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County of San Bernardino
Victorville District
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Attorneys for Plaintiff, Halla Knotts

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO**

HALLA KNOTTS, individually, and on behalf
of Aggrieved Employees pursuant to the
California Private Attorneys General Act,

Plaintiffs,

vs.

LAUNCH TECHNICAL WORKFORCE
SOLUTIONS, LLC; and DOES 1 through 25,
inclusive,

Defendants.

Case No. CIVSB2332568

*Honorable Winston Keh
Department V11*

**NOTICE OF MOTION AND MOTION FOR
APPROVAL OF PAGA SETTLEMENT
AND AWARD OF ATTORNEYS' FEES
AND COSTS, SERVICE AWARD, AND
SETTLEMENT ADMINISTRATION
COSTS; MEMORANDUM OF POINTS
AND AUTHORITIES IN SUPPORT
THEREOF**

Date: 4/28/25
~~April 11, 2025~~
Time: 8:30 a.m.
Dept.: V11

Complaint: December 18, 2023
Trial Date: None Set

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

4/28/25

2 **PLEASE TAKE NOTICE THAT** on ~~April 11, 2025~~, at 8:30 a.m. in Department V11 -
3 Victorville of the above-captioned Court located at 14455 Civic Drive, Suite 100, Victorville,
4 California 92392, Plaintiff Halla Knotts (“Plaintiff”) will and hereby does move the Court for an
5 Order granting approval of California Labor Code Private Attorneys General Act of 2004, California
6 Labor Code sections 2698, *et seq.* (“PAGA”) settlement. Specifically, Plaintiff requests that the Court
7 enter an Order:

- 8 1. Granting approval pursuant to California Labor Code section 2699(l)(2) of the PAGA
9 Settlement Agreement (“Settlement” or “Settlement Agreement”) attached as **Exhibit 2** to the
10 Declaration of Jonathan M. Genish in Support of Plaintiff’s Motion for Approval of PAGA
11 Settlement and Award of Attorneys’ Fees and Costs, Service Award, and Settlement
12 Administration Costs (“Genish Decl.”);
- 13 2. Directing the distribution of the Gross Settlement Amount of Five Hundred Fifty Thousand
14 Dollars and Zero Cents (\$550,000.00) pursuant to the terms of the Settlement;
- 15 3. Approving the PAGA Penalties, estimated to be Three Hundred Seventeen Thousand One
16 Hundred Fifteen Dollars and Seventy-One Cents (\$317,115.71), of which seventy-five
17 percent (75%) will be distributed to the California Labor and Workforce Development
18 Agency (“LWDA”) and twenty-five percent (25%) will be distributed to the Aggrieved
19 Employees;¹
- 20 4. Approving an award of reasonable attorneys’ fees of One Hundred Ninety-Two Thousand
21 Five Hundred Dollars and Zero Cents (\$192,500.00) to PAGA Counsel, Blackstone Law,
22 APC;
- 23 5. Approving the amount of Twenty-Three Thousand Three Hundred Eighty-Four Dollars and
24 Twenty-Nine Cents (\$23,384.29) to PAGA Counsel, Blackstone Law, APC, for
25

26 ¹ References to “Aggrieved Employees” in the instant Motion are based on the use of that term in California Labor Code
27 sections 2698 *et seq.* Defendant Launch Technical Workforce Solutions, LLC does not admit as part of this Settlement
28 that any employees are aggrieved, and does not admit to any wrongdoing or any Labor Code violations as part of this
Settlement. In the Settlement Agreement (Exhibit 2 to the Genish Decl.), the Parties refer to the employees covered by
the Settlement as “PAGA Group Members.”

1 reimbursement of actual litigation costs and expenses pursuant to California Labor Code
2 section 2699(g)(1);

- 3 6. Approving the award of Ten Thousand Dollars and Zero Cents (\$10,000.00) to Plaintiff as a
4 Service Award;
- 5 7. Appointing Apex Class Actions LLC (“Apex” or “Administrator”) as the Administrator; and
- 6 8. Approving an award of up to Seven Thousand Dollars and Zero Cents (\$7,000.00) in
7 anticipated costs to Apex Class Actions LLC for its settlement administration services.

8 Pursuant to California Labor Code section 2699(l)(2), a copy of the proposed Settlement, as
9 well as information regarding the approval hearing in this matter, were submitted to the LWDA via
10 online submission through its public portal concurrently with the filing of this Motion. (Genish Decl.,
11 ¶ 16).

12 This Motion is based upon this Notice, the attached Memorandum of Points and Authorities,
13 the Declarations of PAGA Counsel Jonathan M. Genish and Plaintiff Halla Knotts, the pleadings and
14 other records on file with the Court in this matter, and any other further evidence or argument that
15 the Court may properly receive at or before the hearing.

16 Respectfully submitted,

17 Dated: February 13, 2025

BLACKSTONE LAW, APC

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20 By: 

Jonathan M. Genish
Attorneys for Plaintiff Halla Knotts

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1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 Pursuant to the California Labor Code Private Attorneys General Act, California Labor Code
4 sections 2698, *et seq.* (“PAGA”), Plaintiff Halla Knotts (“Plaintiff”) seeks approval of the PAGA
5 Settlement Agreement (“Settlement” or “Settlement Agreement”) entered into with Defendant
6 Launch Technical Workforce Solutions, LLC (“Defendant”) (collectively with Plaintiff, the
7 “Parties”), which is attached as Exhibit 2 to the Declaration of Jonathan M. Genish in Support of
8 Plaintiff’s Motion for Approval of PAGA Settlement and Award of Attorneys’ Fees and Costs,
9 Service Award, and Settlement Administration Costs (“Genish Decl.”). The Settlement terms are
10 outlined as follows:

- 11 • Number of Aggrieved Employees: 348 individuals.
- 12 • PAGA Period: August 31, 2022 to March 23, 2025.
- 13 • Gross Settlement Amount: Five Hundred Fifty Thousand Dollars and Zero Cents
14 (\$550,000.00).
- 15 • Requested PAGA Counsel’s Fees: One Hundred Ninety-Two Thousand Five Hundred
16 Dollars and Zero Cents (\$192,500.00) (35% of the Gross Settlement Amount).
- 17 • Requested PAGA Counsel’s Costs: Twenty-Three Thousand Three Hundred Eighty-
18 Four Dollars and Twenty-Nine Cents (\$23,384.29).
- 19 • Service Award: Ten Thousand Dollars and Zero Cents (\$10,000.00) to Plaintiff.
- 20 • Settlement Administration Costs: Not to exceed Seven Thousand Dollars and Zero Cents
21 (\$7,000.00).
- 22 • Estimated PAGA Penalties: Three Hundred Seventeen Thousand One Hundred Fifteen
23 Dollars and Seventy-One Cents (\$317,115.71), of which 75% (\$237,836.78) will be paid
24 to the California Labor and Workforce Development Agency (“LWDA”) and the
25 remaining 25% (\$79,278.93) will be paid to the Aggrieved Employees.

