

HAINES LAW GROUP, APC

Paul K. Haines (SBN 248226)
phaines@haineslawgroup.com
Fletcher W. Schmidt (SBN 286462)
fschmidt@haineslawgroup.com
Matthew K. Moen (SBN 305956)
mmoen@haineslawgroup.com
Ian T. Mallery (SBN 359132)
imallery@haineslawgroup.com
2155 Campus Drive, Suite 180
El Segundo, California 90245
Tel: (424) 292-2350
Fax: (424) 292-2355

Harut Voskanyan, Esq., State Bar No. 327888
HVoskanyan@Voskanyanlaw.com
VOSKANYAN LAW FIRM, PC.
303 N Glenoaks Boulevard, Suite 200
Burbank, California 91502
Telephone Number: (213) 296-2681
Facsimile Number: (213) 296-2691

Attorneys for Plaintiffs

[Additional counsel on following page]

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

PAUL MACIAS and JULIANNA PADILLA,
as individuals, on behalf of themselves and all
other aggrieved employees,

Plaintiffs,

vs.

TEAM CAR CARE, LLC, a Delaware limited
liability company, TEAM CAR CARE WEST,
LLC, a Delaware limited liability company,
and DOES 2 through 100,

Defendants.

CASE NO. 24STCV03864

*[Case assigned for all purposes to the Hon.
Steve Cochran, Dept. 16]*

**PLAINTIFFS' NOTICE OF MOTION AND
MOTION FOR SETTLEMENT
APPROVAL OF CLAIMS BROUGHT
UNDER THE PRIVATE ATTORNEYS
GENERAL ACT, REASONABLE
ATTORNEYS' FEES AND COSTS, AND
REPRESENTATIVE ENHANCEMENT
PAYMENTS**

Date: December 11, 2025
Time: 9:00 a.m.
Dept: 16
Reservation ID: 04222731693

Action Filed: February 15, 2024
Trial Date: None Set

Asaf Agazanof, SBN: 285043
Asaf Law, APC
2330 Westwood Blvd., Second Floor
Los Angeles, California 90064
Tel: 424.254.8870
Fax: 888.254.0651
E-mail: asaf@lawasaf.com

Attorneys for Plaintiffs

1 **TO THE COURT, ALL PARTIES, AND THEIR ATTORNEYS OF RECORD:**

2 PLEASE TAKE NOTICE that on December 11, 2025 at 9:00 a.m., or as soon thereafter
3 as the matter may be heard, in Department 16 of the Los Angeles County Superior Court, located
4 at 111 North Hill Street, Los Angeles, California 90012, Plaintiffs Paul Macias and Julianna
5 Padilla (“Plaintiffs”), individually and on behalf of other PAGA Aggrieved Employees, will and
6 hereby do move this Court for entry of an Order as follows:

- 7 1. Granting approval pursuant to Labor Code section 2699(l) of the parties’ proposed
8 PAGA Settlement Agreement of claims brought by Plaintiffs pursuant to the Private
9 Attorneys General Act of 2004, California Labor Code section 2698 *et seq.*;
 - 10 2. Appointing Apex Class Action LLC (“Apex”) as the third-party Settlement
11 Administrator, and approving an award of \$10,990 in anticipated costs to Apex for
12 its settlement administration services;
 - 13 3. Approving as to form and content the proposed Notice of PAGA Settlement and
14 Release of Claims (“PAGA Notice”), and directing that it be distributed to the PAGA
15 Aggrieved Employees pursuant to the terms of the PAGA Settlement Agreement;
 - 16 4. Directing the distribution of the Gross Settlement Amount (\$392,000.00) pursuant to
17 the terms of the PAGA Settlement Agreement;
 - 18 5. Approving an award of one-third of the Gross Settlement Amount (\$130,666.67) in
19 attorneys’ fees to Haines Law Group, APC, Asaf Law, APC, and Voskanyan Law
20 Firm, PC, as Plaintiffs’ counsel;
 - 21 6. Approving an award of \$46,479.34 in actual litigation costs reimbursement to
22 Plaintiffs’ counsel;
 - 23 7. Approving representative enhancement payments of \$5,000.00 each to Plaintiffs
24 (\$10,000.00 total) for their service to the PAGA Aggrieved Employees and the State
25 of California; and
 - 26 8. Approving the payment of \$145,397.99 to the California Labor & Workforce
27 Development Agency for its 75% share of PAGA civil penalties.
- 28

1 9. Approving the payment of \$48,466.00 to the Aggrieved Employees for their 25%
2 share of PAGA civil penalties.

