

Jamie K. Serb, Esq. (SBN 289601)
jamie@crosnerlegal.com
Sepideh Ardestani, Esq. (SBN 274259)
sepideh@crosnerlegal.com
Zachary M. Crosner, Esq. (SBN 272295)
zach@crosnerlegal.com
CROSNER LEGAL, PC
9440 Santa Monica Blvd. Suite 301
Beverly Hills, CA 90210
Tel: (866) 276-7637
Fax: (310) 510-6429

Attorneys for Plaintiff RANDY GOAD

SUPERIOR COURT OF CALIFORNIA
IN AND FOR THE COUNTY OF SANTA BARBARA

RANDY GOAD, on behalf of the State of
California and all Aggrieved Employees,

Plaintiff,

v.

SRG OPERATING, INC., a Delaware
Corporation; SENIOR RESOURCE GROUP
LLC, a Delaware Limited Liability
Company; SRG PARTNERS, LLC, a
Delaware Limited Liability Company; SRG
PARTNERS COMMUNITIES
INVESTMENT CO, LLC, a Delaware
Limited Liability Company; and DOES 1-
100, inclusive,

Defendants.

CASE NO. 24CV00643

Assigned for All Purposes to:
Hon. Donna D. Geck
Dept. 4

**MEMORANDUM OF POINTS &
AUTHORITIES IN SUPPORT OF
RENEWED MOTION FOR APPROVAL OF
SETTLEMENT UNDER PRIVATE
ATTORNEYS GENERAL ACT**

Date: April 10, 2026
Time: 10:00 a.m.
Dept.: 4

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1 **I. INTRODUCTION**

2 Plaintiff Randy Goad hereby seeks Court approval of a proposed settlement of claims
3 brought under the Private Attorneys General Act (“PAGA”) against defendant SRG Operating,
4 Inc. (“SRG” or “Defendant”). Consistent with PAGA, the proposed settlement releases claims
5 under PAGA only and has no impact on the individual claims of any allegedly aggrieved
6 employee other than Plaintiff. Since the settlement resolves nothing more than claims under
7 PAGA, it requires only a one-step review and approval process by the Court, and for the reasons
8 discussed below, the proposed settlement is fair, reasonable, and adequate, and advances the
9 statutory purposes of PAGA. Plaintiff respectfully requests the Court approve the Settlement in
10 its entirety.

11 **II. BACKGROUND**

12 Defendant SRG and its affiliates own and operate skilled nursing facilities throughout the
13 United States, including 8 locations in California alone. Plaintiff Goad worked as a kitchen helper and
14 a security guard at Defendant’s Santa Barbara location, from about August 2019 through May 2023.
15 As a kitchen helper, his duties included cleaning dishes, cleaning the dining room, setting up buffet
16 tables, and assisting in food preparation. He typically worked 3-5 shifts per week, from 12:00 p.m. to
17 9:00 p.m., and he sometimes worked a double shift. As a security guard, his duties included patrolling
18 the property indoors and outdoors, ensuring doors were locked, and documenting any suspicious
19 activity. [Declaration of Sepideh Ardestani (“Ardestani Decl.”), ¶ 4.]

20 After notice to the LWDA and Defendant, and exhausting administrative remedies, on
21 February 5, 2024 Plaintiff filed a representative complaint seeking PAGA civil penalties for
22 Defendant’s alleged failure to pay all minimum wages, overtime wages, premium wages in lieu of
23 late, short, or denied meal and rest periods, all wages due upon separation of employment, failure to
24 furnish accurately itemized wage statements, and failure to reimburse business expenses to Plaintiff
25 and Aggrieved Employees defined as “all current and former non-exempt employees employed by
26 Defendants in California at any time during the PAGA Period (December 2, 2022 to the present).” On
27 March 6, 2024, this Court granted the Parties’ stipulation to submit Plaintiff’s individual PAGA claim
28 to arbitration and stay the non-individual PAGA claim. On or about March 21, 2024, Plaintiff filed his

1 arbitration demand with JAMS. [Ardestani Decl., ¶ 5; Exh. 2.]