26 As set forth herein, the Settlement is the product of extensive informal discovery, arms-length
27 negotiations, and provides a fair, adequate, and reasonable recovery for the State of California and
28 Aggrieved Employees. Plaintiff therefore respectfully requests that the Court grant approval of the
proposed Settlement, among other requested relief.

1 **II. FACTUAL AND PROCEDURAL BACKGROUND**

2 Defendant Launch Technical Workforce Solutions, LLC is a staffing agency providing a
3 technical workforce to the aviation industry. Plaintiff Halla Knotts (“Plaintiff”) worked as an hourly-
4 paid, non-exempt, warehouse associate at Defendant’s Victorville, California location, starting from
5 approximately September 2022, through October 2023. (Declaration of Halla Knotts in Support of
6 Motion for Approval of PAGA Settlement and Award of Attorneys’ Fees and Costs, Service Award,
7 and Settlement Administration Costs [“Knotts Decl.”], ¶ 3). Plaintiff performed various duties such
8 as finding and retrieving parts in advance of product assembly.

9 On October 9, 2023, Plaintiff provided written notice by electronic submission to the Labor
10 and Workforce Development Agency (“LWDA”) and by Certified U.S. Mail to Defendant, pursuant
11 to California Labor Code § 2699.3, providing notice of the specific provisions of the California Labor
12 Code which Plaintiff alleged Defendant violated, including the facts and theories to support the
13 allegations (“PAGA Notice”). (Genish Decl., ¶ 8, Exh. 1).

14 On December 18, 2023, Plaintiff filed a Complaint for Enforcement Action under the Private
15 Attorneys General Act Cal. Labor Code §§ 2698 *Et Seq.*, seeking civil penalties for various alleged
16 violations of the California Labor Code in the action entitled *Halla Knotts v. Launch Technical*
17 *Workforce Solutions, LLC*, San Bernardino County Superior Court Case No. CIVSB2332568
18 (“Action”). This complaint remains the operative complaint in the Action (“Operative Complaint”)
19 (*Id.*, at ¶ 9). The Operative Complaint asserts a single cause of action for civil penalties under the
20 California Private Attorneys’ General Act, Labor Code §2698, et seq. (“PAGA”) for violations of
21 multiple provisions of the California Labor Code, including: failure to pay all wages owed for the
22 time worked (including minimum wages, regular rate/straight time wages, and overtime wages),
23 failure to provide all required meal and rest periods and associated premium wages based thereon,
24 failure to timely pay wages during employment, failure to timely pay wages upon termination of
25 employment, failure to provide accurate and itemized wage statements, failure to maintain accurate
26 payroll records, and failure to reimburse necessary business expenses..

27 On September 19, 2024, the Parties attended a formal mediation conducted by Steven
28 Rottman, a neutral and respected mediator with extensive experience in complex wage and hour

1 matters. The matter did not settle at mediation however, through ongoing negotiations, the Parties
2 ultimately reached a settlement in principle. Thereafter, the Parties executed a memorandum of
3 understanding outlining the core elements of the Settlement. (*Id.*, ¶ 10).

4 During the course of informal discovery in the Action, PAGA Counsel conducted an intensive
5 investigation into the facts of the Action. (*Id.*, ¶ 11). This included obtaining data, information, and
6 documents relating to the underlying alleged violations, including, but not limited to, Plaintiff's
7 complete personnel file, a sampling of employees' time records and pay data, Defendant's relevant
8 policies (e.g. Meal Period Policy, Timekeeping Policy), Defendant's arbitration agreement, and data
9 points for the group of putative aggrieved employees, so that Plaintiff could assess the number of
10 alleged potential violations and value of the recoverable penalties, as well as evaluate the strengths
11 and weaknesses of their claims. (*Ibid.*)

12 Based on the data, information, and documents received, as well as thorough discussions with
13 Defendant's counsel, PAGA Counsel was able to (i) determine the total number of distinct individuals
14 falling within the definition of "Aggrieved Employees" for the relevant statutory period, (ii)
15 determine the number of affected pay periods at issue among them, and (iii) construct a damages
16 model that calculated the maximum realistic amount of PAGA penalties that could be levied against
17 Defendant within the relevant statutory period. (*Id.*, ¶ 12). Defendant, however, disputed Plaintiff's
18 claims and disputed both the existence of and extent of liability as alleged by Plaintiff, which allowed
19 PAGA Counsel to further assess the strength of Plaintiff's claims. PAGA Counsel's experience in
20 litigating similar representative wage and hour claims, the degree of investigation that was conducted
21 here, and the amount of data, information, and documents that were obtained, was sufficient to
22 determine the potential value of the PAGA claim, and to evaluate the strength of this claim for
23 purposes of settlement. (*Id.*, ¶ 12).

24 Ultimately, the Parties were able to reach an agreement to resolve the Action in its entirety.
25 The Parties believe the Settlement is fair, reasonable, and adequate. (Genish Decl., ¶ 14). The Parties
26 understand, acknowledge, and agree that the Settlement Agreement constitutes a compromise of
27 Plaintiff's PAGA claim, and that it is the desire and intention of the Parties to effect a final and
28 complete resolution of the PAGA Released Claims. (*Ibid.*)

1 Defendant denies all of the claims in the Action, and does not waive, but rather expressly
2 reserves, all rights to challenge all such claims and allegations upon all legal, procedural, and factual
3 grounds should the Settlement not be approved by the Court. (*Id.*, ¶ 15). The Settlement Agreement
4 reflects a compromise reached to end litigation in the Action. (*Ibid.*) Following significant
5 investigation and extensive settlement negotiations, Plaintiff now seeks approval of the proposed
6 Settlement, which will resolve all representative claims alleged in the Operative Complaint. (*Ibid.*)

7 In accordance with California Labor Code sections 2699 *et. seq.*, a copy of the proposed
8 Settlement, as well as information regarding the approval hearing in this matter, were submitted to
9 the LWDA via online submission concurrently with the filing of the Motion on February 13, 2025.
10 (*Id.*, ¶ 16).

11 **III. THE SETTLEMENT TERMS**

12 **A. Definition of the Aggrieved Employees/PAGA Group Members**

13 For purposes of settlement only, the Parties have agreed that the “PAGA Group Members”
14 shall be defined as “all current and former non-exempt employees, who were employed by Defendant
15 within the State of California at any time during the PAGA Period.” The “PAGA Period” is the
16 period from August 31, 2022, to March 23, 2025. Based on its records, Defendant represents that
17 there are approximately 348 PAGA Group Members who worked approximately 11,000 Pay Periods
18 during the PAGA Period (up to the time of mediation). (Genish Decl., ¶ 17; Settlement Agreement,
19 Pages 2-3).