3 This Motion is based on this Notice, the attached Memorandum of Points and Authorities;
4 the declarations of Matthew K. Moen, Paul K. Haines, Fletcher W. Schmidt, Ian T. Mallery, Asaf
5 Agazanof, Harut Voskanyan, Plaintiff Paul Macias, Plaintiff Julianna Padilla, and Sean Hartranft
6 of Apex, and all exhibits attached thereto; the PAGA Settlement Agreement; all other pleadings
7 and papers on file in this action; and on any further oral or documentary evidence or argument
8 presented at the time of hearing.

9 Given the multiplicity of issues addressed herein, Plaintiffs' memorandum of points and
10 authorities necessitates exceeding the 20-page limit set forth in California Rule of Court
11 3.764(c)(2). As this Motion is unopposed, Plaintiffs respectfully requests that the Court consider
12 the entire Motion, which is 22 pages in length.

13
14 Dated: August 15, 2025 Respectfully Submitted,
HAINES LAW GROUP, APC

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16 By: 
17 Matthew K. Moen
18 Attorneys for Plaintiffs
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1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 Plaintiffs Paul Macias and Julianna Padilla (“Plaintiffs”), “aggrieved employees” under
4 the Private Attorneys General Act of 2004, California Labor Code section 2698 *et seq.*
5 (“PAGA”), respectfully move this Court for an Order granting approval of the PAGA Settlement
6 Agreement (the “Settlement Agreement” or “Settlement”)¹ entered into between Plaintiffs and
7 Defendants Team Car Care, LLC, and Team Car Care West, LLC (“Defendants”).² The proposed
8 Settlement, under which Defendants will pay a non-reversionary Gross Settlement Amount of
9 \$392,000.00, will dispose of Plaintiffs’ representative PAGA claim filed on behalf of the State of
10 California and all “Aggrieved Employees” as defined by Labor Code section 2699(c). This PAGA
11 action is predicated on Defendants’ alleged failures to: pay all minimum and overtime wages;
12 provide all lawful meal periods; authorize and permit all lawful rest periods; reimburse all
13 necessary business expenses; pay sick time pay at the regular rate of compensation; allow
14 inspection of employment records; issue accurate itemized wage statements; timely pay all final
15 wages upon separation; pay all wages earned at least twice during each calendar month; and
16 maintain accurate records.

17 This PAGA action seeks civil penalties for Defendants’ Labor Code violations on behalf
18 of the California Labor & Workforce Development Agency (“LWDA”) and all “Aggrieved
19 Employees,” defined as all current and former non-exempt employees who have worked, or
20 continue to work, for Defendants in California at any time from March 3, 2023 through May 13,
21 2025 (the “PAGA Period”). *See* Settlement, §§ I.1.4, I.1.19. Notably, the claims released under
22 the Settlement are *solely* for the payment of civil penalties under the PAGA, and Aggrieved
23 Employees other than Plaintiffs will not be releasing any underlying wage and hour claims
24 through this settlement. Based on the information provided by Defendant, there are approximately
25 1,710 Aggrieved Employees.

26 ¹ The Settlement Agreement is attached as Exhibit 1 to the Declaration of Matthew K. Moen (“Moen
27 Decl.”), filed concurrently with this Motion. The Notice of PAGA Settlement and Release of Claims
28 (“PAGA Notice”) is attached as Exhibit A to the Settlement Agreement. *See* Moen Decl., ¶ 10, Exhibit 1.

² Concurrently with the filing of this motion, Plaintiffs provided notice of the proposed Settlement, a copy
of this motion, and all papers filed in support hereof, to the LWDA. *See* Moen Decl., ¶ 11, Exhibit 2.

