D.LAW, INC.
Emil Davtyan (SBN 299363)
Emil@d.law
David Yeremian (SBN 226337)
d.yeremian@d.law
Roman Shkodnik (SBN 285152)
r.shkodnik@d.law
Enoch J. Kim (SBN 261146)
e.kim@d.law
Emma Geesaman (SBN 352715)
e.geesaman@d.law
Norayr Zakaryan (SBN 356913)
n.zakaryan@d.law
450 N Brand Blvd., Suite 840
Glendale, CA 91203
Telephone: (818) 962-6465
Facsimile: (818) 962-6469

Attorneys for Plaintiff JULIAN RAMOS,
on behalf of himself and others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN FRANCISCO

JULIAN RAMOS, on behalf of himself and others similarly situated, Plaintiff, vs. CRUISE LLC, a Delaware limited liability company; ACTALENT, INC., a Maryland corporation; ACTALENT SERVICES, LLC, a Maryland limited liability corporation; and DOES 1 through 50, inclusive, Defendants.	Case No. CGC-23-609247 <u>Assigned for All Purposes To:</u> Hon. Jeffrey S. Ross Dept: 606 **NOTICE OF MOTION AND MOTION FOR APPROVAL OF PAGA SETTLEMENT** [filed concurrently with Declaration of Enoch J. Kim; Declaration of Jodey Lawrence; and [Proposed] Order] Hearing Date: October 8, 2025 Time: 9:00 a.m. Dept.: 606

TO THE COURT AND DEFENDANTS AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on October 8, 2025 at 9:00 a.m. in Department 606 of the above-entitled Court, located at 400 McAllister St., San Francisco, CA 94102, Plaintiff Julian Ramos ("Plaintiff" or "PAGA Representative"), on behalf of himself, the State of California, and all aggrieved employees (the "Aggrieved Employees"), will and hereby does move this Court pursuant to California Labor Code § 2698 et seq. for an order approving the settlement agreement between Plaintiff and defendants Cruise LLC ("Defendant Cruise"), Actalent, Inc. ("Defendant Actalent"), and Actalent Services, LLC. ("Defendant Actalent Services") (collectively "Defendants", Plaintiff and Defendants collectively referred to as the "Parties") which will accomplish the following: approve the representative action settlement embodied in the PAGA Settlement Agreement ("Settlement Agreement"); approve PAGA Counsel's application for attorney's fees and litigation costs; and enter judgment approving the Settlement Agreement.

The grounds for this Motion, as set forth in the attached Memorandum of Points and Authorities and supporting declaration, are that this is a fair and reasonable settlement that benefits the Aggrieved Employees and the State and was the product of informed, non-collusive negotiations by parties who were represented by experienced and able counsel. *See Wershba v. Apple Computer, Inc.*, 91 Cal. App 4th 224, 244-45 (1996); *Dunk v. Ford Motor Co.*, 48 Cal. App. 4th 1794, 1802 (1996); Manual for Complex Litigation, (Second), § 30.44 (1985).

Defendants do not oppose this Motion. Plaintiff bases this Motion on this Notice and the accompanying Memorandum of Points and Authorities, the Declaration of Enoch J. Kim, the complete pleadings, records and files in the case, and such other further oral and documentary evidence which may be submitted at or before the hearing on this Motion.

DATED: August 29, 2025

D.LAW, INC.

By: ______________________

Enoch J. Kim
Attorneys for Julian Ramos on behalf of himself and Aggrieved Employees

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Through this motion, Plaintiff Julian Ramos ("Plaintiff") requests that the Court grant approval of the PAGA Settlement Agreement and Release ("Settlement" or "Settlement Agreement") reached between the Parties to resolve claims brought exclusively under the Private Attorneys General Act of 2004, Labor Code § 2698, *et seq*. ("PAGA") seeking civil penalties for various violations of the California Labor Code and Industrial Wage Commission's Wage Orders. Pursuant to the Settlement, Defendants Cruise LLC ("Defendant Cruise"), Actalent, Inc. ("Defendant Actalent"), and Actalent Services, LLC. ("Defendant Actalent Services") (collectively "Defendants") will pay the Gross Settlement Amount of $82,500.00. (Declaration of Enoch J. Kim ("Kim Decl."), Exhibit 1, ¶ 3.1.) For purposes of the Settlement, the group of aggrieved employees included in the Settlement is defined as any non-exempt employee of Actalent assigned to work for Cruise in California during the PAGA Period ("Aggrieved Employees"), including Plaintiff, which is the period from September 21, 2022 through November 15, 2022 ("PAGA Period"). (Kim Decl., Exhibit 1, ¶¶ 1.4 and 1.19.)

