Tyler Woods (SBN 232464)
tyler.woods@wilshirelawfirm.com
James Yoo (SBN 310680)
james.yoo@wilshirelawfirm.com
Ruby Carrera (SBN 343745)
ruby.carrera@wilshirelawfirm.com
Alan Wilcox (SBN 287476)
alan.wilcox@wilshirelawfirm.com
Lucy Nguyen (SBN 338783)
lucy.nguyen@wilshirelawfirm.com
WILSHIRE LAW FIRM, PLC
660 S. Figueroa Street, Sky Lobby
Los Angeles, CA 90017
Telephone: (213) 381-9988
Facsimile: (213) 381-9989
Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ORANGE

BENJAMIN STEIDL, on behalf of the State of California and other aggrieved persons, *Plaintiff*, v. Z3 PLUMBING CORP., a California corporation; and DOES 1 through 10, inclusive, *Defendant*.	Case No.: 30-2023-01365173-CU-OE-CJC **PAGA REPRESENTATIVE ACTION** [*Assigned for all purposes to Nico A. Dourbetas, Dept. C13*] **PLAINTIFF'S NOTICE OF MOTION AND MOTION TO APPROVE PAGA SETTLEMENT** **Reservation No.:** 74731972 Approval Hearing Date Date: April 03, 2026 Time: 9:30 a.m. Dept.: C13 Complaint Filed: November 29, 2023 Trial Date: Not set

NOTICE OF MOTION AND MOTION

TO THE COURT, ALL PARTIES, AND THEIR COUNSEL OF RECORD:

PLEASE TAKE NOTICE that on April 03, 2026 at 9:30 a.m. in Department C13 of the Central Justice Center, Orange County Superior Court, located at 700 Civic Center Drive, Santa Ana, CA 92701, the Honorable Nico A. Dourbetas presiding, Plaintiff Benjamin Steidl ("Plaintiff") will, and hereby does, move for an order under Labor Code section 2699(l)(2) approving the PAGA Settlement Agreement ("Settlement") entered into by Plaintiff and Defendant Z3 Plumbing Corp. ("Defendant") and dismissing the class claims without prejudice pursuant to California Rules of Court, Rule 3.770.

Pursuant to Labor Code § 2699(l)(2), the settlement of Plaintiff's PAGA claims requires the Court's approval. The basis for this motion is that Plaintiff and Defendant reached and fully executed a Settlement of the above-entitled case, Case No. 30-2023-01365173-CU-OE-CJC, that disposes of the matter entirely and is fair, reasonable, and serves the purposes of the PAGA statute. The Settlement includes persons employed by Defendant in California and classified as a non-exempt or hourly-paid employee who worked for Defendant during the PAGA Period of November 23, 2022, to December 31, 2024. The Settlement is fair, adequate, and reasonable, and it provides for civil penalties to be distributed to Plaintiff, other aggrieved employees, and the California Labor & Workforce Development Agency.

This motion is based on this Notice, the attached Memorandum of Points and Authorities, the Declaration of Tyler J. Woods and Plaintiff Benjamin Steidl and attached exhibits, as well as the records on file in this action and any argument the Court is presented with at the time of the hearing.

Respectfully submitted,

Dated: December 19, 2025

WILSHIRE LAW FIRM

By: Tyler J. Woods

Tyler J. Woods
Alan A. Wilcox
James Yoo
Ruby Carrera
Lucy Nguyen

Attorneys for Plaintiff

TABLE OF CONTENTS

NOTICE OF MOTION AND MOTION i
TABLE OF CONTENTS ii
TABLE OF AUTHORITIES iii
MEMORANDUM OF POINTS AND AUTHORITIES 1
I. INTRODUCTION 1
II. FACTUAL AND PROCEDURAL BACKGROUND 1
III. ARGUMENT. 2
  A. The Terms of the PAGA Settlement. 3
  B. The Terms of the PAGA Settlement Are Fair and Should Be Approved. 3
    1. The Settlement Was Reached Through Arms-Length Bargaining. 6
    2. The Settlement Is Based On Sufficient Investigation and Discovery. 7
    3. Plaintiff's Counsel Have Extensive Experience in PAGA Actions. 7
    4. Assessing the Amount In Controversy and the Risks of Trial. 7
  C. The PAGA Representative Service Payment Is Reasonable. 10
  D. The Requested Attorneys' Fees and Costs Are Reasonable. 11
  E. Settlement Administrator Costs Are Reasonable. 13
IV. CONCLUSION. 14