1 In deciding whether to grant approval of the Settlement, the primary issue is whether the
2 Settlement is fair, reasonable, and adequate. As set forth herein, the proposed Settlement is fair,
3 reasonable, and adequate, as it (1) is the product of extensive arm's-length negotiations, (2) was
4 negotiated by attorneys experienced in wage-and-hour issues with the assistance of an
5 experienced, neutral mediator, (3) was negotiated after the parties undertook sufficient
6 investigation to evaluate the relative strength and value of the PAGA claim, and (4) reflects a
7 reasoned compromise based directly on the relative strength and value of the PAGA claim, as
8 well as the risks, expense, complexity and likely duration of further litigation.

9 Pursuant to the Settlement, Defendants will pay a Gross Settlement Amount ("GSA") of
10 \$392,000.00 on a non-reversionary basis. *See* Settlement, §§ I.1.10 and III.3.1. After deducting
11 amounts for requested attorneys' fees (\$130,666.67), attorney costs (\$46,479.34),³ Plaintiffs'
12 representative enhancement payments (\$5,000.00 each), and settlement administration costs
13 (\$10,990), the Settlement provides for distribution of \$145,397.99 to the LWDA for its 75% share
14 of the civil penalties pursuant to Labor Code section 2699(I), and approximately \$48,466.00 to
15 the Aggrieved Employees, an average of approximately \$28.34. *Id.*, §§ I.10, I.1.22, III.3.2.

16 The GSA represents a reasonable recovery for the State of California and PAGA
17 Aggrieved Employees when considering the limited release of only PAGA claims based on the
18 factual allegations in Plaintiffs' operative complaint, Plaintiff Macias' December 11, 2023 PAGA
19 Notice Letter, Plaintiff Padilla's January 31, 2024, PAGA Notice Letter, Plaintiff Macias' June
20 26, 2024 Supplemental PAGA Notice Letter, and Plaintiffs' May 30, 2025 Supplemental PAGA
21 Notice Letter. Additional litigation may have resulted in a smaller recovery, or even no recovery
22 at all, based on the defenses asserted by Defendants and the significant litigation risks involved.
23 Moreover, the GSA results in individual payments that exceed other PAGA penalty awards
24

25 ³ Although the Settlement provides for reimbursement of Plaintiffs' verified litigation costs and expenses
26 "up to \$60,000.00," Plaintiffs' counsel is requesting an expense reimbursement of \$46,479.34. Moen
27 Decl., ¶ 12, Exhibit 3; Declaration of Harut Voskanyan ("Voskanyan Decl."), ¶ 11. Although Plaintiffs'
28 Counsel's expense summaries identify Plaintiffs' Counsel's to-date out of pocket expenses as \$46,301.96,
the total amount that Plaintiffs' Counsel is requesting for expense reimbursement (\$46,479.34) includes
an additional \$177.38 in anticipated future costs for the filing of this motion and costs for the filing of a
request for dismissal called for under the Settlement Agreement. Moen Decl., ¶ 12; Settlement, § IV.4.5.

1 approved as reasonable throughout California. *See, e.g., Penaloza v. PPG Industries Inc.*, Case
2 No. BC471369, 2013 WL 2917624 at *2 (Super. Ct. L.A. County, May 20, 2013) (average PAGA
3 penalties of \$7.49); *Cabrera v. Advantage Sale & Marketing, LLC*, Case No. BC485259, 2013
4 WL 1182822 (Super. Ct. L.A. County, March 12, 2013) (average PAGA penalties of \$3.33).
5 Further, the amounts requested for attorneys’ fees and costs, Plaintiffs’ enhancement payments,
6 and settlement administration costs are fair, adequate, and reasonable. In light of the foregoing,
7 this Court should enter the [Proposed] Judgment and Order submitted herewith.