2 The Parties subsequently began meeting and conferring regarding discovery, potential law
3 and motion, and other case and arbitration management issues, and eventually agreed to attempt
4 early mediation. They also agreed to and did informally exchange information to permit both
5 sides to evaluate Plaintiff's allegations. Through this informal discovery, Defendant provided
6 Plaintiff with information including, inter alia, Plaintiff's personnel file, the number of potential
7 Aggrieved Employees, the number of aggregate pay periods, pay stubs and time records for a
8 sampling of the Aggrieved Employees, and relevant policy documents regarding Defendant's
9 time keeping and reporting policies and meal and rest break policies, among other pertinent
10 materials. [Ardestani Decl., ¶ 6.]

11 On February 5, 2025, the Parties mediated the case with Daniel Turner, Esq., a respected
12 professional neutral with extensive PAGA/wage and hour experience. Before and during the
13 mediation, Plaintiff and his counsel analyzed, researched, and investigated the potential issues,
14 including matters related to the calculation of damages, trial, and appellate issues and risks.
15 During mediation, the Parties vigorously debated the likelihood of Plaintiff's ability to proceed on
16 a representative basis as to the PAGA claims, the legal grounds for Plaintiff's claims and
17 Defendant's defenses, and the Parties' data analyses and conclusions based on data provided by
18 Defendant. After a contentious day of negotiations, the Parties reached agreement and
19 subsequently formalized their tentative settlement in the Settlement Agreement now before the
20 Court for approval. [Ardestani Decl., ¶ 7.] A fully executed, true and correct copy of the PAGA
21 Settlement Agreement ("Settlement Agreement") is attached to the Ardestani Declaration as
22 Exhibit 1.

23 **III. SUMMARY OF SETTLEMENT TERMS**

24 **A. SETTLEMENT TERMS AND DISTRIBUTION OF PAGA PENALTIES**

25 Under the settlement, Defendant will make the following payments: (a) \$425,298.01 in
26 PAGA Penalties, of which 75% (about \$318,973.51) will go to the LWDA, and the remaining
27
28

1 25% (about \$106,324.50) will be distributed to the Aggrieved Employees;¹ (b) \$5,500.00 to
2 Simpluris, Inc. for administration of the Settlement; (c) \$225,000 to Plaintiff's Counsel for
3 attorney's fees, subject to Court approval; (d) \$18,201.99 to Plaintiff's Counsel for actual
4 litigation costs and expenses, and (e) \$1,000.00 to Plaintiff as a service award. The distribution to
5 the Aggrieved Employees will be distributed to the Aggrieved Employees in proportion to the
6 total number of Pay Periods each individual worked during the PAGA Period of December 1,
7 2022 to April 15, 2025, with an average award currently estimated at about \$55 per individual.
8 [Ardestani Decl., ¶ 8.]

9 **B. PAYMENT AND THE NOTICE**

10 The Parties propose using Simpluris, Inc. as the Settlement Administrator. Simpluris has
11 extensive experience administering PAGA settlements, and has agreed to cap its fees at \$5,500.
12 [Declaration of Denise Islas, ¶¶ 2-10; Exhs. A-C.] SRG will fund all amounts due under the
13 Settlement within 14 days of the Effective Date, and within 14 days of funding Simpluris will
14 mail a notice and settlement check to all Aggrieved Employees via regular First-Class U.S. Mail,
15 using the most current, known mailing addresses identified in SRG's records. Aggrieved
16 Employees need not submit claim forms and will automatically receive a notice and settlement
17 check. Settlement checks will be negotiable for 180 days, after which time any unclaimed
18 residual funds will be forwarded to the California State Controller's Unclaimed Property Fund.
19 [Ardestani Decl., ¶ 9.]

20 **C. THE RELEASE**

21 The California Supreme Court has explained that a judgment in "a representative action
22 brought by an aggrieved employee under the Labor Code Private Attorneys General Act of 2004
23 ... is binding not only on the named employee plaintiff but also on government agencies and any
24 aggrieved employee not a party to the proceeding." Arias v. Superior Court (2009) 46 Cal.4th
25 969, 985-86. Accordingly, the release in the Settlement Agreement narrowly releases only civil
26 penalty claims brought under PAGA. Under Arias, the order the Parties request the Court enter is

27 ¹ Under Labor Code § 2699(v), the penalties are divided 75% to the LWDA and 25% to the Aggrieved Employees
28 because the complaint was filed before June 19, 2024.