Given the amount Defendants will pay to effectuate the Settlement and the formula for distribution of the Settlement funds, Plaintiff and his counsel believe that the Settlement is fair, reasonable and in the best interests of the State and the Aggrieved Employees. Accordingly, Plaintiff requests that the Court "review and approve" the Settlement pursuant to Labor Code § 2699(*l*)(2). If the Court deems the Settlement fair and acceptable, Plaintiff requests that the Court enter an order approving the Settlement in the form lodged herewith and ordering the parties and Administrator to carry out the terms of the Settlement Agreement and enter a Final Judgment thereon.[1]

[1] Plaintiff has submitted the Settlement Agreement and this Motion to the LWDA by uploading it on the LWDA's website concurrently with the filing of this Motion as required by Labor Code § 2699(*l*)(2). (Declaration of Enoch J. Kim ("Kim Decl.") ¶ 35, Exhibit 3.)

II. RELEVANT BACKGROUND AND PROCEDURAL HISTORY

A. Litigation Overview and Procedural History

On September 21, 2023, Plaintiff filed a class action complaint alleging causes of action against Defendants for (1) Failure to Pay Minimum Wages; (2) Failure to Pay Wages and Overtime under Labor Code § 510; (3) Meal-Period Liability under Labor Code § 226.7; (4) Rest-Period Liability under Labor Code § 226.7; (5) Failure to Pay Vacation Wages; (6) Failure to Comply with Labor Code §§ 245 *et seq*. and 246; (7) Reimbursement of Necessary Expenditures under Labor Code § 2802; (8) Violation of Labor Code § 226(a); (9) Failure to Keep Required Payroll Records under Labor Code §§ 1174 and 1174.5; (10) Penalties Pursuant to Labor Code § 203; and (11) Violation of Business & Professions Code § 17200 *et seq*. (Kim Decl., ¶ 4.) On the same day, Plaintiff submitted his PAGA letter to the California Labor & Workforce Development Agency ("LWDA") and Defendants, alleging that Defendants committed various wage and hour violations under the California Labor Code and were entitled to civil penalties under PAGA ("PAGA Notice"). On November, 2023, Plaintiff filed a First Amended Complaint ("FAC" or "Operative Complaint") adding a twelfth cause of action for PAGA penalties under Labor Code §§2698 *et seq*. (*Id.*)

After initiating the Action, the Parties met and conferred regarding the allegations in the Operative Complaint and PAGA Notice and the enforceability of an arbitration agreement signed by Plaintiff containing a class action waiver. After much consideration, the Parties agreed to try and resolve the matter through mediation on Plaintiff's individual and representative PAGA claims. (Kim Decl., ¶ 5.)

Defendants deny each and every one of the material factual allegations and alleged claims asserted against them in the Operative Complaint. (Kim Decl., Exhibit 1, ¶ 2.2.) Defendants also deny any and all liability or wrongdoing of any kind associated with any of the claims and/or the causes of action alleged in the Operative Complaint, including but not limited to the Released PAGA Claims. (*Id.*) Cruise contends, among other things, that it did not employ Plaintiff or the workers assigned to Cruise by Actalent. Defendants further contend, among other things, that they have complied at all times with the California Labor Code, the related California Industrial Welfare Commission Wage

Orders, and all other applicable state and federal wage and hour laws, and further contend that the group of putative aggrieved employees were paid properly, and the Action is without merit. Nothing in the Settlement Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have merit. (Kim Decl., Exhibit 1, ¶ 10.)