TABLE OF AUTHORITIES

STATE CASES

Amalgamated Transit Union, Local 1756, AFL-CIO v. Superior Court
(2009) 46 Cal.4th 993 5

Amaral v. Cintas Corp. No. 2
(2008) 163 Cal.App.4th 1157..8

Arias v. Superior Court
(2009) 46 Cal.4th 969 6

Cellphone Fee Termination Cases (2010)
186 Cal.App.4th 1380 10

Chavez v. Netflix, Inc.
(2008) 162 Cal.App.4th 43..11

Chavez v. Saticoy Lemon Ass'n
(Cal. Super. Ct. Ventura Cty. Aug. 10, 2015) Case No. 56-2015-00468600-CU-OE-VTA,
2015 WL 5561118 11

Clavel v. Lupe's Thousand Oaks Mexican Restaurant, Inc.
(Cal. Super. Ct. Ventura Cty. Mar. 25, 2016) Case No. 56-2015-00467353-CU-OE-VTA,
2016 WL 1601221 11

Dunk v. Ford Motor Co.
(1996) 48 Cal.App.4th 1794..6

Franco v. Ruiz Food Prods.
(E.D. Cal. Nov. 27, 2012) 2012 WL 5941801 12

Kullar v. Foot Locker Retail, Inc. (2008)
168 Cal.App.4th 116 6

Malibu Outrigger Bd. of Governors v. Superior Court
(1980) 103 Cal.App.3d 573..6

Maria P. v. Riles
(1987) 43 Cal.3d 1281, 1290-91 11

Munoz v. BCI Coca-Cola Bottling Company of Los Angeles (2010) 186 Cal.App.4th 399 10
Nordstrom Comm'n Cases (2010) 186 Cal.App.4th 576 12
Stambaugh v. Superior Court (1976) 62 Cal.App.3d 231 6
Westside Community for Independent Living, Inc. v. Obledo (1983) 33 Cal.3d 348 11

FEDERAL CASES

Aguirre v. DSW, Inc. (C.D. Cal. Nov. 29, 2012) 2012 WL 11875296 12
Boyd v. Bank of America Corp. (C.D. Cal. Nov. 18, 2014) 2014 WL 6473804 12
Casida v. Sears Holdings Corp. (E.D. Cal. Jan. 26, 2012) 2012 WL 253217 4
Chu v. Wells Fargo Investments, LLC (N.D. Cal. Feb. 16, 2011) 2011 WL 672645 12
Garcia v. Gordon Trucking, Inc . (E.D. Cal. Oct. 31, 2012) 2012 WL 5364575 12
In re Pacific Enterprises Securities Litig. (9th Cir. 1995) 47 F.3d 373 11
In re TD Ameritrade Account Holder Litig. (N.D. Cal. Sept. 13, 2011) 2011 WL 4079226 4
Linney v. Cellular Alaska Partnership (9th Cir. 1998) 151 F.3d 1234 9
Mendez v. Tween Brands, Inc. (E.D. Cal. July 1, 2010) 2010 WL 2650571 .... 4, 5

Ochoa-Hernandez v. Cjaders Foods, Inc.
(N.D. Cal. Apr. 2, 2010) 2010 WL 1340777 5
Officers for Justice v. Civil ServiceCom.
(9th Cir. 1982) 688 F.2d 615 4
Thomas v. Aetna Health of Cal., Inc.
(E.D. Cal. June 2, 2011) 2011 WL 2173715 4
Williams v. MGM-Pathe Communications Co.
(9th Cir. 1997) 129 F.3d 1026 11

STATUTES

Code of Civil Procedure § 382 4
Labor Code § 226 8

RULES

California Rules of Court, Rule 3.769. 4
Fed. R. Civ. P. 23(e) 5

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Plaintiff Benjamin Steidl ("Plaintiff") hereby seeks Court approval of a proposed settlement of claims brought under the Private Attorneys General Act ("PAGA") against Defendant Z3 Plumbing Corp. ("Defendant," and together with Plaintiff, the "Parties"). Consistent with PAGA, the proposed settlement releases claims under PAGA only and has no impact on the individual claims of any aggrieved employee. Since the settlement resolves nothing more than claims under PAGA, it requires only a one-step review and approval process by the Court. Labor Code § 2699(l)(2) provides that "[t]he superior court shall review and approve any settlement of any civil action filed pursuant to this part. The proposed settlement shall be submitted to the [LWDA] at the same time that it is submitted to the court." Plaintiff submitted the proposed Settlement to the LWDA on December 18, 2025, pursuant to Labor Code § 2699(l)(2). (Woods Decl.., Ex. A.) The Parties now seek Court approval of the Settlement; the Court should issue an order approving the Settlement.