1 intended to be “binding not only on the named employee plaintiff but also on government
2 agencies and any aggrieved employee not a party to the proceeding.” The Settlement Agreement
3 protects the rights of the Aggrieved Employees to bring their own individual claims should they
4 wish. For these reasons, the Parties contend the release narrowly applies only to the PAGA claims
5 alleged, and the Settlement Agreement specifically provides the Release is inapplicable to any
6 claims other than those brought under PAGA. [Ardestani Decl., ¶ 10.]

7 **IV. THE SETTLEMENT IS FAIR, ADEQUATE AND REASONABLE, FURTHERS**
8 **THE PURPOSES UNDERLYING PAGA, AND WARRANTS APPROVAL**

9 PAGA requires the Court to “review and approve any settlement of any civil action filed
10 pursuant to this part.” Labor Code § 2699(l)(2). Recently, the appellate court in Moniz v. Adecco
11 USA, Inc. (2021) 72 Cal.App.5th 56, defined the standard for courts to apply when reviewing
12 settlements under PAGA. The court held a trial court must ensure that the settlement is “fair,
13 reasonable, and adequate in view of PAGA’s purposes to remediate present labor law violations,
14 deter future ones, and to maximize enforcement of state labor laws.” Id. at 77.

15 In so holding, Moniz noted many federal district courts had imported class action
16 settlement approval principles when evaluating PAGA settlements, demanding that PAGA
17 settlements be “fair, reasonable, and adequate,” and weighing factors such as “the strength of the
18 plaintiff’s case, the risk, the stage of the proceeding, the complexity and likely duration of further
19 litigation, and the settlement amount[.]” Id. at 75-76 (collecting cases). Observing that “PAGA’s
20 purpose” is to “protect the public interest”—especially the allegedly Aggrieved Employees—the
21 Court agreed with this district court authority, concluding that much the same principles that
22 ensure fairness in class action settlements serve the public interest in the PAGA context.
23 Essentially, these factors are more or less identical to those California courts use to evaluate class
24 action settlements per Kullar v. Foot Locker Retail, Inc. (2008) 168 Cal.App.4th 116 and,
25 accordingly, Plaintiff submits they should inform the Court’s analysis as well. For the reasons
26 below, the proposed settlement is fair, reasonable and adequate, advances the purposes underlying
27 PAGA, and should be approved.

28 **A. NATURE OF THE ALLEGED VIOLATIONS**

1 Plaintiff primarily contends Defendant failed to pay all wages due because he and other
2 employees were required to wait in line to clock in and clock out for shifts as well as meal
3 periods, and Plaintiff estimates employees lost around an hour of compensable time per week as a
4 result. As the California Supreme Court recently held in Frlekin v. Apple Inc., (2020) 8 Cal. 5th
5 1038, that time spent by employees waiting for and undergoing these mandatory exit searches
6 was compensable time. Huerta v. CSI Elec. Contractors, (2024) 15 Cal. 5th 908 (same). Thus, per
7 Plaintiff, the time employees spent waiting to clock in/out was compensable and resulted a failure
8 to pay wages for all hours worked by the Aggrieved Employees. [Ardestani Decl., ¶ 11.]

9 He further alleges SRG failed to provide Aggrieved Employees with compliant meal
10 periods and that even if they even received a meal period, the breaks frequently were late,
11 interrupted, and/or or lasted less than 30 minutes, largely due to the press of business and amount
12 of work to be completed. Based on the sampling provided by Defendant of time and
13 corresponding wage records for Aggrieved Employees, Plaintiff's expert calculated a 25.6% meal
14 period violation rate. Thus per Plaintiff, even assuming Defendant had a compliant written meal
15 period policy, there still were numerous "de facto" violations for untimely or short meal periods,
16 the vast majority of which went uncompensated with the required one hour of premium pay.
17 Plaintiff similarly contends Defendant failed to provide Plaintiff and the Aggrieved Employees
18 with compliant rest periods for essentially the same reasons, and that rest periods regularly were
19 late, short, or missed completely (especially for third rest breaks on shifts of 10+ hours).
20 [Ardestani Decl., ¶ 12.]

21 On the expense reimbursement claim, Plaintiff had to use his personal cell phone for work
22 purposes and regularly had to use his phone to communicate with management, particularly when
23 working in the kitchen, and that the head chef constantly was contacting him on his personal
24 phone both while clocked and while he was not working. An employer must reimburse employees
25 for use of personal devices, and if the employee has an unlimited monthly plan then the employer
26 must reimburse an amount that equates to the employee's percentage of use for work. Cochran v.
27 Schwan's Home Serv. (2014) 228 Cal.App.4th 1137. [Ardestani Decl., ¶ 13.]