B. Mediation and Settlement

Prior to mediation, Plaintiff conducted comprehensive informal discovery and Defendants provided data and numbers and documents, including a sampling of payroll and timekeeping records relating to Plaintiff and Aggrieved Employees, documents containing Defendants' wage and hour policies, practices and procedures, and summaries of data pertaining to the number of alleged aggrieved employees affected by Defendants' wage and hour policies, practices and procedures. (Kim Decl., ¶ 6.) The information and data exchanged by Plaintiff and Defendants prior to and during mediation and settlement negotiations were sufficient to reliably assess the merits of the Parties' respective positions, to compromise the issues on a fair and equitable basis, and to devise a formula for distribution of civil penalties among the Aggrieved Employees that took into consideration the strength of the PAGA claims. (*Id.*)

On December 4, 2024, the parties attended an all-day mediation with Hon. Ronald Sabraw (Ret.) which led to settle this matter. (Kim Decl., ¶ 7.) With the assistance of a highly respected wage and hour mediator, the Parties agreed to the general terms for settling this Action that were first memorialized in a Confidential Mediator's Proposal and thereafter in the long-form PAGA Settlement Agreement now before the Court for approval. (*Id.*)

The Parties believe and agree that the Settlement provides for a fair, adequate, and reasonable resolution of the Action and have arrived at the Settlement after extensive, arm's length negotiations, considering all relevant factors, present and potential. (Kim Decl., ¶ 8.) PAGA Counsel believes that the Settlement confers real benefits upon Plaintiff and the Aggrieved Employees and that an independent review of the Settlement by the Court in the approval process will confirm this conclusion. (*Id.*)

III. PAGA ACTIONS AND THE REQUIREMENTS

A. The PAGA Statutory Scheme

PAGA creates a means of "deputizing" citizens as private attorneys general to enforce the Labor Code on behalf of the LWDA. *Brown v. Ralphs Grocery Co*. (2011) 197 Cal. App. 4th 489, 501, *review den.* (Oct. 19, 2011, No. S195850), *cert. denied* 132 S.Ct. 1910 (Apr. 16, 2012). A plaintiff may not — and Plaintiff here does not — bring a PAGA claim simply on his or her own behalf as an individual claim, but "as the proxy or agent of the state's labor law enforcement agencies." *Id*., at 986; *see also Reyes v. Macy's, Inc*. (2011) 202 Cal. App. 4th 1119, 1123-1124; *Iskanian v. CLS Transp. Los Angeles, LLC* (2014) 59 Cal.4th 348, 380. When an aggrieved employee brings a PAGA claim, "the government is always the real party in interest." *Securitas Sec. Servs. USA, Inc. v. Sup. Ct. of San Diego Cnty*. (2015) 234 Cal. App. 4th 1109, 1119; *Montano v. The Wet Seal Retail, Inc*. (2015) 232 Cal. App. 4th 1214, 1222 ("[A] PAGA action is a dispute between an employer and the State agency."). Accordingly, a plaintiff that brings a PAGA claim represents "the same legal right and interest as state labor law enforcement agencies," in that the plaintiff seeks to recover those civil penalties that the LWDA otherwise would assess and collect. *Arias v. Super. Ct*. (2009) 46 Cal.4th 969, 986; Labor Code § 2699(a) & (f); *Securitas, supra*, 234 Cal. App. 4th at 1119; *see also Medina v. Vander Poel* (E.D. Cal. 2015) 523 B.R. 820, 825 (holding "PAGA plaintiffs do not have property rights in their cases."), and *Amalgamated Transit Union, Local 1756, AFL-CIO v. Superior Court* (2009) 46 Cal.4th 993, 1003.

Therefore, when a plaintiff brings a PAGA claim, he or she is properly viewed as a private attorney general prosecuting violations of California's labor laws on behalf of the state. An employee may commence a PAGA action by fulfilling the requirements of California Labor Code § 2699.3(a)(1), which simply states: "The aggrieved employee or representative shall give written notice by certified mail to the Labor and Workforce Development Agency and the employer of the specific provisions of this code alleged to have been violated, including the facts and theories to support the alleged violation." Labor Code § 2699.3(a)(1). As explained above, Plaintiff complied with the notice requirements and properly pled a PAGA claim. (Kim Decl. ¶ 4.)

B. The Court Has Discretion When Awarding the Amount of Penalties.

PAGA provides for default penalties in the amount of $100 for each violation per aggrieved employee per pay period for the initial violation and $200 for each violation per aggrieved employee per pay period for each subsequent violation, and penalties in the amount of $50 for each pay period for the initial violation and $100 for each pay period for each subsequent violation for claims brought under Labor Code § 558 and the Wage Orders . Labor Code § 2699(f)(2). "PAGA penalties...are mandatory, not discretionary" and must be awarded upon a showing that Defendants violated the Labor Code. *Amaral v. Cintas Corp. No. 2* (2008) 163 Cal.App.4th 1157, 1213. However, PAGA provides the Court with discretion when it finds liability and awards these penalties as part of a judgment. Labor Code § 2699(e)(2) states that "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."