On October 10, 2024, Plaintiff and Defendant engaged in vigorous, arms-length negotiations regarding the resolution of this matter. (Woods Decl., ¶ 8.) After an all-day mediation presided over by Michael Mandel, the Parties ultimately agreed to settle Plaintiff's PAGA claim for $75,000.00, which will provide significant civil penalties to the California Labor & Workforce Development Agency ("LWDA") and other aggrieved employees. (*Id.*)

II. FACTUAL AND PROCEDURAL BACKGROUND

Defendant is a commercial plumbing company specializing in large scale commercial projects, in-house design build and prefabrication. (Woods Decl., ¶ 3.) Plaintiff worked for Defendant from approximately July 2022 to approximately January 2023. (*Id.*)

Plaintiff's PAGA claim stems from Defendant's failure to pay minimum and straight time wages; failure to pay overtime wages; failure to provide meal periods; failure to authorize and permit rest periods; failure to pay all earned wages twice per month; failure to maintain accurate records of hours worked and meal periods; failure to timely pay final wages; failure to furnish accurate wage statements; and failure to indemnify for necessary expenditures or losses. (Woods Decl., ¶ 4.)

Plaintiff sent notice to the LWDA and Defendant of the PAGA violations as required by Labor Code § 2699.3 (a)(1). (Woods Decl., ¶ 5.) Pursuant to Labor Code § 2699.3 (a)(2)(A), the LWDA had 65 calendar days to notify Plaintiff and Defendant whether it intended to investigate the alleged violations. (Id.) However, the LWDA did not do so. (Id.) On November 29, 2023, Plaintiff commenced this Action by filing a complaint against Defendant Z3 Plumbing Corp. for civil penalties under the Private Attorneys General Act ("PAGA") (Labor Code §§ 17200, et seq.). (Woods Decl., ¶ 6.)

After Plaintiff filed his complaint, the Parties engaged in extensive discussions. (Woods Decl., ¶ 7.) To facilitate settlement, Defendant provided Plaintiff with a sampling of timekeeping and payroll data for aggrieved employees and documents reflecting Defendant's policies and procedures in effect during the relevant time period. (*Id.*) Thereafter, the Parties engaged in extensive discussions about the factual and legal strengths (and weaknesses) of the claims and defenses. (*Id.*) Ultimately, after an all-day mediation presided over by Michael Mandel, the Parties agreed to settle the PAGA claim for $75,000.00, which includes persons employed by Defendant in California and classified as a non-exempt or hourly-paid employee who worked for Defendant during the PAGA Period. (Woods Decl., at ¶ 9.) (*Id.*) There are approximately 70 aggrieved employees covered by the settlement. (*Id.*) Plaintiff submitted the Settlement to the LWDA on December 18, 2025, pursuant to Labor Code § 2699 (l)(2). A true and correct copy of the PAGA Settlement Agreement ["Settlement"] executed by the Parties, along with the confirmation that the Settlement was submitted to the LWDA is attached to the Declaration of Tyler J. Woods as **Exhibit 1**. (Woods Decl., Ex. 1.)

III. ARGUMENT.

PAGA permits an aggrieved employee to sue an employer for civil penalties associated with the employer's alleged violations of the Labor Code. (Labor Code § 2699(a).) Under the statute, of the amount paid to settle a claim for PAGA penalties, twenty-five percent (25%) is payable to the aggrieved employees and seventy-five percent (75%) is payable to the LWDA.

(Labor Code § 2699 (i).)

A. The Terms of the PAGA Settlement.

The Settlement provides for a gross Settlement Amount of $75,000.00 to be distributed to persons employed by Defendant in California and classified as a non-exempt or hourly-paid employee who worked for Defendant during the PAGA Period of November 23, 2022, to December 31, 2024, and releases claims by the Aggrieved Employees during this period as well. (Settlement, ¶¶ 1.4, 1.19, 5.2.) Of that amount, $25,000.00 is allocated to Attorneys' Fees, up to $18,000.00 is allocated to litigation costs, up to $10,000.00 is allocated to Settlement Administrator Costs, and $5,000.00 is allocated as a Service Award to Plaintiff. (Settlement, ¶ 3.) The Net Settlement Amount after these deductions is $17,000.00 and will be allocated and disbursed as follows: 75 percent (currently estimated to be $12,750.00) and 25 percent (currently estimated $4,250.00) to Aggrieved Employees as Individual PAGA Payments.