28 Plaintiff also brings claims derivative of the foregoing claims, including a derivative wage

1 statement claim based on the failure to pay all wages due, and failure to pay all wages due and
2 owing upon separation of employment under Labor Code §§ 201-203. [Ardestani Decl., ¶ 14.]

3 **B. NUMBER OF ALLEGED VIOLATIONS AND POTENTIAL PENALTIES**

4 For mediation, SRG indicated it employed approximately 1,912 non-exempt employees in
5 California during the relevant time frame, and these individuals worked approximately 53,995
6 pay periods during that time. Based on the data provided by Defendant, Plaintiff estimated
7 Defendant's maximum PAGA exposure at approximately \$23,094,300 including approximately
8 \$5,399,500 on the unpaid wage/off the clock claims, about \$1,382,300 on the meal period claims,
9 \$5,399,500 on the rest period claims, \$5,399,500 on the wage statement claims, \$5,399,500 on
10 the expense reimbursement claims, and about \$114,000 in civil penalties for failing to timely pay
11 wages on separation of employment. [Ardestani Decl., ¶¶ 15-16.]

12 **C. THE SETTLEMENT MEETS THE KULLAR FACTORS, INCLUDING**
13 **THE STRENGTH OF PLAINTIFF'S CASE, THE DISCOVERY**
PERFORMED, AND AMOUNT OFFERED IN SETTLEMENT

14 In response to Plaintiff's unpaid wage claim, SRG argued its time keeping and rounding
15 policies are fully compliant with California law, and that it accurately tracked and paid for all
16 hours worked by Plaintiff and the Aggrieved Employees. It also argued that its policies strictly
17 prohibited any kind of "off the clock" work and, to the extent it happened at all, it was
18 intermittent and against company policy, and done with management's knowledge or consent.
19 White v. Starbucks Corp. (N.D. Cal. 2007) 497 F.Supp.2d 1080, 1083 (employer must have
20 actual or constructive knowledge of the off the clock work). Finally, Defendant strongly disputed
21 that employees spent any measurable amount of time waiting to clock in or out, and argued that
22 there are ample time clocks available at each of its locations such that an employee would rarely
23 if ever need to wait to clock in or out. [Ardestani Decl., ¶ 17.]

24 On the meal break claims, SRG offered multiple defenses. First, it emphasized it
25 maintained fully compliant written policies, that it authorized and permitted all necessary breaks,
26 and that employees received full uninterrupted lunch periods. Defendant further argued that even
27 to the extent meal or rest breaks were missed or arguably non-compliant, it was in violation of
28 company policy and aberrational, and would require significant individual inquiries to determine

1 the reasons underlying any such alleged violations and whether it was by employee choice or
2 some other reason. Thus, per Defendant, any trial on this issue would be unmanageable because
3 of these individualized issues. Defendant also emphasized in paid thousands in meal period
4 premiums during the PAGA Period, which would further evidence its good faith efforts to comply
5 with the law. [Ardestani Decl., ¶ 18.]

6 As with meal breaks, Defendant argued the applicable rest break policies complied with
7 California law, and that it authorized and permitted employees to take all required breaks.
8 Further, per Defendant, in light of the fact that it is not required to maintain a record of rest
9 periods, any evidence of failure to authorize rest periods and/or discouragement from taking rest
10 periods would be purely anecdotal and individual issues would predominate on liability. This
11 arguably would once again make a trial unmanageable since the number of instances an employee
12 missed a rest break would have to be tested on a case by case basis to determine compliance.
13 [Ardestani Decl., ¶ 19.]

14 For Plaintiff's expense reimbursement claim, SRG emphasized its written policies
15 prohibited employees from using their own phones while on the clock and working. Beyond that,
16 Defendant argued there were be no need for employees to use their phones while working, and if
17 they did it was purely for personally convenience and therefore it was not reimbursable as a
18 "necessary" business expense. [Ardestani Decl., ¶ 20.]