20 **B. Amount of Settlement**

21 The Parties have agreed to settle the PAGA claims at issue in the Operative Complaint for a
22 non-reversionary Gross Settlement Amount of Five Hundred Fifty Thousand Dollars and Zero Cents
23 (\$550,000.00). (Genish Decl., ¶ 18; Settlement Agreement, ¶ 3(a)).

24 **C. Allocation and Funding of the Gross Settlement Amount**

25 The Gross Settlement Amount is a common fund and therefore, includes all requested costs,
26 fees, and other allocations. (Genish Decl., ¶ 18). The Gross Settlement Amount includes: (1)
27 Attorneys’ Fees in the amount of thirty-five percent (35%) of the Gross Settlement Amount, equaling
28

1 One Hundred Ninety-Two Thousand Five Hundred Dollars and Zero Cents (\$192,500.00); (2)
2 litigation costs and expenses of Twenty-Three Thousand Three Hundred Eighty-Four Dollars and
3 Twenty-Nine Cents (\$23,384.29); (3) Settlement Administration Costs, not to exceed Seven
4 Thousand Dollars and Zero Cents (\$7,000.00); and (4) a Service Award in the amount of Ten
5 Thousand Dollars and Zero Cents (\$10,000.00) to Plaintiff. (Genish Decl., ¶ 18; Settlement
6 Agreement, ¶¶ 3(a) (1) – (3)).

7 After the above-estimated amounts are deducted from the Gross Settlement Amount, the
8 PAGA Penalties will amount to approximately Three Hundred Seventeen Thousand One Hundred
9 Fifteen Dollars and Seventy-One Cents (\$317,115.71), of which seventy-five percent (75%), or Two
10 Hundred Thirty-Seven Thousand Eight Hundred Thirty-Six Dollars and Seventy-Eight Cents
11 (\$237,836.78), will be paid to the LWDA (“LWDA Payment”), and twenty-five percent (25%), or
12 Seventy-Nine Thousand Two Hundred Seventy-Eight Dollars and Ninety-Three Cents (\$79,278.93)
13 will be distributed and paid to Aggrieved Employees on a pro-rata basis based on the number of pay
14 periods they each worked for Defendant during the PAGA Period (“Pay Periods”). (Genish Decl., ¶
15 19; Settlement Agreement ¶¶ 5b).

16 No later than fifteen (15) calendar days after the Court’s order granting approval of the
17 Settlement, Defendant shall provide the Settlement Administrator a complete list of all PAGA Group
18 Members through the PAGA Period that Defendant will in good faith compile from its records,
19 containing the following information for each PAGA Group Member: (i) full name; (ii) last known
20 mailing address; (iii) last four digits of their Social Security number; (iv) number of Pay Periods,
21 (collectively, “PAGA Group Members List”) to the Administrator in the form of a Microsoft Excel
22 spreadsheet, or a comparable format. (Genish Decl., ¶ 20; Settlement Agreement, ¶ 5(c)(1)).

23 Within thirty (30) calendar days of the Court’s order granting approval of the Settlement,
24 Defendant will fund the Gross Settlement Amount by transmitting the funds to the Administrator
25 (Genish Decl., ¶ 21; Settlement Agreement, ¶ 5(a)).

26 22. No later than seven (7) calendar days after the Administrator receives the PAGA
27 Group Members List and Defendant funds the Gross Settlement Amount, the Administrator will mail
28 checks for all Individual PAGA Payments, the LWDA Payment, the Settlement Administration Costs,

1 the Service Award, and the Attorneys' Fees and Costs. Disbursement of the Attorneys' Fees and
2 Costs shall not precede disbursement of Individual PAGA Payments. (Genish Decl., ¶ 22; Settlement
3 Agreement, ¶ 5(c)(3), (5)-(8)).

4 Prior to mailing the Individual PAGA Payment checks, the Administrator will update the
5 Aggrieved Employees' mailing addresses using the National Change of Address Database. (Genish
6 Decl., ¶ 23; Settlement Agreement, ¶ 5(c)(2)). Additionally, for all Individual PAGA Payment
7 checks that are returned as undeliverable without a USPS forwarding address, the Administrator
8 will conduct an investigation and search for current Aggrieved Employee mailing addresses using
9 all reasonably available sources, methods, and means including, but not limited to, the National
10 Change of Address database, skip traces, and direct contact by the Administrator with the Aggrieved
11 Employees. (Genish Decl., ¶ 23; Settlement Agreement, ¶ 5(c)(3)). Upon receiving a returned
12 check, so long as it is received within 30 days of the initial mailing, the Administrator will re-mail
13 the check to the USPS forwarding address provided or to an address ascertained through the
14 Aggrieved Employee address search. The Administrator will promptly send a replacement check to
15 any Aggrieved Employee whose original check was lost or misplaced, if requested by the Aggrieved
16 Employee prior to the void date. (Genish Decl., ¶ 23; Settlement Agreement, ¶ 5(c)(3)).

17 Individual PAGA Payment checks that are issued to Aggrieved Employees will be valid and
18 negotiable for up to one hundred and eighty (180) calendar days after the checks are initially mailed
19 to the Aggrieved Employees, and thereafter, will be canceled. (Genish Decl., ¶ 24; Settlement
20 Agreement, ¶ 5(c)(4)). Any funds associated with such canceled checks will be distributed to the
21 State of California State Controller's Office Unclaimed Property Division in the name of the
22 Aggrieved Employee whose check was cancelled. (Genish Decl., ¶ 24; Settlement Agreement, ¶
23 5(c)(4)).

24 If the actual number of Pay Periods during the PAGA Period exceeds 11,000 by more than
25 ten percent (10%) then Defendant shall, at its option, either (a) increase the Gross Settlement
26 Amount proportionally by the pay periods in excess of the 10% threshold (by paying \$50 per pay
27 period for those Pay Periods over 12,100); or (b) shorten the PAGA Period (and the corresponding
28 Release Period) to the date the number of pay periods reaches but does not exceed 11,250. (Genish

Decl., ¶ 25; Settlement Agreement, ¶ 3(a)(6)).

IV. STANDARD FOR APPROVAL OF PAGA SETTLEMENT

The settlement of a PAGA claim requires court approval. (California Labor Code (“Lab. Code”) § 2699(l).) The Court must be mindful that “[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 U.S. Dist. LEXIS 103222 at *24 (N.D. Cal. Sep. 12, 2011).) “[T]he very essence of a settlement is ... ‘a yielding of absolutes and an abandoning of highest hopes,’” as “it is the very uncertainty of outcome in litigation and avoidance of wasteful and expensive litigation that induce consensual settlements.” (*Officers for Justice v. Civil Service Com.*, 688 F.2d 615, 624-25 (9th Cir. 1982).) As such, “the settlement or fairness hearing is not to be turned into a trial or rehearsal for trial on the merits,” or “judged against a hypothetical or speculative measure of what might have been achieved.” (*Ibid.*)

Although the California Labor Code does not set forth the criteria by which a PAGA settlement is to be evaluated, it is presumed that a reviewing court may take into consideration some of the factors that courts use when reviewing a class action settlement. However, “a PAGA claim asserted on a non-class representative basis...is not considered a class action but a law enforcement action, and therefore does not have to meet the requirements of [a class action].” (*Casida v. Sears Holdings Corp.*, 2012 U.S. Dist. LEXIS 9302 at *8 (E.D. Cal. Jan. 25, 2012).)