C. PAGA Authorizes the Payment of PAGA Counsel's Fees and Costs

PAGA provides for the recovery of reasonable attorneys' fees and costs. Labor Code § 2699(g)(1) ("Any employee who prevails in any action shall be entitled to an award of reasonable attorney's fees and costs, including any filing fee paid…"). The monetary settlement and programmatic relief make Plaintiff a "prevailing party." *Folsom v. Butte County Ass'n of Gov'ts* (1982) 32 Cal. 3d 668,671; *Santisas v. Goodin* (1998) 17 Cal.4th 599, 621. Even if Labor Code § 2699(g)(1) did not authorize fees, Plaintiff would be entitled to fees as a Private Attorney General under Code of Civil Procedure § 1021.5 because Plaintiff brought this action to, and the action does, benefit the public. *Arias,* 46 Cal.4th at 985–986.

IV. THE SETTLEMENT

Pursuant to the Settlement Agreement, Defendants will pay a maximum, non-reversionary settlement amount of $82,500.00 in full and final settlement of all claims alleged in the Action ("Gross Settlement Amount"). (Kim Decl., Exhibit 1, ¶ 3.1).

Pending Court approval, the Gross Settlement Amount will be allocated as follows: (1) attorneys' fees of one-third (1/3) of the Gross Settlement Amount, which is **$27,500.00** ("PAGA Counsel Fees"); (2) litigation costs incurred in this matter in the amount of **$19,773.19** ("PAGA Counsel Costs"); (3) settlement administration costs of up to **$5,000.00** to be paid to the Settlement Administrator, Phoenix Settlement Administrators ("Phoenix"), for sending notices and for calculating settlement shares and preparing all checks and mailings ("Administration Costs"); and (4) PAGA Penalties in the approximate amount of **$30,226.81**, with 75% $22,670.11 allocated to the LWDA (the "LWDA PAGA Payment") and 25% $7,556.70 allocated to the Aggrieved Employees ("Individual PAGA Payment"). (Kim Decl., ¶ 10.) The Individual PAGA Payment will be divided on a *pro rata* basis among Aggrieved Employees calculated according to the number of pay periods worked during the PAGA Period and distributed by the Settlement Administrator in Individual PAGA Payments, as required by California Labor Code section 2699(i). (Kim Decl., Exhibit 1, ¶ 3.2.3.1.)

Based on a review of its records as of the date of mediation on December 4, 2024, Actalent represents that there are approximately 309 Aggrieved Employees who collectively worked a total 1,675 PAGA Pay Periods during the PAGA Period. (*Id*. at ¶ 4.1; Kim Decl., ¶ 9.) If the total number of PAGA Pay Periods encompassed within the PAGA Period exceeds 1,675 by more than 10% (i.e., if the total PAGA Pay Periods exceeds 1,843 pay periods), then the Gross Settlement Amount shall be increased in proportion to the percentage increase in the number of PAGA Pay Periods encompassed in the PAGA Period in excess of 10% (e.g., if there was a 12% increase in PAGA Pa Periods, then Defendants would agree to increase the Gross Settlement Amount by 2%). (Kim Decl., Exhibit 1, ¶ 8.)

V. ARGUMENT

A. The Court Should Approve the Settlement Agreement.

Pursuant to Labor Code § 2699(*l*), the parties must obtain Court approval of a settlement of a PAGA action on a representative basis. However, as explained in *Arias v. Superior Ct*. (2009) 46 Cal.4th 969, the parties need not follow the class action procedural rules in PAGA cases and therefore need not obtain approval of the PAGA settlement through a motion for preliminary or final approval.

Nonetheless, to comply with the requirements of Labor Code section 2699, Plaintiff submits this Motion and the Settlement Agreement for Court approval.

B. The Risks of Moving Forward with Plaintiff's PAGA Claim

To help the Court evaluate the fairness of the Settlement, below is a discussion of the risk evaluation made by Plaintiff and PAGA Counsel. They considered the arguments and defenses asserted by Defendants at mediation, assessed the risks of moving forward to trial and what this Court could do in awarding penalties even if Plaintiff were to prevail at trial.