8 **II. SUMMARY OF THE LITIGATION**

9 **A. The Parties**

10 Defendants operate a chain of vehicle maintenance and repair facilities commonly known
11 as “Jiffy Lube.” Declaration of Matthew K. Moen, ¶ 13. Plaintiff Macias was employed by
12 Defendants as a non-exempt “Service Technician” from approximately August 2022 to August
13 2023. Declaration of Paul Macias (“Macias Decl.”), ¶ 2. Plaintiff Padilla was employed by
14 Defendants as a non-exempt employee from approximately November 2022 through
15 approximately October 17, 2023. Declaration of Julianna Padilla (“Padilla Decl.”), ¶ 2. Plaintiffs’
16 job duties consisted of servicing vehicles, changing oil, and interacting with customers. Macias
17 Decl. ¶ 2. Plaintiffs, like all PAGA Aggrieved Employees, were subject to Defendants’ wage and
18 hour policies and practices. Macias Decl. ¶¶ 3-4; Padilla Decl. ¶ 3-4; Moen Decl., ¶ 13.

19 **B. Procedural History**

20 On December 11, 2023, Plaintiff Macias submitted a PAGA letter to Defendant Team Car
21 Care and the LWDA, and after exhausting his pre-filing requirements, filed a PAGA-only
22 representative action lawsuit in Los Angeles County Superior Court on February 15, 2024,
23 alleging that Defendant Team Car Care failed to: (i) pay all minimum wages owed; (ii) pay all
24 overtime wages owed; (iii) provide all lawful meal periods; (iv) authorize and permit all lawful
25 rest periods; (v) reimburse all necessary business expenses incurred; (vi) pay all sick pay wages
26 owed; (vii) maintain accurate payroll records; (viii) issue accurate itemized wage statements; and
27 (ix) timely pay all final wages owed upon separation. Moen Decl., ¶ 14. On June 26, 2024,
28 Plaintiff Macias submitted a supplemental PAGA letter to Defendants and to the LWDA,
identifying Defendant Team Car Care West as a defendant in the Action. *Id.* On September 3,

2024, Plaintiff Macias filed a DOE amendment in the action, adding Defendant Team Car Care West, LLC to the action as a named defendant. *Id.*

On January 31, 2024, Plaintiff Padilla submitted a PAGA letter to Defendants and the LWDA, and after exhausting her pre-filing requirements, filed a separate PAGA-only representative action lawsuit on April 2, 2024, in Riverside County Superior Court, alleging that Defendants failed to: (i) pay all overtime wages; (ii) provide all lawful meal periods; (iii) authorize and permit all lawful rest periods; (iv) pay all minimum wages owed; (v) timely pay all final wages owed upon separation; (vi) pay all wages within any time permissible; (vii) issue accurate itemized wage statements; (viii) maintain accurate payroll records; and (ix) reimburse all necessary business expenses incurred. Moen Decl., ¶ 15.

On March 7, 2025, the parties attended mediation with mediator Steven G. Mehta, Esq., an experienced and well-respected wage and hour mediator. Moen Decl., ¶ 16. Prior to attending mediation, Defendants provided Plaintiffs with a representative sampling of the Aggrieved Employees' timekeeping and payroll records spanning the relevant time period, as well as policy documents and key data points. *Id.* Plaintiffs then retained an expert with a Ph.D. in economics to examine Defendants' produced data and conduct an exposure analysis for the claims at issue. *Id.* During mediation, the parties debated the legal bases for their claims and defenses, their respective data analyses, and their positions regarding the extent to which the Court might reduce any PAGA penalties recovered. *Id.* At the conclusion of mediation, Mr. Mehta made a mediator's proposal to fully resolve Plaintiffs' PAGA claim, which the parties ultimately accepted. *Id.* Over the following months, the parties negotiated the final terms of the proposed Settlement. *Id.*

As a material term of the parties' Settlement, Plaintiffs sent a supplemental PAGA letter to the LWDA on May 30, 2025, clarifying that the Labor Code violations already asserted by Plaintiffs under PAGA included all subparts therein. Moen Decl., ¶ 17. On July 29, 2025, after exhausting their administrative remedies with the LWDA, Plaintiffs filed the operative First Amended Complaint, adding Plaintiff Padilla as a named plaintiff in this action and consolidating the factual allegations and causes of action alleged in Plaintiff Padilla's separate action into the instant action. *Id.* On August 4, 2025, the Padilla action was dismissed without prejudice. *Id.*

