civil penalties. (*Id.* ¶ 5.) The initial complaint alleges claims
21 against Beverly Hills Plaza Hotel & Spa, business form unknown, and various other entities. On
22 January 17, 2024, Plaintiff filed her First Amended Complaint ("FAC") to name Defendant as the
23 correct party to the action. (*Id.* ¶ 6.) On February 1, 2024, Defendant filed a Motion to Compel
24 Arbitration of Plaintiff's individual claims and to stay her PAGA representative claims, which
25 motion was granted on May 8, 2024, sending Plaintiff's individual claims to arbitration and
26 staying the PAGA representative claims pending outcome of the individual arbitration. (*Id.* ¶ 7.)

27 On June 6, 2024, Plaintiff submitted her Demand to the American Arbitration Association
28 ("AAA"). Designated Case No. 01-24-0005-8598, the individual arbitration matter was assigned

1 to arbitrator Stephen M. Benardo, Esq. on August 2, 2024, and the Initial Arbitration Case
2 Management Order was issued on September 2, 2024. (*Id.* ¶ 8.) After the parties completed
3 certain written discovery, Defendant deposed Plaintiff on February 26, 2025, and Plaintiff deposed
4 Defendant’s Assistant Manager on June 25, 2025. (*Id.* ¶ 9.) In accordance with the Arbitration
5 Case Management Order and to explore resolution of both Plaintiff’s individual claims in
6 arbitration and her stayed representative PAGA action, on July 23, 2025, the parties also
7 participated in a full-day mediation with Michael Young, Esq. (“Mediator”), an experienced and
8 well-respected mediator affiliated with Judicate West. (*Id.* ¶ 10.)

9 The mediation was successful, and the parties agreed to a settlement of all claims and
10 controversies between them, including both Plaintiff’s individual claims and representative PAGA
11 claim, as set forth in the PAGA Settlement Agreement presented for approval by this motion (the
12 “Agreement”).¹ True and correct copies of the Agreement, both final and redlined, are attached as
13 **Exhibits B** and **C**, respectively, to the concurrently filed Wallace Declaration. The LWDA has
14 been served with this motion and the Agreement. A true and correct copy of the proof of service is
15 attached to the Wallace Declaration as **Exhibit D**. (*Id.* ¶¶ 11-12, Exs. B - D.)

16 The parties now seek this Court’s approval of the Agreement, and the instant motion is not
17 opposed by Defendant.

18 **II. TERMS OF THE PAGA SETTLEMENT AGREEMENT**

19 **A. Summary**

20 The settlement between the parties, agreed upon following the exchange of discovery and
21 information, both formal and informal, and arms-length negotiations with the Mediator, provides
22 that Defendant shall pay a Gross Settlement Amount (“GSA”) of no more than \$55,900.00 to
23 dispose of all representative PAGA claims. The GSA shall be paid no later than fourteen (14) days
24 after the Effective Date, as stated in Section 4.3 of the Agreement, and is non-reversionary. The
25 PAGA Penalties, or net settlement amount, is \$12,269.00, which shall be allocated from the GSA
26 and disbursed by Phoenix Settlement Administrators (the “Administrator”) as follows: 75%

27 ¹ If the Court chooses to review Plaintiff’s confidential individual settlement agreement, the parties
28 respectfully request that such review be *in camera*.

1 (\$9,201.75) to the State as the LWDA PAGA Payment; and 25% (\$3,067.25) as Individual PAGA
2 Payments to Aggrieved Employees. (Wallace Decl. ¶ 13.)

3 **B. Net Settlement Amount**

4 Subject to Court approval, the Administrator will make and deduct the following payments
5 from the Gross Settlement Amount:

6 1. A PAGA Counsel Fees Payment of not more than 33.33%, or \$18,631.00, and
7 a PAGA Counsel Litigation Expenses Payment of not more than \$20,000.00. Defendant will not
8 oppose requests for Court approval of these payments provided that they do not exceed these
9 amounts. If the Court approves less than the amounts requested, the Administrator will allocate the
10 remainder to the Net Settlement Amount.

11 2. A Service Award to Plaintiff for her service to the State of California and to
12 all Aggrieved Employees, in an amount not to exceed \$1,000.00, except for a showing of good
13 cause and as approved by the Court. If the Court approves a lesser amount, the Administrator will
14 allocate the remainder to the Net Settlement Amount.

15 3. An Administrator Expenses Payment to the Administrator in an amount not to
16 exceed \$4,000.00, except for a showing of good cause and as approved by the Court. To the
17 extent the Administration Expenses are less or the Court approves a lesser amount, the
18 Administrator will retain the remainder in the Net Settlement Amount.

19 4. PAGA Penalties to the State and Aggrieved Employees in the amount of
20 \$12,269.00, with 75% (\$9,201.75) as the LWDA PAGA Payment and 25% (\$3,067.25) as
21 Individual PAGA Payments, *supra*. (Wallace Decl. ¶ 14.)

22 **III. THE AGREEMENT IS FAIR AND REASONABLE**

23 When enacting PAGA, the California Legislature declared that adequate financing of labor
24 law enforcement was necessary to achieve maximum compliance with state labor laws, that
25 staffing levels for labor law enforcement agencies had declined and were unlikely to keep pace
26 with the future growth of the labor market, and that it was therefore in the public interest to allow
27 aggrieved employees, acting as private attorneys general, to recover civil penalties for Labor Code
28 violations, with the understanding that labor law enforcement agencies were to retain primacy over

1 private enforcement efforts. *Arias v. Superior Court* (2009) 46 Cal. 4th 969, 980. Accordingly, an
2 “aggrieved” employee may bring a civil action under PAGA “personally and on behalf of other
3 current or former employees to recover civil penalties for Labor Code violations.” *Id*; Lab. Code §
4 2699. Specifically, “[a]n employee plaintiff suing ... under [PAGA], does so as the proxy or agent
5 of the state’s labor law enforcement agencies.” *Arias*, 46 Cal. 4th at 986.