A court’s review of a PAGA settlement necessarily implicates the following unique features that render the approval process distinct from approval of a class action settlement under Code of Civil Procedure Section 382 and California Rules of Court Rule 3.769. First, in evaluating the adequacy of the settlement amount, the Court’s focus is not concerned with the amount aggrieved employees are to receive, but rather, must focus on the total settlement amount in achieving PAGA’s objective. Indeed, “[t]he remedy sought in a PAGA suit consists of civil penalties, not individual or class damages,” and while a “[PAGA] action is ... designed to protect the public and penalize the employer for past illegal conduct,” a reviewing Court must be mindful of the fact that settlement of a PAGA claim involves a compromise. (*Mendez v. Tween Brands, Inc.*, 2010 U.S. Dist. LEXIS 66454 at *11 (E.D. Cal. June 30, 2010).) “Unlike class actions, these civil penalties are not meant to

1 compensate unnamed employees because the action is fundamentally a law enforcement action.”
2 (*Ochoa-Hernandez v. Cjaders Foods, Inc.*, 2010 U.S. Dist. LEXIS 32774 at *12 (Apr. 2, 2010).) The
3 Court should not lose sight of the fact that, “[u]nlike a class action seeking damages or injunctive
4 relief for injured employees, the purpose of PAGA is to incentivize private parties to recover civil
5 penalties for the government that otherwise may not have been assessed and collected by
6 overburdened state enforcement agencies.” (Ibid.)

7 Second, consistent with the fact that unnamed employees have no property interest in a PAGA
8 claim, “[u]nnamed employees need not be given notice of the PAGA claim, nor do they have the
9 ability to opt-out of the representative PAGA claim.” (*Ochoa-Hernandez*, 2010 U.S. Dist. LEXIS
10 32774 at *13.) Indeed, “[PAGA] does not create property rights or any other substantive rights” as
11 “[i]t is simply a procedural statute allowing an aggrieved employees to recover civil penalties – for
12 Labor Code violations – that otherwise would be sought by state labor law enforcement agencies.”
13 (*Amalgamated Transit Union, Local 1756, AFL-CIO v. Sup. Ct.*, 46 Cal.4th 993, 1003 (2009).) This
14 renders the approval process of a PAGA settlement distinct from a class action settlement, as there is
15 no need for the Court to employ the “two-step approval process” required under California Rules of
16 Court Rule 3.769.

17 Finally, unlike class action settlements, the scope of release permitted in a PAGA settlement
18 is limited. While “judgment in [a PAGA] action is binding not only on the named employee plaintiff
19 but also on government agencies and any aggrieved employee not a party to the proceeding...the non-
20 party employees, because they were not given notice of the action or afforded any opportunity to be
21 heard, would not be bound by the judgment as to remedies other than civil penalties.” (*Arias v. Sup.*
22 *Ct.*, 46 Cal.4th 969, 986-87 (2009).) Thus, the scope of a release in a PAGA settlement is confined
23 to the PAGA penalties alleged in the complaint and to the claims that were, or could have been,
24 alleged pursuant to PAGA based on the factual allegations in the complaint. In the case at hand, as
25 the only claims at issue are PAGA claims, those will be the only claims extinguished through the
26 Settlement.

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1 **V. THE SETTLEMENT IS FAIR AND SHOULD BE APPROVED**

2 **A. The Settlement is Presumed to Be Fair**

3 California courts recognize that “a presumption of fairness exists where . . . [a] settlement is
4 reached through arm’s-length bargaining.” (*Wershba v. Apple Computer, Inc.*, 91 Cal.App.4th 224,
5 245 (2001); *see also Clark v. Am. Residential Servs. LLC*, 175 Cal. App. 4th 785, 799 (2009).) Here,
6 the Settlement is presumptively fair because: (1) it occurred after counsel for the Parties engaged in
7 significant investigation to evaluate the strength and potential value of the PAGA claim, and the risks
8 of litigating this claim through trial; and (2) it was negotiated at great length and effort by counsel
9 with significant experience in similar complex labor and employment matters. (Genish Decl., ¶ 26).

10 **B. The Settlement is Fair, Adequate, and Reasonable in Light of the Parties’ Respective**
11 **Legal Positions and Recovery Risks**

12 In deciding whether to approve a proposed settlement, a trial court has broad powers to
13 determine if it is fair given the circumstances of the case. (*Mallick v. Sup. Ct.*, 89 Cal.App.3d 434,
14 438 (1979).) In exercising these powers, the overriding concern is to ensure that a proposed settlement
15 is “fair, adequate, and reasonable.” (*Dunk*, 48 Cal.App.4th at 1801 (internal quotations omitted). A
16 settlement is not judged against what might have been recovered had a plaintiff prevailed at trial, nor
17 does the settlement have to obtain one hundred percent of the damages sought to be fair and
18 reasonable. (*Wershba*, 91 Cal.App.4th at 246, 250.) In evaluating the reasonableness of a settlement,
19 a trial court must consider “the strength of plaintiffs’ case, the risk, expense, complexity and likely
20 duration of further litigation, the risk of maintaining class action status through trial, the amount
21 offered in settlement, the extent of discovery completed and the stage of the proceedings, the
22 experience and views of counsel, the presence of a governmental participant, and the reaction of the
23 class members to the proposed settlement.”² (*Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116,
24 128 (2008)). Even though a *Kullar* analysis is not required for approval of a PAGA settlement, a brief
25 analysis is included to support approval of the Settlement.

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28 ² As this is not a class action, the *Kullar* factors pertaining to the risk of maintaining class action
status through trial and the reaction of class members to the proposed settlement are inapplicable.

1 These factors require balancing and are non-exhaustive. Trial courts should therefore tailor
2 the factors to each case and give due regard to “what is otherwise a private consensual agreement
3 between the parties.” (Ibid.)

4 1. Strength of Plaintiff’s Case

5 In order to prevail at trial, Plaintiff would have to prove violations of the California Labor
6 Code underlying her PAGA claim, demonstrate that Aggrieved Employees suffered violations of the
7 Labor Code, and demonstrate that Defendant’s conduct gives rise to penalties. (*See Elliot v. Spherion*
8 *Pac. Work, LLC*, 572 F.Supp.2d 1169, 1181-82 (C.D. Cal. 2008) [“Plaintiffs’ claim under [PAGA]
9 is wholly dependent upon her other claims. Because all of plaintiff’s other claims fail as a matter of
10 law, so does her PAGA claim.”].)