Settlement Administration. Within fourteen (14) days after the Court approves the Settlement and any other LWDA requirements are satisfied, Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet, for the purposes of distributing payments to the aggrieved employees. (Settlement, ¶ 4.2.) Z3 will pay $32,500.00 to the administrator within 30 days of the Effective Date, $32,500.00 within 60 days of the Effective Date, and $10,000.00 within 90 days of the Effective Date. (*Id.* at ¶ 3.1.)

Before mailing payments to the aggrieved employees, the Settlement Administrator will update contact information using the National Change of Address database. (Settlement, ¶ 4.4.1.) The Settlement Administrator will then issue the Notice and payments to the PAGA Employees, issue any required IRS forms, issue the Service Award to Plaintiff, and issue payment to the LWDA and Plaintiff's counsel. (*Id.* at ¶ 4.4.2.) PAGA Employees will have 180 days to cash their checks, after which time a stop-payment will issue and the funds will be paid to the California Justice Gap Fund. (*Id.* at ¶¶ 4.4.1, 4.4.3.)

B. The Terms of the PAGA Settlement Are Fair and Should Be Approved.

The settlement of a PAGA claim requires court approval pursuant to the operative PAGA statute, which states that the "court shall review and approve any penalties sought as part of a proposed settlement agreement pursuant to this part." (Labor Code § 2699 (l).)

As with any settlement, the Court must be mindful in conducting its inquiry that "[s]ettlement is a compromise, which balances the possible recovery against the risks inherent in litigating further." (*See In re TD Ameritrade Account Holder Litig.* (N.D. Cal. Sept. 13, 2011) 2011 WL 4079226, *9.) Indeed, "the 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." (*See Officers for Justice v. Civil Service Com*. (9th Cir. 1982) 688 F.2d 615, 624-25.) 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 by the negotiators." (*Id*.)

Although the operative PAGA statute does not set forth the criteria by which a PAGA settlement is to be judged, it is presumed that a reviewing court may utilize some of the factors for review of 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]." (*See Casida v. Sears Holdings Corp.* (E.D. Cal. Jan. 26, 2012) 2012 WL 253217, *3; *Thomas v. Aetna Health of Cal., Inc.* (E.D. Cal. June 2, 2011) 2011 WL 2173715, *13 ; *Mendez v. Tween Brands, Inc.*, 2010 WL 2650571, *4 (E.D. Cal. July 1, 2010).) Based thereon, 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 § 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(s) that "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." (*Mendez, supra*, 2010 WL 2650571 at *4.) "Unlike class actions, these civil penalties are not meant to compensate unnamed employees because the action is fundamentally a law enforcement action." (*Ochoa-Hernandez v. Cjaders Foods, Inc.* (N.D. Cal. Apr. 2, 2010) 2010 WL 1340777, *4. Moreover, while "'[a PAGA] action is … designed to protect the public and penalize the employer for past illegal conduct," a reviewing Court must take into account the fact that settlement of a PAGA claim – like any settlement – involves a "compromise" that stops short of rendering findings of liability and damages. (*Mendez*, 2010 WL 2650571 at p. *4) As such, the Court must not lose sight of the fact that "[u]nlike a class action seeking damages or injunctive relief for injured employees, the purpose of PAGA is to incentivize private parties to recover civil penalties for the government that otherwise may not have been assessed and collected by overburdened state enforcement agencies." (*See Ochoa-Hernandez,* 2010 WL 1340777 at p. *4.)

Second, consistent with the fact that unnamed employees have no property interest in a PAGA claim,[1] "[u]nnamed employees need not be given notice of the PAGA claim, nor do they have the ability to opt-out of the representative PAGA claim." (*See Ochoa-Hernandez, supra,* 2010 WL 1340777 at p. *4.) This renders the approval process of a PAGA settlement distinct from a class action settlement, as there is no need for the Court to employ the "two-step approval process" required under Federal Rule of Civil Procedure 23(e) and Rule 3.769.[2]

Finally, unlike a class action settlement under Rule 23(e) and Rule 3.769, the scope of release permitted in a PAGA settlement is limited. While "judgment in [a PAGA] action is binding not only on the named employee plaintiff but also on government agencies and any

---

[1] As held by the California Supreme Court, "[t]he Labor Code Private Attorneys General Act of 2004 does not create property rights or any other substantive rights" as "[i]t is simply a procedural statute allowing an aggrieved employee to recover civil penalties—for Labor Code violations—that otherwise would be sought by state labor law enforcement agencies." (*Amalgamated Transit Union, Local 1756, AFL-CIO v. Superior Court* (2009) 46 Cal.4th 993, 1003.)