6 A trial court “shall review and approve any civil action filed pursuant to this part. The
7 proposed settlement shall be submitted to the agency at the same time that it is submitted to the
8 court.” Lab. Code § 2699(l)(2). The court “should evaluate a PAGA settlement to determine
9 whether it is fair, reasonable, and adequate in view of PAGA’s purposes to remediate present labor
10 law violations, deter future ones, and to maximize enforcement of state labor laws.” *Moniz v.*
11 *Adecco USA, Inc.* (2021) 72 Cal. App. 5th 56, 77, disapproved of on other grounds by *Turrieta v.*
12 *Lyft, Inc.* (2024) 16 Cal. 5th 664. Many of the factors relevant to evaluate class action settlements,
13 such as “the strength of the plaintiff’s case, the risk, the stage of the proceeding, the complexity
14 and likely duration of further litigation, and the settlement amount” can be “useful in evaluating
15 the fairness of a PAGA settlement.” *Id*.

16 “In a PAGA lawsuit, the employee plaintiff represents the same legal right and interest as
17 state labor law enforcement agencies—namely, recovery of civil penalties that otherwise would
18 have been assessed and collected by the [LWDA].” *Moniz*, 72 Cal. App. 5th at 74 (internal
19 quotations and citation omitted). However, to determine whether settlement is fair and reasonable,
20 parties must consider that awards of PAGA penalties are discretionary and subject to potentially
21 significant reduction by the Court to avoid unjust or confiscatory results. *See* Labor Code §
22 2699(e)(2); *Thurman v. Bayshore Transit Mgmt., Inc.* (2012) 203 Cal.App.4th 1112, 1135,
23 disapproved of on other grounds by *ZB, N.A. v. Superior Ct.* (2019) 8 Cal. 5th 175 (affirming
24 reduction of PAGA penalties by 30% because “[t]o do otherwise under the particular facts and
25 circumstances of this case would be unjust, arbitrary, oppressive and confiscatory.”); *Carrington*
26 *v. Starbucks Corp.* (2008) 30 Cal. App. 5th 504, 517, 539 (upholding a 90% reduction of penalties
27 based on the defendant’s good faith efforts “to comply with meal break obligations” and minimal
28 violations).

1 Here, according to the data provided by Defendants, there are approximately 87 aggrieved
2 employees who worked approximately 2,190 total pay periods. (Wallace Decl. ¶ 15.) Based on
3 counsel's investigation and discovery, taking into account the strength of Defendant's defenses
4 and the risks inherent in further litigation, Plaintiff estimates that the maximum value of the
5 PAGA penalties that could be recovered is approximately \$106,500.00. (*Id.* ¶ 16.) The calculation
6 assumes a \$100 penalty for every alleged violation because Defendant was never notified by the
7 Labor Commissioner or a court that it was in violation of the Labor Code. *See, e.g., Amaral v.*
8 *Cintas Corp. No. 2* (2008) 163 Cal. App. 4th 1157, 1207-1209; *Bernstein v. Virgin America, Inc.*
9 (2021)3 F.4th 1127, 1144. The calculation is also undiscounted, counsel having considered
10 factors including Defendant's good faith, prior acts of cure, and financial condition. (Wallace
11 Decl. ¶ 17.)

12 The Settlement in this case is thus fair, reasonable, and adequate in light of PAGA's
13 purposes and will both deter further violations and encourage enforcement of state wage and hour
14 law. Notwithstanding the inherent risks, further litigation of the representative PAGA claim will
15 likely be both complex and prohibitively costly based on the strength of Defendant's defenses,
16 which include good faith efforts to remediate violations, and the mandatory prior resolution of
17 Plaintiff's individual claims in arbitration. The Settlement also provides for a modest service
18 award to Plaintiff in recognition of her time and efforts as the named plaintiff, as well as for the
19 perceived risk to her professional reputation in filing a lawsuit. The service award is an important
20 incentive to private plaintiffs, necessary for PAGA to function as the legislature intended and aid
21 in the enforcement of important labor laws where the State's enforcement agencies lack adequate
22 resources. (*Id.* ¶¶ 18-19.)

23 Finally, the full settlement amount represents nearly 50% of the theoretical maximum
24 penalties, and the agreed PAGA Penalties represent approximately 12% of that amount, which is
25 appropriate given the relatively small number of Aggrieved Employees, the stay of the
26 representative PAGA claim due to the arbitration, and the deterrent effect of the proceedings in
27 and of themselves. Indeed, the litigation commenced in November 2023 and has included a
28 successful Motion to Compel Arbitration, the commencement of said Arbitration, two (2) oral

1 depositions, one by each Party, and written discovery propounded by both Parties. Resolution of
2 the representative PAGA claim will require additional discovery and completion of the Arbitration
3 hearing before the Parties can request the stay be lifted and the litigation resumed. On balance, the
4 Settlement resolves the claims fairly and reasonably for all Parties, including the State. (*Id.* ¶ 20.)

5 **IV. CONCLUSION**

6 For foregoing reasons, Plaintiff respectfully requests that the Court approve the settlement
7 of Plaintiff's claim pursuant to PAGA.

8
9 Date: September 16, 2025

AEQUITAS LEGAL GROUP

10 By:  _____

11 Ronald H. Bae

12 Karen L. Wallace

13 Olivia D. Scharrer

14 Carson M. Turner

15 Attorneys for Plaintiff JUANA PARADA
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