11 This case and settlement address important employee protections embodied in the California
12 Labor Code. (Genish Decl., ¶ 27.) Plaintiff’s core allegations are that Defendant systematically
13 violated the California Labor Code by, inter alia, failing to properly pay wages for all hours worked,
14 failure to properly pay overtime and to pay overtime at the correct rate, failing to provide compliant
15 meal and rest periods, failing to timely pay wages during employment and upon termination, failing
16 to provide accurate wage statements, and failing to reimburse necessary business expenses. (Ibid.)

17 Defendant’s maximum theoretical exposure, without stacking penalties, totals approximately
18 \$1,100,000.00 computed by multiplying 11,000 PAGA Pay Periods by \$100 each. (*Id.*, ¶ 28). While
19 the PAGA does provide the potential for a heightened penalty for subsequent violations, courts are
20 often hesitant to award a heightened penalty where there is no prior citation by the Labor
21 Commissioner, as is the case here. *See Bernstein v. Virgin Am., Inc.*, 3 F.4th 1127, 1144 (9th Cir.
22 2021) (holding no heightened penalty where defendant was not notified by Labor Commissioner or
23 any court that it was subject to the California Labor Code). The Ninth Circuit’s holding in *Bernstein*
24 also supports a settlement valuation that does not “stack” penalties. (Ibid.)

25 Defendant maintained several defenses to Plaintiff’s theories of liability, which, if
26 successfully argued and proven, had the potential to eliminate or substantially reduce recovery.
27 (Genish Decl., ¶ 29). Throughout this litigation, Defendant maintained, and continues to maintain,
28 that it had, and continues to have, compliant employment policies and practices throughout the time

1 period at issue. (Ibid.) Defendant denies that it ever violated any provision of the California Labor
2 Code, including, but not limited to, those sections for which Plaintiff seeks penalties under PAGA.
3 (Ibid.) Defendant further denied, and continues to deny, that the lawsuit is appropriate for
4 representative treatment for any purpose other than settlement. (Ibid.) Defendant also challenged
5 Plaintiff's standing as an aggrieved employee and denied that any of Defendant's other employees
6 whom Plaintiff seeks to represent are aggrieved. (Ibid.)

7 Defendant also argued that an important feature of PAGA is that the Court retains discretion
8 to lower the penalties if, based on the facts and circumstances of the particular case, to do otherwise
9 would result in an award that is "unjust, arbitrary and oppressive, or confiscatory." (Ibid.) (Lab. Code
10 § 2699(e)(2); *see also Thurman v. Bayshore Transit Management, Inc.*, 203 Cal.App.4th 1112, 1136
11 (2012) [holding that a court may reduce the amount of PAGA penalties awarded to an employee
12 based upon discretionary factors].)

13 Even if violations of the California Labor Code occurred, which Defendant denies, Defendant
14 contended that said violations would only be considered "initial violations" and thus heightened
15 "subsequent violation" penalties were not warranted. (Genish Decl., ¶ 30). (Lab. Code § 2699(f)(2);
16 *see also Amaral v. Cintas Corp. No. 2*, 163 Cal.App.4th 1157, 1208-09 (2008) ["Until the employer
17 has been notified that it is violating a Labor Code provision [...], the employer cannot be presumed
18 to be aware that its continuing underpayment of employees is a 'violation' subject to penalties."].)

19 Defendant also contended that, with respect to PAGA claims, the Court was unlikely to assess
20 cumulative penalties for the maximum number of possible, separate California Labor Code
21 violations, because it would be unjust, arbitrary, oppressive, and/or confiscatory, especially where
22 certain conduct may be regulated by multiple provisions of the California Labor Code that are
23 interrelated and work in tandem. (Genish Decl., ¶ 31.) As such, Defendant contended that cumulative
24 penalties and heightened penalties would be unjust, arbitrary, oppressive, and confiscatory. (Ibid.)

25 Some courts have held that the claims raised by a plaintiff may raise individualized issues
26 and/or be unmanageable and thus not suitable for adjudication as to a group of employees. (*See, e.g.,*
27 *Duran v. U.S. Bank Nat. Assn.*, 59 Cal.4th 1, 25, 29, 31, 34-35 (2014) [even where employer
28 consistently imposed a uniform policy, plaintiff "must still demonstrate that the illegal effects of this

1 conduct can be proven efficiently and manageably” and in litigating representative actions the
2 procedures utilized by the court “may not be used to abridge a party’s substantive rights”]; *Ali v.*
3 *U.S.A. Cab Ltd.*, 176 Cal.App.4th 1333, 1341 (2009) [affirming denial of certification because
4 employees’ declarations attesting to having taken meal and rest breaks demonstrated that
5 individualized inquiries were required to show harm]; *Brinker Restaurant Corp. v. Superior Court*,
6 53 Cal.4th 1004, 1018 (2012) [although employers must authorize employees to take duty-free meal
7 and rest breaks, they are not obligated to affirmatively ensure that no work related tasks are performed
8 during such periods]]. Although California case law clearly states that PAGA actions need not satisfy
9 class action requirements, PAGA Counsel remained mindful of the fact that some courts have
10 nevertheless held that PAGA claims must still be able to prove the alleged violations in an efficient
11 manner.

12 While Plaintiff maintains that her PAGA claim has merit, in reaching the Settlement, Plaintiff
13 and her counsel took into account the strengths and weaknesses of each side’s position, Defendant’s
14 arguments regarding the enforceability of its arbitration agreement, and the uncertainty of how the
15 case might have concluded, as litigation continued, at trial, and/or upon appeal. (Genish Decl., ¶ 32).
16 Based on these disputes, which had the potential to completely eliminate Plaintiff’s recovery, the
17 range of realistic “litigation outcomes” on Plaintiff’s PAGA claim was defined by a “maximum
18 possible liability” amount of approximately \$1,100,000.00 (*Id.*, ¶ 28), and a *net-zero recovery* based
19 on the defenses asserted by Defendant. Notwithstanding the existence of these issues, the Settlement
20 achieves a sizeable benefit obtained. (*Id.*, ¶ 32).

21 2. Risk, Expense, Complexity, and Likely Duration of Further Litigation

22 Approval of the Settlement Agreement is also appropriate in light of the risk, expense, and
23 complexity of further litigation. As discussed above, the Settlement Agreement takes into
24 consideration the specific factual and legal hurdles faced by Plaintiff in establishing Defendant’s
25 penalty-liability in this case, which again, may have resulted in a net-zero recovery. Any recovery on
26 these claims is not certain. And even when liability is found, PAGA claims are discretionary, such
27 that the Court could decline to award their full value. Some of Plaintiff’s claims are also derivative,
28 and as such, Plaintiff must prevail on the underlying California Labor Code claims in order to prevail

1 on the derivative claims. These risks – when balanced with the fact that the Settlement achieved a
2 very significant recovery (as demonstrated below), and that further litigation posed a risk of
3 diminishing such recovery by increasing litigation expenses – weigh strongly in favor of settlement
4 approval.