[2] Significantly, the "two-step" approval process of Rule 23(e) is required to facilitate "notice" to absent class members, as Rule 23(e) expressly requires notice and an opportunity for absent class members to exclude themselves or object. (*See* Fed. R. Civ. P. 23(e) ("The following procedures apply to a proposed settlement … (1) The court must direct notice in a reasonable manner to all class members who would be bound by the proposal…. (4) … the court may refuse to approve a settlement unless it affords a new opportunity to request exclusion to individual class members…. (5) Any class member may object to the proposal if it requires court approval under this subdivision").) Cal. Rule of Court 3.769 contains similar rules for State court class actions.

aggrieved employee not a party to the proceeding…the non-party employees, because they were not given notice of the action or afforded any opportunity to be heard, would not be bound by the judgment as to remedies other than civil penalties." (*Arias v. Superior Court* (2009) 46 Cal.4th 969, 986-87 .) Thus, with the exception of the named Plaintiff, the scope of a release in a PAGA settlement is necessarily strictly confined to the PAGA penalties alleged in the complaint, and claims that were or could have been alleged pursuant to PAGA based on the factual allegations in the Complaint. In the case at hand, as the only claims at issue are PAGA claims, those will be the only claims extinguished as a result of this Settlement, with the exception of Plaintiff's much broader, general personal release against Defendant.

California courts have a strong policy in favor of settlement. (*See, e.g., Stambaugh v. Superior Court* (1976) 62 Cal.App.3d 231, 236.) Unlike individual settlements, class action settlements (and representative PAGA settlements) involve a court approval process that exists to prevent fraud, collusion, and unfairness to absent individuals. (*Malibu Outrigger Bd. of Governors v. Superior Court* (1980) 103 Cal.App.3d 573, 578-79.) In the class action context, there is a presumption of fairness of a class action settlement when: (1) the settlement is reached as a result of arm's length negotiations; (2) there has been sufficient investigation and discovery; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small. (*Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1802.) Before approving a class action settlement, a trial court must develop an understanding "of the amount that is in controversy and the realistic range of outcomes of the litigation." (*Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 120.).

The proposed settlement meets all of these factors.

1. The Settlement Was Reached Through Arms-Length Bargaining.

The Parties reached the Settlement after an all-day mediation presided over by Michael Mandel. (Woods Decl., ¶¶ 8-9.) The settlement negotiations were at arm's length and, although conducted in a professional manner, were adversarial. (*Id.* at ¶ 8.) The Parties went into the mediation willing to explore the potential for a settlement of the dispute, but each side was also prepared to litigate their position through trial and appeal if a settlement had not been reached.

2. The Settlement Is Based On Sufficient Investigation and Discovery.

Before the Settlement, Plaintiff's counsel conducted an investigation into the claims alleged by Plaintiff, conducted legal research, and engaged in informal discovery. Based upon the information obtained through informal discovery, Plaintiff's counsel was able to act intelligently and effectively in negotiating the proposed Settlement. (Woods Decl., ¶ 10.)

3. Plaintiff's Counsel Have Extensive Experience in PAGA Actions.

Highly capable and experienced counsel conducted the settlement negotiations. Plaintiff's counsel are respected members of the bar with a strong record of vigorous and effective advocacy for their clients, and they are experienced in handling complex wage and hour class action litigation and PAGA actions. (Woods Decl., ¶¶ 28-40.) Although Plaintiff and counsel were prepared to litigate the claims in this action, they support the proposed Settlement as being in the best interests of the State of California and the aggrieved employees. (*Id*. at ¶ 10.)

4. Assessing the Amount In Controversy and the Risks of Trial.

Plaintiff and his counsel remain confident of the merits of Plaintiff's claims. (Woods Decl., ¶ 11.) However, Plaintiff does acknowledge that his position includes risk and uncertainty, as described in more detail below. With respect to the meal period allegation, Plaintiff alleges that Defendant did not have fully compliant written meal period policies and had improper automatic deductions of meal periods. (*Id.*) Although Plaintiff contends that this allegation is meritorious, there is risk with this underlying claim. (*Id.*) With respect to the rest period allegation, Plaintiff contends that employees, including himself, were not provided with California-compliant rest periods, as employees were often cut short or otherwise interrupted or that employees would be forced to skip rest breaks due to a heavy workload. (*Id.*) Again, despite Plaintiff's contention that this allegation is credible, proving rest period allegations is particularly difficult because rest periods do not have to be recorded and Defendant can argue that the aggrieved employees chose to voluntarily forego their rest periods. (*Id.*) Lastly, with regard to Plaintiff's wage statement claim, Defendant argues that the wage statements issued to employees meet the requirement of Labor Code § 226(a). (*Id.* at ¶ 12.) Defendant also maintains that any alleged wage statement violation could not be shown to be "knowing and intentional," and that Plaintiff cannot show that she or any other employee "suffer[ed] injury" as a result of the alleged wage statement violations, as required by Labor Code § 226(e) for the imposition of penalties. (*Id.*)