1 **C. Plaintiffs’ Claims and Defendants’ Defenses**

2 Plaintiffs allege that Defendants failed to pay Plaintiffs and the Aggrieved Employees all
3 minimum and overtime wages owed. Moen Decl., ¶ 18. Specifically, Defendants required
4 Plaintiff and the Aggrieved Employees to perform work while off the clock, including
5 communicating with supervisors and co-workers through group text messages before and after
6 their scheduled shifts, including regarding customer interactions, store performance, and
7 instructions needed to complete their job duties *Id.* Defendants required Plaintiff and the
8 Aggrieved Employees to promptly respond to these messages at all hours, including when off the
9 clock. *Id.*

10 In response, Defendants argue that Plaintiffs’ allegations will fail on their merits outright.
11 Moen Decl., ¶ 19. Defendants assert that they accurately tracked all employee work time and paid
12 all minimum and overtime wages owed. *Id.* Defendants further assert that all communications
13 between management and employees was conducted during working hours or were otherwise not
14 necessary job-related communications, and to the extent any off-the-clock communications took
15 place, these communications occurred outside of the PAGA liability period before Defendants
16 updated their policies/practices. *Id.* As a result, Defendants assert that Plaintiffs’ claims for unpaid
17 minimum and overtime wages will fail in their entirety. *Id.*

18 Plaintiffs further assert that Defendants failed to provide all legally compliant meal
19 periods to Plaintiff and the Aggrieved Employees, and failed to pay meal period premiums at the
20 regular rate of pay for each workday in which a meal period violation occurred, as required by
21 Labor Code § 226.7. Moen Decl., ¶ 20. Instead, Plaintiffs allege that when Defendants did pay
22 meal period premiums, they were paid at the base rate of pay rather than the regular rate of pay,
23 in violation of California law. *Id.*; *see also Ferra v. Loews Hollywood Hotel, LLC* (2021) 11
24 Cal.5th 858. Further, Plaintiffs allege that Defendants failed to authorize and permit Plaintiffs and
25 the Aggrieved Employees to take all legally compliant rest periods to which they were entitled.
26 Moen Decl., ¶ 20. Specifically, Defendants maintained a policy of requiring customers to be
27 serviced within a strict time limit, and therefore due to these work demands, Defendants required
28 Plaintiffs and the Aggrieved Employees to regularly skip rest periods to instead meet work and

1 production goals. *Id.* In instances when Defendants failed to authorize and permit all lawful rest
2 periods, Defendants also failed to compensate the Aggrieved Employees with an additional hour
3 of premium pay at their respective regular rates of pay. *Id.*; *see also Ferra, supra*, 11 Cal.5th 858.

4 In response, Defendants contend they maintained lawful meal and rest period
5 policies/practices at all times, provided Plaintiffs and the Aggrieved Employees with all timely,
6 duty-free 30-minute meal periods to which they were entitled, and authorized and permitted all
7 lawful rest periods to which Plaintiffs and the Aggrieved Employees were entitled. Moen Decl.,
8 ¶ 21. Further, Defendants argue they maintain a legally-compliant meal period policy, have
9 always provided meal periods consistent with that policy, and are only required to “provide” the
10 opportunity to take meal periods, not “ensure” meal periods are taken. *Id.*; *see also Brinker*
11 *Restaurant Corp. v. Superior Court* (2012) 54 Cal.4th 1004, 1036 (rejecting “ensure” standard
12 and holding employers only have to “provide” employees the opportunity to take meal periods).
13 Thus, Defendants argue that whether any Aggrieved Employees chose to refrain from taking a
14 compliant meal period on any given day is an individualized issue not reflective of Defendants’
15 policies/practices. Moen Decl., ¶ 21. Moreover, Defendants argue they paid all meal and rest
16 period premiums as required by law. *Id.* Finally, Defendants argue the rest period claim will fail
17 on the merits, assert that this claim is not manageable, as individual mini-trials would be required
18 to determine whether an employee was authorized to take lawful rest periods on each particular
19 shift, and question how Plaintiffs intended to prove such violations without any documentary
20 evidence of rest period violations given that rest periods are not recorded. *Id.*