5 3. The Benefits Conferred by the Settlement Balance in Favor of Approval

6 The Settlement Agreement provides a *significant* monetary benefit that falls well within “the
7 range of an acceptable settlement” under the circumstances, which is the standard on which the instant
8 Settlement must be judged. As held by the Ninth Circuit, a settlement may be fair and reasonable
9 even where it only provides a fraction of what could have been obtained at trial:

10 The proposed settlement is not to be judged against a hypothetical or speculative measure of
11 what might have been achieved by the negotiators.” *Officers for Justice v. Civil Serv. Comm’n*,
12 688 F.2d at 625 (emphasis in original). Thus, “the very essence of a settlement is compromise,
13 ‘a yielding of absolutes and an abandoning of highest hopes.’” *Id.* at 624 (citations omitted).
14 As the Second Circuit has pointed out: “The fact that a proposed settlement may only amount
15 to a fraction of the potential recovery does not, in and of itself, mean that the proposed
16 settlement is grossly inadequate and should be disapproved.” *City of Detroit v. Grinnell Corp.*,
17 495 F.2d 448, 455 & n.2 (2nd Cir. 1974).

18 *See Linney, supra*, 151 F.3d at 1242

19 The PAGA Penalties are currently estimated to be \$317,115.71. After all deductions from the
20 Gross Settlement Amount are made for the Attorneys’ Fees and Costs, Service Award, and Settlement
21 Administration Costs, \$237,836.78 (i.e. 75% of the PAGA Penalties) will go to the LWDA, and
22 \$79,278.93 (i.e. 25% of the PAGA Penalties) will go to the Aggrieved Employees. Note that the
23 Action was filed on December 18, 2023, and, at that time, the California Labor Code § 2699(i) (2004)
24 specified that “civil penalties recovered by aggrieved employees shall be distributed as follows: 75
25 percent to the Labor and Workforce Development Agency . . . and 25 percent to the aggrieved
26 employees.” (Genish Decl., ¶ 44). There is no reason to doubt the fairness of the proposed plan of
27 allocation of the PAGA Penalties as it fully complies with California Labor Code section 2699(i), as
28 it was applied at the time of the initiation of the Action. (Genish Decl., ¶ 44).

The Settlement is a compromise of highly disputed claims. (*Id.*, ¶ 45). Plaintiff and Plaintiff’s
counsel recognize the expense and length of continued proceedings necessary to litigate the matter
through trial and any possible appeals. (*Ibid.*) Plaintiff and Plaintiff’s counsel have also taken into

1 account the uncertainty and risk of the outcome of further litigation, the difficulties and delays
2 inherent in such litigation, and Defendant's defenses. (Ibid.) Plaintiff and Plaintiff's counsel are also
3 aware of the burdens of proof necessary to establish liability, both generally and in response to
4 Defendant's defenses thereto, and the difficulties in establishing Defendant's liability for, and the
5 right to recover, penalties on behalf of Plaintiff, the State of California, and other Aggrieved
6 Employees. (Ibid.) Plaintiff and Plaintiff's counsel have also taken into account Defendant's
7 agreement to enter into a settlement that confers significant relief upon the Aggrieved Employees and
8 the State of California. (Ibid.) Considering all of the facts in this case, Plaintiff and Plaintiff's counsel
9 have determined that the Settlement represents a fair, adequate, and reasonable resolution of the
10 PAGA claim, and that it is in the best interests of the Aggrieved Employees and the State of
11 California. (Ibid.)

12 The result achieved in this case is well within the range of what is considered an acceptable
13 settlement under the circumstances, especially when compared to the settlement of PAGA claims in
14 other cases. (*Id.*, ¶ 46). (*See, e.g., DCH Auto Wage and Hour Cases*, Los Angeles Superior Court,
15 Case No. JCCP4833 (May 2017) [approving \$15,000 out of \$4 million toward settlement of PAGA
16 claims]; *Garcia v. Gordon Trucking, Inc.*, 2012 U.S. Dist. LEXIS 160052, at *9 (E.D. Cal. Oct. 29,
17 2012) [approving \$10,000 out of \$3.7 million toward settlement of PAGA claims]; *Schiller v. David's*
18 *Bridal, Inc.*, 2012 U.S. Dist. LEXIS 80776, at *40 (E.D. Cal. June 11, 2012) [approving \$7,500 out
19 of \$518,245 toward settlement of PAGA claims]; *Chu v. Wells Fargo Investments, LLC*, 2011 U.S.
20 Dist. LEXIS 15821, at *4 (N.D. Cal. Feb. 15, 2011) (approving \$10,000 out of \$6.9 million toward
21 settlement of PAGA claims]; *Franco v. Ruiz Food Prods.*, 2012 U.S. Dist. LEXIS 169057, at *14
22 (E.D. Cal. Nov. 27, 2021) [approving \$10,000 out of \$2.5 million toward settlement of PAGA
23 claims]). Here, the value obtained for settlement of the PAGA claim is significant, and it will be
24 distributed in accordance with and in fulfillment of the objectives of the PAGA statute.

25 4. The Scope of the Release is Narrowly Tailored

26 As discussed above, the California Supreme Court has concluded that in the context of PAGA
27 "the nonparty employees, because they were not given notice of the action or afforded any
28 opportunity to be heard, would not be bound by the judgment as to remedies other than civil

1 penalties.” *See Arias*, 46 Cal. 4th, at 987. Thus, the scope of the limited release provided in exchange
2 for the foregoing consideration is limited to a full release of the PAGA Claims that could have been
3 sought by the State of California Labor Commissioner for the violations identified in Plaintiff’s
4 PAGA Notice under California Labor Code §§ 2698 *et seq.* (*See* Settlement Agreement, at ¶ 6.) As
5 such, this factor balances strongly in favor of approval of the Settlement.

6 5. Experience and Views of Counsel Favor Approval

7 PAGA Counsel is experienced in complex representative and class action wage-and-hour
8 litigation. (Genish Decl., ¶¶ 2 – 6, 47 – 48, & 51). In the view of PAGA Counsel, the benefits
9 conferred by the Settlement are eminently fair and reasonable, and in the best interests of the State of
10 California and the Aggrieved Employees in light of the risk, delay, and uncertainty of continued
11 litigation and the substantial monetary benefits provided for by the Settlement. (*Id.*, ¶ 44).
12 Furthermore, courts have acknowledged that “the interests of plaintiff, counsel and other potentially
13 aggrieved employees are largely aligned. All stand to gain from proving as convincingly as possible
14 as many Labor Code violations as the evidence will sustain[.]” (*Williams v. Superior Court*, 3 Cal.
15 5th 531, 548 (2017) [citing Labor Code § 2699(g)(l)(i)].)