Additionally, Plaintiff faced a significant risk that even if the Court did award PAGA penalties, the Court could drastically reduce the penalties based on the discretionary factors contained in Labor Code § 2699 (e)(2) ("In action by an aggrieved employee…, 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."). Plaintiff believed there was a legitimate risk of the Court significantly reducing penalties given the technical nature of the alleged violations. (Woods Decl., ¶ 13.)

Without this settlement, the Parties face preparation for trial, as well as extensive formal discovery efforts and further depositions. (Woods Decl., 13) As a result, the Parties would incur considerably more attorneys' fees and costs through trial. (*Id.*) This settlement avoids those risks and the accompanying expense. Thus, this factor favors settlement approval. (*Id.*)

As described above, the proposed Settlement provides a fair and reasonable monetary recovery for the PAGA Employees and the LWDA in the face of the contested claims. Plaintiff estimated Defendant's realistic exposure for the PAGA penalties as follows:

<u>PAGA Penalties for Unpaid Wages, Meal Period Violations, Rest Period Violations, and Unreimbursed Business Expenses</u>: $74,050.00

Plaintiff's expert determined that there were 1,481 pay periods during the relevant time period which presented issues with regard to unpaid wages, meal period violations, rest period violations, and unreimbursed business expenses. (Woods Decl., ¶ 14.) Plaintiff acknowledges that when evaluating Defendant's potential exposure, it is likely that the Court would impose only the initial $100 violation for all PAGA violations. (*See Amaral v. Cintas Corp. No. 2* (2008) 163 Cal.App.4th 1157, 1207 [finding that the "initial" violation rate applies until the employer has been notified that it is violating a Labor Code provision].) Applying the $100 "initial violation" penalty for each of these pay periods, Defendant's potential PAGA exposure is $148,100.00 (based on 1,481 pay periods). (Woods Decl., ¶ 14.) However, Defendant's contention that the underlying, allegations lacked merit led to Plaintiff discounting this maximum exposure by 50% to account for the risk of not prevailing on the merits and the Court's discretion in reducing penalties. (*Id.*)

Using these estimated figures, Plaintiff predicted that the realistic total potential recovery for the PAGA Employees and the LWDA would be approximately $74,050.00. (Woods Decl., ¶ 15.) The proposed Settlement of $75,000.00 therefore represents 98.7% of Plaintiff's reasonably forecasted total recovery. (*Id.*) "The fact that a proposed settlement may only amount to a fraction of the potential recovery does not, in and of itself, mean that the proposed settlement is grossly inadequate and should be disapproved." (*Linney v. Cellular Alaska Partnership* (9th Cir. 1998) 151 F.3d 1234, 1242 [internal quotations omitted].) In this case, continued litigation would delay payment to the LWDA and the PAGA Employees as they await trial and, most likely, appellate proceedings. (Woods Decl., ¶ 16.) Furthermore, while Plaintiff is confident in the merits of the case, a legitimate controversy exists as to each of the predicate Labor Code violations. (*Id.*) The possibility that the Court finds no liability at the PAGA bench trial is also a risk. (*Id.*) In sum, when the risks of litigation, the burdens of proof necessary to establish liability, and the probability of appeal of a favorable judgment are balanced against the merits of Plaintiff's claims, it is clear that the Settlement amount is fair. (*Id.*) Further, because of the proposed Settlement, the PAGA Employees will receive timely, guaranteed relief and will avoid the risk of an unfavorable judgment. (*Id.*) Plaintiff also recognizes that proving the amount of wages due to each employee would be an expensive, time-consuming, and uncertain proposition. (*Id.*)

If the Court approves the terms of the Settlement, each aggrieved employees' payment will be approximately $60.71 and approximately $12,750.00 will go to the LWDA. (Woods Decl., ¶ 16.) In reality, some employees will likely receive more, and others may receive less depending on the length of their employment with Defendant. (*Id.*)