Plaintiff estimated that the maximum potential exposure on the PAGA claim is $167,500.00, calculated by multiplying the total number of pay periods (1,675) by $100 per violation. (Kim Decl., ¶ 15.) Plaintiff's calculation of the total potential exposure on the PAGA claim was based on one PAGA penalty per pay period (i.e., Plaintiff did not stack the PAGA penalties in his damages calculation). (*Id*.) Case law supports the notion that it is inappropriate to "stack" penalties for multiple violations, particularly when those violations all stem from the same alleged "injury." (*Id.* at ¶ 16.)

The Gross Settlement Amount of $82,500.00 is approximately 49.25% of the maximum potential exposure of $167,500.00. (Kim Decl., at ¶ 18.) The Gross Settlement Amount therefore represents a strong value at approximately $49.25 per pay period. (*Id.*) From PAGA Counsel's review of the facts, strengths, and weaknesses of the case, the risks and delays posed by further litigation, PAGA Counsel believes that the recovery for each Aggrieved Employee is fair and reasonable. (*Id.*)

C. Trial of Plaintiff's PAGA Claims Would Have Presented Many Hurdles.

Defendants denied and continue to deny all of the claims made by Plaintiff against Defendants in the Operative Complaint and contend that they acted at all relevant times in conformance with the law. (*Id*. at ¶ 13.) Defendants contend that Plaintiff and the Aggrieved Employees were paid for all hours worked and that Plaintiff and the Aggrieved Employees were prohibited from working beyond their scheduled shifts; that they were provided lawfully compliant meal and rest periods (and in fact provided longer breaks than required by law) and that any deviations were at the voluntary election of Plaintiff and/or the Aggrieved Employees and not at the request of Defendants or due to work requirements; that Plaintiff and the Aggrieved Employees were paid all wages due on a timely basis;

that Actalent paid all wages due on a timely basis and using Labor Code compliant instruments; that Actalent's wage statements complied with the law; and that neither Plaintiff nor any Aggrieved Employees incurred reasonable business related expenses for which they were not reimbursed. (*Id.*) Defendants further contend that their above defenses are supported by their written policies applicable to Plaintiff and Aggrieved Employees. (*Id.*) As a result, PAGA Counsel had to appropriately discount the amount recoverable from Defendants in a settlement. (*Id.*)

D. The Court May Have Exercised Its Discretion to Reduce Civil Penalties.

"PAGA penalties…are mandatory, not discretionary" and the Court must award penalties upon a showing that Defendant violated the Labor Code. *Amaral v. Cintas Corp. No. 2* (2008) 163 Cal. App. 4th 1157, 1213; *Moreno v. Autozone, Inc*. (N.D. Cal. June 5, 2007) No. C05-04432 MJJ, 2007 WL 1650942, at *3. However, PAGA does provide the Court with discretion when it awards these penalties. Labor Code § 2699(e)(2) states that "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* (2012) 203 Cal. App. 4th 1112 (reducing PAGA penalties by 30% under this provision)).

In departing from the $100/pay period calculation to arrive at the $82,500.00 Gross Settlement Amount in this case, Plaintiff considered what the realistic potential exposure could be and why the Court may reduce any eventual recovery at its discretion, including Defendants' defenses to the claims and the potential manageability issues with PAGA claims at trial. (Kim Decl., at ¶ 17.) Based on those considerations, Plaintiff applied a discount of 50% to the maximum potential exposure (which equates to $50 penalty per pay period) to get a realistic potential exposure of $83,750.00 (1,675 pay periods x $50 penalty per pay period). (*Id.*)

The Gross Settlement Amount of $82,500.00 is 98.5% of the realistic potential exposure of $83,750.00. PAGA Counsel submits that this is a fair and reasonable result for the State and Aggrieved Employees in light of the strengths and weaknesses of the case and the risks and delays posed by further litigation.

VI. THE REQUEST FOR ATTORNEYS' FEES AND COSTS

A. The Court Should Approve the Requested Attorneys' Fees and Costs

Pursuant to the Settlement Agreement, PAGA Counsel is requesting an award of attorneys' fees in the amount of **$27,500.00** and an award of litigation costs to PAGA Counsel of actual and reasonable costs of **$19,773.19** incurred by PAGA Counsel in prosecuting this Action. (Kim Decl., ¶ 19.)