16 6. The Extent of Discovery and Stage of Proceedings Favor Approval

17 In evaluating this element, the Court should be mindful that “‘formal discovery is not a
18 necessary ticket to the bargaining table’” [*Linney*, 151 F.3d at 1239], as the relevant consideration is
19 “whether ‘the parties have sufficient information to make an informed decision about settlement.’”
20 *See Sandoval v. Roadlink United States Pac., Inc.*, 2011 U.S. Dist. LEXIS 130378, at 26 (C.D. Cal.
21 Nov. 9, 2011).

22 Here, the extent of informal discovery conducted was sufficient to enable PAGA Counsel to
23 evaluate the strength and value of the PAGA claim for purposes of settlement. (Genish Decl., ¶¶ 11
24 – 12 , 48, & 52). Prior to settling, Defendant provided Plaintiff and PAGA Counsel with data,
25 information, and documents relating to the underlying alleged violations, including, but not limited
26 to, Plaintiff’s complete personnel file, a sampling of employees’ time records and pay data,
27 Defendant’s relevant policies (e.g. Meal Period Policy, Timekeeping Policy) , Defendant’s arbitration
28 agreement, and data points for the group of putative aggrieved employees. (*Id.*, ¶ 11). As discussed

1 above, PAGA Counsel's investigation was sufficient to, among other things, determine the total
2 number of distinct individuals falling within the definition of "Aggrieved Employees" for the relevant
3 statutory period. (Genish Decl., ¶ 12).

4 Based on PAGA Counsel's experience litigating wage and hour claims, such investigation
5 was sufficient to determine the potential value of the PAGA claim, and to evaluate the strength of
6 this claim for purposes of settlement. (*Id.*, ¶¶ 11–12, 26, 43, 47–48, & 51–52).

7 **VI. THE REQUESTED ATTORNEYS' FEES PAYMENT IS FAIR AND**
8 **REASONABLE**

9 As the prevailing party in settlement, Plaintiff is entitled to recover attorneys' fees and costs
10 for bringing his PAGA claim. (Lab. Code § 2699(g) ["Any employee who prevails in any action shall
11 be entitled to an award of reasonable attorney's fees and costs."].) PAGA Counsel is also entitled to
12 attorneys' fees pursuant to Code of Civil Procedure section 1021.5(a), as the instant action has
13 resulted in the enforcement of important rights benefitting the public and secures monetary recovery
14 for the State of California as well as the Aggrieved Employees. A fee award is justified where the
15 legal action has produced its benefits by way of a voluntary settlement. (*See, e.g., Maria P. v. Riles*,
16 43 Cal.3d 1281, 1290-91 (1987); *Westside Community for Independent Living, Inc. v. Obledo*, 33
17 Cal.3d 348, 352-53 (1983); *Serrano v. Priest*, 20 Cal.3d 25, 34 (1977) ["when a number of persons
18 are entitled in common to a specific fund, and an action brought by a plaintiff ... for the benefit of all
19 results in the creation or preservation of that fund, such plaintiff ... may be awarded attorney's fees
20 out of the fund."].)

21 In *Laffitte v. Robert Half Int'l, Inc.*, 1 Cal.5th 480, 506 (2016), the California Supreme Court
22 confirmed that "[t]he percentage of fund method survives in California class action cases."
23 Specifically, the *Laffitte* Court held:

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

28 (*Id.*, at 503 [internal citation omitted].) Fee awards of roughly one-third of the settlement fund are

1 routinely awarded in California state and federal courts in class actions. (*Chavez v. Netflix, Inc.*, 162
2 Cal.App.4th 43, 66, fn. 11 (2008); *see also, e.g., In re Pacific Enterprises Securities Litig.*, 47 F.3d
3 373, 379 (9th Cir. 1995) [affirming 33% fee award]).

4 While trial courts have discretion to apply either a lodestar method or percentage-of-the-fund
5 method, the California Supreme Court has taken the position that trial courts also “retain the
6 discretion to forgo a lodestar cross-check and use other means to evaluate the reasonableness of a
7 requested percentage fee.” (*Laffitte*, 1 Cal.5th at 506; *see also Wershba*, 91 Cal.App. 4th at 253.)
8 Courts award fees to serve as an economic incentive for lawyers to undertake litigation, and thereby
9 enhance and facilitate access to the judicial system for adjudication of meritorious claims, and to
10 deter wrongdoing. This is especially true in situations where multiple similar alleged wrongs would
11 not be economically feasible to pursue individually, such as here. Trial courts have “wide latitude”
12 in assessing the value of attorneys’ fees and their decisions will “not be disturbed on appeal absent a
13 manifest abuse of discretion.” (*Lealao v. Beneficial Cal., Inc.*, 82 Cal.App.4th 19, 41 (2000); *see also*
14 *Laffitte*, 1 Cal.5th at 506 [holding that “trial court did not abuse its discretion in using [the percentage
15 of fund method], in part to approve the fee request”].) Indeed, it is long settled that the “experienced
16 trial judge is the best judge of the value of professional services rendered in his court.” (*Ketchum v.*
17 *Moses*, 24 Cal.4th 1122, 1132 (2001).)

18 The percentage method is particularly appropriate where a monetary settlement has been
19 recovered and “the benefit [recovered can be] easily quantified.” (*In re Bluetooth Headset Prods.*
20 *Liab. Litig.*, 654 F.3d 935, 942 (9th Cir. 2011).) Where the amount of a settlement is a “certain or
21 easily calculable sum of money,” California courts may calculate attorneys’ fees as a reasonable
22 percentage of the settlement created. (Weil and Brown, California Practice Guide, *Civil Procedure*
23 *Before Trial*, Chapter 14, section 14:145; *Dunk, supra*, 48 Cal. App. 4th at 1808.) The percentage fee
24 method is preferred in representative actions because “it better approximates the workings of the
25 marketplace than the lodestar approach.” (*Lealao, supra*, 82 Cal.App.4th at 49.) California law
26 provides that the award for attorneys’ fees should be equivalent to fees freely negotiated in the legal
27 marketplace and paid in comparable litigation based on the result achieved and risk incurred. (*See*
28 *Lealao*, 82 Cal.App.4th at 47-50; *Laffitte*, 1 Cal.5th 480 at 503.) In cases where the settlement

1 agreement provides that the defendant will pay the plaintiffs' attorneys a percentage of the fund
2 created by the settlement, use of that percentage method is appropriate. (*Lealao*, 82 Cal.App.4th at
3 32.) Fee awards that are too small will "chill the private enforcement essential to the vindication of
4 many legal rights and obstruct the representative actions that often relieve the courts of the need to
5 separately adjudicate numerous claims." (*Id.*, at 53). Therefore, fees in representative actions should
6 approximate the probable terms of a contingent fee contract negotiated by a sophisticated attorney
7 and client in comparable litigation. (*Id.*, at 48). "The ultimate goal ... is the award of a 'reasonable'
8 fee to compensate counsel for their efforts, irrespective of the method of calculation." (*Consumer*
9 *Privacy Cases*, 175 Cal.App.4th 545, 557-58 (2009) [quoting *Apple Computer, Inc. v. Superior Court*,
10 *supra*, 126 Cal.App.4th at 1270].)