C. <u>The PAGA Representative Service Payment Is Reasonable.</u>

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

The Settlement provides for a Service Payment to Plaintiff in an amount not to exceed $5,000.00. (Settlement, ¶ 3.2.1.) The requested service award is intended to recognize: (1) the substantial time and effort that Plaintiff has expended on behalf of the State and Aggrieved Employees; (2) the risks faced by Plaintiff as a result of bringing this action; (3) the fact that Plaintiff put the interests of the State of California and other aggrieved employees ahead of his own; and (4) the substantial benefit conferred upon the State and the aggrieved employees as a result of Plaintiff's actions. (Woods Decl., ¶ 17.) Plaintiff has spent numerous hours performing tasks for this case, including, but not limited to, the following: consulting with counsel in-person and over the telephone; searching for and producing relevant documents; reviewing documents produced by Defendant and settlement documents; keeping informed of the developments in the case; and participating in decisions concerning the case, including settlement. (Woods Decl., ¶ 19.) As a result of his efforts, the LWDA and about 70 aggrieved employees will receive compensation for civil penalties for underpaid wages and other wage and hour violations. (*Id*.)

Plaintiff put himself at significant risk in pursuing this action on behalf of the State, as serving as a Plaintiff in a representative action could affect his prospects for future employment. (Woods Decl., ¶ 19.) Plaintiff also placed himself at substantial risk because, if Defendant was to prevail in this action, Plaintiff could be liable for Defendant's costs and attorneys' fees. (*Id*.)

In short, this action would not have been possible without the aid of Plaintiff, who put his own time and effort into this litigation, sacrificed the value of his individual claims by entering into a general release of all known and unknown claims, and placed himself at risk for the sake of the State and the aggrieved employees. (Woods Decl., at ¶ 20.) Accordingly, the requested Service Payment is reasonable and should be approved by the Court.

D. The Requested Attorneys' Fees and Costs Are Reasonable.

A prevailing party in a PAGA action is entitled to recover his attorneys' fees and costs for his claims. (Cal. Lab. Code § 2699(g) ["Any employee who prevails in any action shall be entitled to an award of reasonable attorney's fees and costs."].) A fee award is justified where the legal action has produced its benefits by way of a voluntary settlement. (*See, e.g., Maria P. v. Riles* (1987) 43 Cal.3d 1281, 1290-91; *Westside Community for Independent Living, Inc. v. Obledo* (1983) 33 Cal.3d 348, 352-53.)

Fee awards of roughly one-third of the settlement fund are routinely awarded in California state and federal courts in class and representative PAGA actions. "[F]ee awards in class actions average around one-third of the recovery." (*Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 66, fn. 11 ; *see also*, *In re Pacific Enterprises Securities Litig.* (9th Cir. 1995) 47 F.3d 373, 379 [affirming 33% fee award]; *Williams v. MGM-Pathe Communications Co.* (9th Cir. 1997) 129 F.3d 1026, 1027 [holding that class counsel's fee award should have been calculated as one-third of the gross settlement fund]; *Chavez v. Saticoy Lemon Ass'n* (Cal. Super. Ct. Ventura Cty. Aug. 10, 2015) Case No. 56-2015-00468600-CU-OE-VTA, 2015 WL 5561118 [approving attorneys' fees of one-third of settlement fund in representative PAGA settlement]; *Clavel v. Lupe's Thousand Oaks Mexican Restaurant, Inc.* (Cal. Super. Ct. Ventura Cty. Mar. 25, 2016) Case No. 56-2015-00467353-CU-OE-VTA, 2016 WL 1601221 [same].)

The fee award requested here ($25,000.00, representing 33 1/3% of the $75,000.00 gross settlement amount) is justified because Plaintiff's counsel achieved a significant monetary recovery for the aggrieved employees and the LWDA in an uncertain and risky case while bearing the substantial burdens of representation on a contingency basis, and the fees requested are in line with the market rates described above. Plaintiff's counsel expended significant time and resources in litigating this case, which resulted in a favorable result for the LWDA, Plaintiff, and the aggrieved employees. Plaintiff's counsel elected to bear the contingency risk of this litigation for the benefit of the aggrieved employees, as well as for the State of California (who elected not to take the case after receiving the PAGA notice). (Woods Decl., ¶¶ 28-40.)