19 Plaintiff also alleged derivative violations of Labor Code § 226 (wage statement
20 violations) and §§ 201-203 (waiting time penalties). Both claims, since they are entirely
21 derivative, will rise or fall along with the primary claims, in addition to being subject to "good
22 faith" and other defenses available to Defendant. Amaral v. Cintas Corp. No. 2 (2008) 163
23 Cal.App.4th 1157, 1203-04 (holding employer did not willfully fail to pay wages under Labor
24 Code § 203 even though the class prevailed on the merits on the underlying claim for failing to
25 pay living wages). Accordingly, Plaintiff had to discount the value of these claims significantly
26 in light of these multiple potential defenses. Defendant also contended a substantial discount
27 should be applied to the civil penalties for these derivative (i.e., "stacked") violations, as it would
28 be unfair to penalize Defendant multiple times for the same violation. [Ardestani Decl., ¶ 21.]

1 Defendant also emphasized PAGA gives the Court wide latitude to reduce the amount of
2 civil penalties “based on the facts and circumstances of a particular case” if “to do otherwise
3 would result in an award that is unjust, arbitrary and oppressive, or confiscatory.” Labor Code §
4 2699(h). Several state and federal courts in California have applied significant reductions to
5 PAGA civil penalties even after plaintiffs prevailed on the merits. In Fleming v. Covidien (C.D.
6 Cal. 2011) 2011 U.S. Dist. LEXIS 154590, *8-9, for instance, the district court reduced the
7 potential penalties by over 82% after a bench trial. More recently, in Carrington v. Starbucks
8 Corp. (2018) 30 Cal.App.5th 504, after a bench trial, the trial court awarded penalties of just \$5
9 per pay period, a 90% reduction, which decision was upheld on appeal. In re Taco Bell Wage and
10 Hour Actions (E.D. Cal. Apr. 8, 2016) 2016 U.S. Dist. Lexis 48557 (PAGA penalties denied after
11 trial). [Ardestani Decl., ¶ 22.]

12 Thus, Defendant raised various and multi-layered defenses to each of Plaintiff’s claims,
13 anyone of which, if successful, could have derailed Plaintiff’s case. And Defendant vowed to
14 raise all these defenses at trial. Accordingly, Plaintiff faced risky issues going forward with
15 litigation, and it could have taken years to realize any recovery in this action along with the
16 possibility of post-trial appeals. In addition to its merits defenses and arguing trial would be
17 unmanageable, Defendant also intended to raise additional defenses on damages, including the
18 proper measure of civil penalties and the appropriate discount to place on any assessment of such
19 penalties. [Ardestani Decl., ¶ 23.]

20 Although Plaintiff and his counsel believe they could have prevailed, there was no such
21 guarantee. When the risks of overcoming a manageability defense, prevailing at trial on the merits
22 on all claims, securing the maximum theoretical civil penalties, and appellate risks all are factored
23 into the equation, the settlement value is reasonable and supported. Of course, to recover
24 anywhere near the maximum penalties Plaintiff would have to shoot the moon and win both
25 liability and maximum penalties on all claims for every single pay period at issue, which
26 outcome, for the reasons discussed, is unlikely. Given Defendant’s various procedural and merits
27 defenses, as well as the substantial penalty reductions ordered in the cases above – which
28 occurred after trial – the proposed settlement is reasonable. [Ardestani Decl., ¶ 24.]

1 Importantly, the mere fact that a settlement does not provide the same recovery as might
2 be achieved at trial is not a proper indicator of whether the settlement is fair, reasonable, and
3 adequate. Wershba, 91 Cal.App.4th at 246, 250 (“even if the relief afforded by the proposed
4 settlement is substantially narrower than it would be if the suits were to be successfully litigated,
5 this is no bar to a class settlement because the public interest may indeed be served by a voluntary
6 settlement in which each side gives ground in the interest of avoiding litigation”); 7-Eleven
7 Owners for Fair Franchising v. Southland Corp. (2000) 85 Cal.App.4th 1135, 1150 (“The fact that
8 a proposed settlement may amount to only a fraction of the potential recovery does not, in and of
9 itself, mean that the proposed settlement is grossly inadequate and should be disapproved”); Lane
10 v. Facebook, Inc. (9th Cir. 2012) 696 F.3d 811, 819 (“[T]he question whether a settlement is
11 fundamentally fair . . . is different from the question whether the settlement is perfect in the
12 estimation of the reviewing court”); White v. Experian Information Solutions, Inc. (C.D. Cal.
13 2011) 803 F.Supp.2d 1086, 1098 (rejecting contention settlement was not fair and reasonable
14 even though it represented 99% discount off the maximum value of the claims).