11 PAGA Counsel's application for attorneys' fees in light of the facts and circumstances
12 surrounding the case is within the range of reasonableness. Historically, courts have awarded fees as
13 high as fifty percent (50%) of the settlement in complex actions, depending on the circumstances of
14 the case. (See *In re Ampicillin Antitrust Litig.*, 526 F.Supp. 494 (D.D.C. 1981) [awarding attorneys'
15 fees in the amount of 45% of the \$7.3 million total settlement amount]; *Beech Cinema, Inc. v.*
16 *Twentieth-Century Fox Film Corp.* 480 F.Supp. 1195 (S.D.N.Y. 1979) [awarding approximately 53%
17 of the settlement as attorneys' fees].) California courts routinely approve attorneys' fees awards
18 "average[ing] around one-third of the recovery." (*Chavez*, 162 Cal.App.4th at 66 [trial court found
19 the range of contingency fees in marketplace to be 20 to 40 percent and determined such a percentage
20 fee was appropriate]; see also, e.g., *Resendez v. Bridgestone Retail Operations, LLC*, Los Angeles
21 County Superior Court, Case No. BC596892 (June 2016) [approving a fee award of one-third of the
22 settlement amount of \$950,000 in a PAGA action, because it was "reasonable and consistent with fee
23 awards in class action cases"].)

24 Here, PAGA Counsel's fee request of thirty-five percent (35%) of the Gross Settlement
25 Amount (i.e., \$192,500.00) is fair and reasonable based on the percentage of the recovery method.
26 PAGA Counsel has vigorously litigated this case since it commenced, with the very real possibility
27 of an unsuccessful outcome and no fee recovery of any kind. (Genish Decl., ¶ 49). PAGA Counsel
28 undertook significant investigation and invested a significant amount of time analyzing relevant

documents and data to evaluate the nature and extent of the alleged underlying Labor Code violations and calculation of the potential monetary recovery as they relate to Plaintiff's claim under PAGA. (*Id.*, ¶¶ 11 – 12, 26, 43, 47 – 48, & 51 – 52).). The attorneys at Blackstone Law, APC possess combined extensive experience litigating wage and hour and other complex litigation matters, and the attorneys who worked on this matter have been approved as class counsel and/or have had their billable rates approved in the settlement of other class and PAGA actions, numerous times. (*Id.*, ¶¶ 49 – 53).

In the present case, PAGA Counsel has borne all of the risks and costs of litigation and will not receive any compensation until recovery is obtained. (*Id.*, ¶ 50). PAGA Counsel is experienced in complex wage-and-hour litigation and used that experience to obtain a favorable result for Plaintiff, the Aggrieved Employees, and the State of California. (*Id.*, ¶¶ 2 – 6; 50 & 51). Considering the amount of fees requested, work performed, risks incurred, and experience of PAGA Counsel in handling similar matters, Plaintiff maintains that the requested attorneys' fees of thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$192,500.00) are reasonable and should be awarded. (*Id.*, ¶¶ 50 – 52).

VII. THE REQUESTED PAGA COUNSEL COSTS ARE FAIR AND REASONABLE

The Settlement provides for reimbursement of litigation costs and expenses of up to \$30,000.00. (Genish Decl., ¶ 54; Settlement Agreement, ¶ 3(a)(1)). PAGA Counsel only seeks reimbursement of a total of \$23,384.29 in litigation costs and expenses. (Genish Decl., ¶ 54; Exhibit 4 thereto). Accordingly, PAGA Counsel respectfully requests that the Court reimburse them for actual litigation costs and expenses in the amount of \$23,384.29.

VIII. THE SETTLEMENT ADMINISTRATION COSTS ARE FAIR AND REASONABLE

As set forth in the Settlement Agreement, the Parties have agreed to retain, subject to approval by the Court, Apex Class Actions LLC ("Apex" or "Administrator") to handle the administration of the Settlement. (Genish Decl., ¶ 55; Settlement Agreement, ¶3(a)(3)). The fees and expenses of the Administrator are estimated not to exceed \$7,000.00. (Genish Decl., ¶55; Settlement Agreement,

¶3(a)(3)). These costs include, but are not limited to, expenses for preparing, printing, and mailing the Cover Letter and Individual PAGA Payment checks to the Aggrieved Employees, re-mailing the returned Individual PAGA Payment checks to any new addresses obtained, and handling inquiries from Aggrieved Employees regarding the Settlement, among other things. (Genish Decl., ¶ 55). Accordingly, the Court should grant approval of the Cost of Administration in the amount of up to \$7,000.00 to Apex, a necessary third-party for handling the settlement process. (Ibid.)

IX. THE REQUESTED SERVICE AWARD IS FAIR AND REASONABLE

The purpose of an enhancement award is to incentivize aggrieved employees to step into the shoes of the state labor agency and undertake the responsibilities associated with initiating a lawsuit and serving in a representative capacity. *See, e.g., Bell v. Farmers Ins. Exch.*, 115 Cal.App.4th 715, 726 (2004) (upholding “service payments” to named plaintiffs for their efforts in bringing the action); *Clark v. Am. Residential Servs., LLC*, 175 Cal.App.4th 785, 804 (2009) (“an incentive award is appropriate ‘if it is necessary to induce an individual to participate in the suit’”). Plaintiff initiated this litigation on behalf of the State of California and her former co-workers who will now be entitled to receive payment from the Settlement. By initiating and pursuing the Action, Plaintiff stepped into the shoes of the State of California and undertook the responsibilities of serving in a representative capacity. (Genish Decl., ¶ 56; Knotts Decl., ¶¶ 4 – 12). Plaintiff was available whenever Plaintiff’s counsel needed her and actively tried to obtain information that would benefit the prosecution of the Action. (Genish Decl., ¶ 56; Knotts Decl., ¶¶ 4 – 12). The Service Award is eminently reasonable given the time and effort Plaintiff spent on the Action, and the benefit to the other Aggrieved Employees and the State of California as a result of Plaintiff’s actions. (Genish Decl., ¶ 56). Accordingly, Plaintiff respectfully submits that it is appropriate for Plaintiff to receive a Service Award in the amount of \$10,000.00 in addition to the Individual PAGA Payment she will receive as an Aggrieved Employee, for her services on behalf of the State of California and the other Aggrieved Employees. (Ibid.)

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Dated: February 13, 2025

BLACKSTONE LAW, APC


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