Prior to enactment of PAGA, when the State had the resources to seek civil penalties on behalf of the public, it paid its employees (including their attorneys) their salaries and benefits for pursuing such penalties. The Legislature enacted PAGA because the Labor Commissioner and other agencies were hampered in their enforcement of civil penalties by inadequate funding and staffing constraints. *Iskanian*, *supra*, 59 Cal.4th at 379. To facilitate broader enforcement, the Legislature enacted PAGA, authorizing "aggrieved employees" to pursue civil penalties on the state's behalf. Labor Code § 2699(a). In creating PAGA, the Legislature expressly provided that the private counsel retained by the Plaintiff to represent the public's interest can recover fees if the Plaintiff is the prevailing party. Labor Code § 2699(g)(1).

1) <u>PAGA Counsel Are Entitled to Fees from the Civil Penalties Recovered</u>

As previously indicated, this is *not* a class action. However, like a class action, it is a representative action where instead of a class, the Plaintiff represents the State and the public. As a matter of law and substance, counsel's client is the public at large and the State of California. The Plaintiff is simply a "proxy" for the State. On August 11, 2016, the California Supreme Court decided *Laffitte v. Robert Half International*, which addressed, in a class action context, the correct methodology for awarding fees in a representative action settlement. *Laffitte v. Robert Half Intern. Inc*. (2016) 205 Cal.Rptr.3d 555, 573. The *Laffitte* Court approved awarding fees as a percentage of the settlement fund.:

> We join the overwhelming majority of federal and state courts in holding that when class action litigation establishes a monetary fund for the benefit of the class members, and the trial court in its equitable powers awards Class Counsel a fee out of that fund, the court may determine the amount of a reasonable fee by choosing an appropriate percentage of the fund created.

Id. at p. 573. Here, the $82,500.00 common fund created for the benefit of the public is, with Plaintiff as a proxy for the State, not unlike the fund created in class action settlements, with the public the equivalent of the class referenced in *Laffitte*.

The Court, in *Laffitte,* pointed out several reasons why the percentage-of-the-fund method is preferred over the alternative lodestar-multiplier approach in California courts:

> The recognized advantages of the percentage method—including relative ease of calculation, alignment of incentives between counsel and the class, a better approximation of market conditions in a contingency case, and the encouragement it provides counsel to seek an early settlement and avoid unnecessarily prolonging the litigation [citations]—convince us the percentage method is a valuable tool that should not be denied our trial courts.

Id. at 573.

An award of one-third of the civil penalties realized in the Settlement is appropriate here under the "substantial benefit" theory. *Dunk v. Ford Motor Co*. (1996) 48 Cal. App. 4th 1794, 1810; *Wershba v. Apple Computer, Inc.* (2001) 91 Cal. App. 4th 224, 254. That theory permits a litigant who has sued in a representative capacity to recover fees from the beneficiaries of that representation. Courts exercise their inherent equitable powers to assess attorneys' fees against the entire fund, thereby spreading the cost of those fees among the public who benefits from PAGA actions. *Serrano v. Priest* (1977) 20 Cal.3d 25, 35 (*Serrano III).* As this approach "better approximates the workings of the marketplace than the lodestar approach," there is "a greater judicial willingness to evaluate a fee award as a percentage of the recovery." *Lealao v. Beneficial Calif., Inc*. (2000) 82 Cal. App. 4th 19, 31, 48.

2) <u>The Attorneys' Fees Request Is Within the Range of Reasonable Fees</u>

PAGA Counsel at D.Law, Inc. are experienced employment attorneys with expertise in wage and hour class and representative actions. (Kim Decl., ¶¶ 27-33.) Throughout this case, PAGA Counsel have borne, and continue to bear, the entire risk and cost of litigation associated with this Action on a purely contingency basis. (Kim Decl., ¶ 21.) As a result, PAGA Counsel have yet to receive any compensation for the amount of time and money invested in the case to date. (*Id*.) Moreover, courts have approved attorneys' fees awards in other PAGA settlements on a common fund basis at higher percentages than the one-third Plaintiff is requesting here. (*Id*. at ¶¶ 23-24.)

For these reasons, PAGA Counsel's requested fee of one-third of the Gross Settlement Amount is well within the range of reasonableness and is fair compensation for undertaking this complex and risky litigation on a contingent basis.

3) PAGA Counsel's Fee Request Is Reasonable Under the Lodestar Crosscheck.