15 In sum, when the risks of litigation, the burdens of proof necessary to establish liability,
16 the probability of appeal of a favorable judgment, the Court’s substantial discretion to reduce any
17 penalty award all are accounted for, it is clear a settlement amount of \$425,298.01 in PAGA civil
18 penalties, plus additional amounts to be paid separately for administration costs, Plaintiff’s
19 counsel’s reasonable attorney’s fees and costs, and Plaintiff’s service award, is within the ballpark
20 of reasonableness, furthers the purposes underlying PAGA, and approval is appropriate.

21 **V. SUBMISSION TO THE LWDA**

22 Plaintiff timely served the LWDA with the Settlement Agreement and this Motion, and
23 notified the LWDA of this approval hearing. [Ardestani Decl., ¶ 25; Exh. 3.] Accordingly, the
24 LWDA will be able to weigh in as necessary and, importantly, many courts find it persuasive of
25 approval if the LWDA ultimately declines to offer any comment or objection to a proposed
26 PAGA settlement. Echavez v. Abercrombie & Fitch Co., Inc. (C.D. Cal. Mar. 23, 2017) 2017
27 WL 3669607, at *3 (court inferred the LWDA’s non-response as “tantamount to its consent to the
28 proposed settlement terms, namely the proposed PAGA penalty amount.”); Jennings, 2018 WL

1 4773057, at *9 (“Plaintiffs submitted the settlement agreement to the LWDA, and the LWDA has
2 not objected to the settlement.”); Jordan, 2018 U.S. Dist. LEXIS at *7 (“Additionally, the Court
3 finds it persuasive that the LWDA was permitted to file a response to the proposed settlement and
4 no comment or objection has been received.”).

5 **VI. THE REQUESTED SERVICE AWARD IS REASONABLE**

6 A modest incentive award for Plaintiff is appropriate under applicable law. See Staton v.
7 Boeing (9th Cir. 2003) 327 F.3d 938, 977 (collecting cases awarding class representatives service
8 and incentive payments ranging from \$2,000 to \$25,000). He devoted time and resources to the
9 litigation, provided documents, assisted Class Counsel with investigating the claims asserted and
10 in preparing for mediation. The service payment provided to Plaintiff as the PAGA representative
11 is typical in representative action cases and reasonable. Rodriguez v. W Publ'g Corp. (9th Cir.
12 2009) 563 F.3d 948, 958-59 (incentive awards are “intended to compensate class representatives
13 for work done on behalf of the class, to make up for financial or reputational risk undertaken in
14 bringing the action, and, sometimes, to recognize their willingness to act as a private attorney
15 general.”).

16 Here, the Settlement Agreement provides for an enhancement of up to \$1,000.00 to
17 Plaintiff, to be paid separately by Defendant in addition to the proposed civil penalties. This
18 request is reasonable given the risks he undertook on behalf of the Class Members. By contacting
19 and retaining counsel to pursue these claims, Plaintiff helped make this settlement possible for the
20 absent Class Members, while shouldering the risk of being liable for Defendant’s litigation costs.
21 Plaintiff also exposed himself to unwanted notoriety related to filing a public lawsuit
22 (discoverable even through a simple google search) for the benefit of other employees, placing
23 himself at risk of discrimination by future prospective employers. As stated in his declaration
24 filed herewith, among taking many other actions assisting in the successful litigation of this case,
25 Plaintiff provided substantial factual information and documents to counsel, attended numerous
26 meetings/phone conferences with counsel to discuss the case, and kept abreast of all significant
27 developments. [Brouillette Decl., ¶ 26; Declaration of Rancy Goad, ¶¶ 2-9.]

28 **VII. THE REQUESTED FEES AND COSTS ARE FAIR AND REASONABLE**

1 For their efforts and the contingent risk undertaken in obtaining a settlement that benefits
2 the LWDA and PAGA Group Members, Plaintiff and his counsel request the Court approve a
3 payment of \$225,000 to counsel for reasonable attorney's fees, plus actual litigation costs in the
4 amount of \$18,298.99, which amounts will be paid separately by Defendant in addition to the
5 proposed civil penalties. These fees are warranted under the law and within the range of fees
6 commonly awarded in similar cases.