21 In addition, Plaintiffs allege that that Defendants required Plaintiffs and the Aggrieved
22 Employees to use their personal cellular phones to communicate with supervisors for work-
23 related purposes, but did not reimburse Plaintiffs and other Aggrieved Employees for a reasonable
24 portion of their monthly cellular phone bills. Moen Decl., ¶ 22; *see Cochran v. Schwan’s Home*
25 *Service, Inc.* (2014) 228 Cal.App.4th 1137, 1144 (“If an employee is required to make work-
26 related calls on a personal cell phone, then he or she is incurring an expense for purposes of
27 section 2802.”). In response, Defendants argue they maintained a practice to reimburse all
28 necessary business expenditures and that, to the extent that any expenses were not reimbursed,

1 they were not reasonably incurred. Moen Decl., ¶ 22. Defendants also maintain that this claim
2 will fail on its merits since, Defendants argue, simple texts regarding scheduling do not qualify
3 as necessary business expenditures, and Plaintiffs’ claim would be unmanageable, requiring a
4 series of min-trials to determine which employees were actually required to use their cell phone
5 for business purposes and in which pay periods such expenses were allegedly incurred. *Id.*

6 Further, Plaintiffs allege that Defendants failed to Plaintiffs and the Aggrieved Employees
7 all sick pay wages owed to them. Moen Decl., ¶ 23. Specifically, Plaintiffs allege that Defendants
8 paid sick pay at the employee’s base rate of pay as opposed to their regular rate of pay, which
9 failed to incorporate the value of non-discretionary bonus payments Plaintiffs and the Aggrieved
10 Employees earned. *Id.* In response, Defendants assert that they paid the Aggrieved Employees all
11 sick pay wages at the employees’ respective regular rates of pay, incorporating all incentive
12 payments, and therefore, Plaintiffs’ claim will fail on the merits. *Id.*

13 Finally, Plaintiffs allege that, as a result of Defendants’ failure to pay all overtime wages,
14 minimum wages, sick pay wage, and meal and rest period premium wages owed, Defendants also
15 maintained inaccurate payroll records, issued inaccurate wage statements, and failed to pay all
16 final wages owed to Plaintiffs and the Aggrieved Employees upon their separations from
17 employment. Moen Decl., ¶ 24. In response, Defendants argue that Plaintiffs’ underlying claims
18 will fail, and as a result, the derivative claims will also fail. *Id.*; *See Price v. Starbucks Corp.*
19 (2011) 192 Cal.App.4th 1136, 1147 (“Because the underlying causes of action fail, the derivative
20 UCL and PAGA claims also fail.”). Defendants also argue that, given its asserted good faith
21 defenses, this Court would exercise its discretion to substantially reduce any PAGA penalties
22 awarded. Moen Decl., ¶ 24; *see also* Labor Code § 2699(e)(2); *Naranjo v. Spectrum Sec. Servs.,*
23 *Inc.*, 88 Cal.App.5th 937 (2023); *Thurman v. Bayshore Transit Mgmt., Inc.* (2012) 203
24 Cal.App.4th 1112, 1135 (affirming reduction of PAGA penalties); *Carrington v. Starbucks*
25 *Corporation* (2018) 30 Cal.App.5th 504 (affirming reduction of PAGA penalties to 10% of
26 exposure). Further, Defendants argue that Plaintiffs could only seek PAGA penalties at the \$100
27 “initial” violation rate, as opposed to the \$200 “subsequent” violation rate, since Defendants had
28 never been put on notice by a court or the Labor Commissioner that their practices violated the

Labor Code prior to this action. Moen Decl., ¶ 24; *see also Amaral v. Cintas Corp. No. 2* (2008) 163 Cal.App.4th 1157, 1209 (finding “initial” violation rate applies until employer has been notified that it is violating a Labor Code provision).