Critically, this settlement exceeds other PAGA awards approved by courts. (*See, e.g., Aguirre v. DSW, Inc.* (C.D. Cal. Nov. 29, 2012) 2012 WL 11875296, *3 [approving $10,000 PAGA payment]; *Garcia v. Gordon Trucking, Inc.* (E.D. Cal. Oct. 31, 2012) 2012 WL 5364575, *7 ["GTI agrees to allocate $10,000 to Plaintiffs' PAGA claims, and will pay $7,500 to the LWDA, and $2,500 to participating Class Members on a pro-rata basis. This comports with settlement approval of PAGA awards in other cases. [Citations.] Therefore, the Court will approve the allocation of the Settlement to Plaintiffs' PAGA claim."]; *Boyd v. Bank of America Corp.* (C.D. Cal. Nov. 18, 2014) 2014 WL 6473804, *8 [approving $18,750 PAGA payment]; *Franco v. Ruiz Food Prods.* (E.D. Cal. Nov. 27, 2012) 2012 WL 5941801, *14 [approving $10,000 PAGA payment]; *Chu v. Wells Fargo Investments, LLC* (N.D. Cal. Feb. 16, 2011) 2011 WL 672645, *1 [approving $10,000 PAGA payment]; *cf. Nordstrom Comm'n Cases* (2010) 186 Cal.App.4th 576, 589 [holding that trial court did abuse its discretion in approving wage and hour class action settlement that involved PAGA claims even though no settlement money was allocated to the PAGA claims and paid to the LWDA].) The fact that Plaintiff's counsel achieved these results without engaging in a protracted legal battle, in the face of serious defense challenges and an uncertain legal landscape, confirms the strength of the results achieved.

As discussed above, this case carried substantial risk as to the merits as well as the potential of the Court drastically reducing penalties in the context of a contested trial or summary judgment proceeding. Accordingly, it is fair and reasonable to account for these risks in compensating Plaintiff's counsel. Since undertaking this representation, Plaintiff's counsel has dedicated substantial resources to this litigation, including approximately $20,358.73 in costs, without receiving any compensation to date. (Woods Decl., ¶¶ 21, 27.) Plaintiff's counsel conducted extensive legal research regarding the merits of Plaintiff's claims, his ability to recover penalties under the PAGA, and Defendant's potential defenses. (Woods Decl., ¶ 10.)

Plaintiff's counsel expended significant additional effort in preparing formal settlement documents and this Motion to Approve PAGA Settlement. (Woods Decl., ¶ 22.) Given the considerable potential for adverse outcomes in this case, including, but not limited to, Defendant defeating Plaintiff's claims on the merits, and/or facing a drastic reduction to potential PAGA penalties, the contingent risk borne by Plaintiff's counsel was great. The quality of Plaintiff's counsel's work, and the efficiency and dedication with which it was performed, should be compensated. (Id.)

Plaintiff's counsel's previous experience in litigating similar class and representative actions also supports the reasonableness of the fee request. Plaintiff's counsel brings extensive plaintiff-side wage-and-hour class, collective, and representative action experience. (Woods Decl., ¶¶ 28-40.) They have been found to be adequate counsel in numerous cases alleging wage and hour claims. (*Id*.) Practice in the narrow field of wage-and-hour litigation requires skill and knowledge concerning the rapidly evolving substantive state and federal law, as well as the procedural law of class and representative action litigation. Because it is reasonable to compensate Plaintiff's counsel commensurate with its skill, reputation, and experience, a fee award of 33 1/3% of the gross settlement amount is reasonable.

Plaintiff's request for reimbursement of actual litigation costs of $13,869.18 is also fair and reasonable. As the evidence submitted herewith shows, all of Plaintiff's litigation costs are documented and reasonably incurred. (*See* Woods Decl., Ex. 3 [Total Costs].)

E. <u>Settlement Administrator Costs Are Reasonable.</u>

The Settlement Administrator Costs in the amount of up to $10,000.00 are reasonable, given the tasks to be performed by the Settlement Administrator, including, but not limited to, the following duties: mailing and re-mailing (if necessary) checks to approximately 70 PAGA Employees and the LWDA; establishing a Qualified Settlement Fund; preparing and submitting to PAGA Employees and government entities all appropriate tax filings and forms; distributing the PAGA Representative Service Payment and attorneys' fees and costs; keeping the Parties timely apprised of the performance of all obligations under the Agreement; and voiding uncashed or undeliverable checks to issue those funds to the California Justice Gap Fund.

(Settlement, ¶ 4.4.3.) Plaintiff respectfully requests that the Court approve the requested costs.

IV. CONCLUSION.

For the reasons set forth above, Plaintiff requests that the Court grant this motion and approve the Parties' PAGA Settlement.

Respectfully submitted,

Dated: December 19, 2025

WILSHIRE LAW FIRM

By: Tyler J. Woods

Tyler J. Woods
Alan A. Wilcox
James Yoo
Ruby Carrera
Kendall MacRostie
Lucy Nguyen
Attorneys for Plaintiff