7 **VIII. PLAINTIFF'S COUNSEL ARE ENTITLED TO RECOVER ATTORNEY'S**
8 **FEES UNDER PAGA**

9 PAGA provides a Plaintiff is entitled to recover reasonable attorney's fees, expenses, and
10 costs under Labor Code § 2699(g)(1): "Any employee who prevails in any action shall be entitled
11 to an award of reasonable attorney's fees and costs," As discussed below, reasonable
12 attorney's fees and costs are typically awarded under the common fund doctrine in a *qui tam* such
13 as this one, where, as here, the litigation creates a common fund of money in a specific amount
14 for the benefit of others.

15 As noted, Defendant agreed to pay Plaintiff's counsel's fees in the amount of \$225,000
16 and actual costs of \$18,298.99, subject to Court approval. When subject to a "lodestar
17 crosscheck," Plaintiff submits this amount is eminently reasonable as it represents only a fraction
18 of the base lodestar.

19 Under the "lodestar multiplier" method of cross-checking proposed fee awards, the court
20 first ascertains counsel's total "lodestar" amount by multiplying the number of hours reasonably
21 expended by each attorney's reasonable hourly rate, and then enhances or reduces this lodestar
22 figure by a "multiplier" to account for a range of factors, such as the novelty or difficulty of the
23 case, its contingent nature, and the degree of success achieved. PLCM Group, Inc. v. Drexler
24 (2000) 22 Cal.4th 1084, 1095-96; Lealao, 82 Cal.App.4th at 43 (court has discretion to use a
25 multiplier to ensure that the "fee awarded is within the range of fees freely negotiated in the legal
26 marketplace in comparable litigation").

27 Here, Plaintiff's counsel's lodestar is approximately \$146,090, based on 200.7
28 attorney/paralegal hours spent litigating the case. [Ardestani Decl., ¶¶ 27-46; Exh. 4.] On a

1 lodestar basis, the fee request of \$225,000 results in a multiplier of 1.54, which is a modest
2 enhancement entirely in line with California law. [*Id.*] Indeed, California courts routinely
3 approve multipliers in the in the 2-4 range to compensate for the time and risk of class action
4 cases. Chavez v. Netflix, Inc. (2008) 162 Cal.App.4th 43, 66 (affirming attorneys' fee award
5 including an upward multiplier of 2.5); Wershba, 91 Cal.App.4th at 255 ("Multipliers can
6 range from 2 to 4 or even higher."); City of Oakland Oakland Raiders (1988) 203 Cal.App.3d
7 78, 85 (affirming a multiplier of 2.34).) Class Counsel submits that the requested 1.54
8 multiplier effectively operates to show that the percentage fee request is reasonable
9 considering the challenges presented in this contingency fee matter, and appropriately
10 compensates Class Counsel for the contingent risk assumed and delay in payment during the
11 2+ years counsel has been representing Plaintiff. Thus, the multiplier results in a fee
12 constituting a fair return on the contingency.

13 **C. The Requested Costs Are Fair And Reasonable**

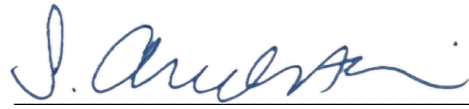
14 Plaintiff's Counsel requests reimbursement of actual out-of-pocket expenses incurred to
15 prosecute this action. These expenses were incidental and necessary to the effective
16 representation of the employees, and Plaintiff's Counsel is permitted to recover their litigation
17 costs and expenses under PAGA. Plaintiff's Counsel's actual out-of-pocket expenses incurred to
18 prosecute this action, which Defendant agreed to pay in the amount of \$18,298.99 separately and
19 in addition to the proposed civil penalties. This includes filing fees, service of process, mediation
20 costs, and postage, while waiving photocopying costs and legal research charges. These expenses
21 were incidental and necessary to the effective representation of the State and employees, are
22 reasonable in amount and uncontested, and should be approved. [Ardestani Decl., ¶¶ 45-46.]

23 **VIII. CONCLUSION**

24 For the foregoing reasons, Plaintiff requests the Court approve the proposed settlement
25 under PAGA, approve the requested payment of reasonable attorney's fees and costs, approve
26 Plaintiff's requested service award, approve Simpluris, Inc. as the settlement administrator and
27 approve is fees in the amount of \$5,500, approve the proposed distributions to the LWDA and
28 Aggrieved Employees, and enter judgment.

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2 Dated: November 18, 2025

CROSNER LEGAL, PC

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Sepideh Ardestani

Jamie K. Serb

Zachary M. Crosner

Attorneys for Plaintiff RANDY GOAD