III. THE PROPOSED SETTLEMENT

A. “Aggrieved Employees” Defined

The Aggrieved Employees are: all current and former non-exempt employees who have worked, or continue to work, for Defendants in California during the PAGA Period. Settlement, § I.1.4. The PAGA Period is March 3, 2023, through May 13, 2025. *Id.*, § I.1.19

B. Essential Terms Of The Settlement

Defendants will pay a GSA of \$392,000.00. *See* Settlement, § I.1.10. After deducting amounts for requested attorneys’ fees and costs, Plaintiffs’ representative enhancement payments, and settlement administration costs, the remaining Net Settlement Amount (“NSA”) distributable to the Aggrieved Employees and the LWDA is estimated to be \$193,863.99. *See id.*, § I.1.15. The monetary terms of the Settlement are as follows:

Gross Settlement Amount:	\$392,000.00
Minus Court-approved attorneys’ fees (1/3):	\$130,666.67
Minus Court-approved attorneys’ costs:	\$46,479.34
Minus Court-approved representative enhancement payments:	\$5,000.00 (each)
Minus settlement administrator costs:	\$10,990.00
Net Settlement Amount:	\$193,863.99
LWDA’s 75% Share:	\$145,397.99
Total Paid to Aggrieved Employees:	\$48,466.00

1. Attorneys’ Fees and Costs

Plaintiffs’ counsel requests one-third of the GSA (\$130,666.67) in attorneys’ fees, and \$46,479.34 in actual litigation costs. Moen Decl., ¶ 12, Exhibit 3; Voskanyan Decl., ¶ 11; Settlement, § III.3.2.1.

2. Settlement Administration Costs

The parties agree to engage Apex Class Action, LLC (“Apex”) as the third-party settlement administrator. *See* Settlement, § I.1.2. Apex shall be responsible for calculating the settlement checks and mailing the settlement checks and PAGA Notice to the Aggrieved Employees in English and Spanish, among other duties. *Id.*, § VII. Apex estimates incurring

1 \$10,990 in costs in connection with the administration of this settlement. *See* Declaration of Sean
2 Hartranft (“Hartranft Decl.”), ¶ 7, Exhibit B.

3 **3. Plaintiffs’ Representative Enhancement Payments**

4 Plaintiffs also request representative enhancement payments of \$5,000.00 each in
5 recognition of their efforts to initiate this case, their contributions to the prosecution of this case,
6 and their efforts in bringing this case to a successful resolution. Settlement, §§ I.1.27, III.3.2.3;
7 Macias Decl., ¶¶ 3-6; Padilla Decl., ¶¶ 2-10.

8 **4. Payment to the LWDA and PAGA Aggrieved Employees**

9 The entire NSA shall be designated as PAGA civil penalties. Settlement, § I.1.15. From
10 the NSA, 75% (\$145,397.99) will be distributed to the LWDA, and 25% (\$48,466.00) will be
11 distributed to the Aggrieved Employees. *Id.*, at III.3.2.4; *see also* Labor Code § 2699(I) (“[C]ivil
12 penalties recovered by PAGA Aggrieved Employees shall be distributed as follows: 75 percent
13 to the [LWDA]...and 25 percent to the PAGA Aggrieved Employees.”). 100% of the individual
14 payments to the Aggrieved Employees will be reported using IRS Form 1099-MISC, since all
15 funds received under Section 2699 are civil penalties that do not trigger payroll taxes or
16 withholdings. *See* Settlement, § III.3.2.4.2. Individual Settlement Payments shall be apportioned
17 based on the proportionate number of pay periods worked by each Aggrieved Employee
18 compared to the total aggregate number of pay periods worked by all Aggrieved Employees
19 during the PAGA Period. *Id.*, § III.3.2.4.1. There are approximately 27,959 aggregate pay periods
20 worked by the Aggrieved Employees as of the date of mediation. *Id.*, § IV.4.1. Therefore, in
21 addition to the \$145,397.99 recovery for the State of California, average payments to the
22 Aggrieved Employees are estimated at \$28.34. Moen Decl., ¶ 25. The lowest possible recovery,
23 should an Aggrieved Employee have been employed for only a single pay period during the
24 PAGA Period, is approximately \$1.73, while the highest possible recovery, should an Aggrieved
25 Employee have worked through the entirety of the PAGA Period, is approximately \$98.81. *Id.*

26 **5. Funding of the Settlement**

27 Defendants will fully fund the GSA no later than 30 days after the Effective Date, as that
28 term is defined in the Settlement. Settlement, §§ I.1.9, IV.4.3. Within 45 calendar days after the