PAGA Counsel's fee request is reasonable when calculated using the lodestar method. Under the lodestar method, a base fee amount is calculated from a compilation of time reasonably spent on the case and the reasonable hourly compensation of the attorney. *Serrano v. Priest* (1977) 20 Cal.3d 25, 48. The court then may enhance this lodestar figure by a "multiplier" to account for a range of factors, such as the novelty and difficulty of the case, its contingent nature, and the degree of success achieved. *Id*. at 49; *see also Ketchum v. Moses* (2001) 24 Cal.4th 1122, 1132-36; *Thayer v. Wells Fargo Bank* (2001) 92 Cal. App. 4th 819, 834, ("[t]here is no…rule limiting the factors that may justify an exercise of judicial discretion to [adjust the] lodestar").

Here, the lodestar cross check establishes that the fees requested are significantly less than the amount warranted by lodestar analysis; therefore, the factors warranting positive multipliers do not come into play, even though they were apparent in this case.

PAGA Counsel from D.Law, Inc. conservatively estimates that it invested at least 154.5 hours of attorney time in this matter. (Kim Decl., ¶ 25.) Enoch J. Kim's billing rate is $1,045.00 (17 years out of law school, Laffey Matrix rate of $1,141.00), and he has spent approximately 24.6 hours in this matter with a lodestar amount of $25,707.00. Attorney Roman Shkodnik's current billing rate is $1,045.00 (12 years out of law school, Laffey Matrix rate of $948.00), and he spent approximately 26 hours in this matter with a lodestar amount of $27,170.00. Attorney Emma Geesaman's current billing rate is $475.00 (2 years out of law school, Laffey Matrix rate of $473.00), and she spent approximately 39.1 hours in this matter with a lodestar amount of $18,572.50. Attorney Amanda Fazio's current billing rate is $475.00 (3 years out of law school, Laffey Matrix rate of $473.00), and she spent approximately 1.6 hours in this matter with a lodestar amount of $760.00. Attorney Mason Doidge's current billing rate is $475.00 (2 years out of law school, Laffey Matrix rate of $473.00), and he spent approximately 0.2 hours in this matter with a lodestar amount of $95.00. Attorney Norayr Zakaryan's current billing rate is $475.00 (1 year out of law school, Laffey Matrix rate of $473.00), and he spent approximately 61 hours in this matter with a lodestar amount of $28,975.00. Attorney Robert Payaslyan's billing rate at the time of being employed at D.Law was $400.00, and he spent approximately 2 hours in this matter with a lodestar amount of $800.00. The total lodestar for PAGA Counsel is $102,229.50.

Thus, consideration of the lodestar method as a cross-check to the percentage figure sought strongly supports the reasonableness of the requested fee award. PAGA Counsel respectfully request the Court grant its request for $27,500.00 in fees, which requires **no multiplier**.

4) <u>The Court Should Approve the Reimbursement of PAGA Counsel's Costs.</u>

The litigation expenses incurred by PAGA Counsel in this Action are also to be reimbursed under the Settlement Agreement. PAGA Counsel seek **$19,773.19** in reimbursement for litigation costs (Kim Decl., ¶ 19.) The lion's share of these costs were incurred in connection with mediation, and the others listed were all reasonably incurred and necessary to the prosecution of this Action. Thus, PAGA Counsel respectfully request the Court approve their request for reimbursement in the amount of **$19,773.19**.

VII. <u>THE COURT SHOULD APPROVE THE COSTS OF ADMINISTRATION</u>

The parties agreed to use Phoenix as the third-party settlement administrator in this case. (Kim Decl., ¶ 34.) Phoenix Settlement Administrators ("Phoenix") will be responsible for updating the addresses for the Aggrieved Employees, mailing the Notice of Settlement and calculating and distributing the settlement checks, among other duties. (*Id*.) Phoenix capped its fees at $5,000.00 for administering the Settlement, and based on PAGA Counsel's experience in other class and PAGA settlements, Phoenix's costs for administering this Settlement are fair and reasonable. (*Id*.)

VIII. <u>CONCLUSION</u>

Plaintiff and PAGA Counsel submit that the proposed Settlement as documented in the Settlement Agreement is fair, adequate, reasonable, and in the best interest of Plaintiff, Defendants, the Aggrieved Employees, and the State of California. Plaintiff respectfully requests that the Court approve the Settlement and order the Parties to carry out the Settlement according to the terms of the Settlement Agreement and enter the concurrently filed [Proposed] Order Granting Approval and Judgment to that end.

DATED: August 29, 2025

D.LAW, INC

By ______________________________
Enoch J. Kim
Attorneys for Plaintiff Julian Ramos on behalf of himself and Aggrieved Employees