1 Court signs the settlement approval order, Defendants will provide Apex with information for the
2 Aggrieved Employees, including their full names, last known mailing addresses, Social Security
3 numbers, and pay period counts. *Id.*, §§ I.1.5, IV.4.2. Within 14 calendar days Defendants’ deposit
4 of the full GSA and after receiving approval from the parties of the calculations used to determine
5 the Individual Settlement Payments, Apex will mail copies of the explanatory letter in English
6 and Spanish,⁴ along with the Individual Settlement Payments, to the Aggrieved Employees via
7 First-Class U.S. Mail. *Id.*, §§ IV.4.4, VII.7.5. Before mailing, Apex will perform a search on the
8 National Change of Address database to update the Aggrieved Employees’ addresses. *Id.*, § 4.4.1.

9 **IV. ARGUMENT**

10 **A. Standards for Approval of a PAGA Settlement**

11 The settlement of a PAGA claim requires court approval. *See* Labor Code § 2699(l)
12 (stating, the “court shall review and approve any penalties sought as part of a proposed settlement
13 agreement pursuant to this part.”). The Court must be mindful that “[s]ettlement is a compromise,
14 which balances the possible recovery against the risks inherent in litigating further.” *In re TD*
15 *Ameritrade Account Holder Litig.*, Case Nos. C 07-2852 SBA, C 07-4903 SBA, 2011 WL
16 4079226, *9 (N.D. Cal. Sept. 13, 2011). Indeed, “the very essence of a settlement is ... ‘a yielding
17 of absolutes and an abandoning of highest hopes,’” as “it is the very uncertainty of outcome in
18 litigation and avoidance of wasteful and expensive litigation that induce consensual settlements.”
19 *Officers for Justice v. Civil Service Com.*, 688 F.2d 615, 624-25 (9th Cir., 1982). As such, “the
20 settlement or fairness hearing is not to be turned into a trial or rehearsal for trial on the merits,”
21 or “judged against a hypothetical or speculative measure of what might have been achieved.” *Id.*

22 Although the PAGA statute does not set forth the criteria by which a PAGA settlement is
23 to be judged, it is presumed that a reviewing court may utilize some of the factors for review of a
24 class action settlement. However, “a PAGA claim asserted on a non-class representative basis...is
25 not considered a class action but a law enforcement action, and therefore does not have to meet
26 the requirements of [a class action].” *See Casida v. Sears Holdings Corp.*, 2012 WL 253217 at
27 *3 (E.D. Cal. Jan. 26, 2012); *Mendez v. Tween Brands, Inc.*, 2010 WL 2650571 (E.D. Cal. Jul. 1,

28 _____
⁴ Based on Defendants’ employees’ demographics, only English and Spanish PAGA Notices are necessary.

2010). 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.

First, in evaluating the adequacy of the settlement amount, the Court’s focus is not concerned with the amount(s) that “PAGA 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, 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.*, 2010 WL 1340777 at *4 (N.D. Cal. Apr. 2, 2010). 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.” *Id.*

Second, consistent with the fact that unnamed employees have no property interest in a PAGA claim,⁵ “[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.” *Ochoa-Hernandez*, 2010 WL 1340777 at *5. 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 F.R.C.P. Rule 23 (“Rule 23”) and C.R.C. Rule 3.769 (“Rule 3.769”).⁶

Finally, unlike class action settlements under Rule 23(e) and Rule 3.769, the scope of release permitted in a PAGA settlement is limited. “[T]he non-party employees, because they

⁵ As held by the California Supreme Court, “[PAGA] 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. Sup. Ct.* (2009) 46 Cal.4th 993, 1003.

⁶ 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. Proc. R. 23(e)*. Rule 3.769 contains similar rules for State court class actions.

1 were not given notice of the action or afforded any opportunity to be heard, would not be bound
2 by the judgment as to remedies other than civil penalties.” *See Arias v. Sup. Ct.* (2009) 46 Cal.4th
3 969, 986-87. Thus, the scope of a release in a PAGA settlement is confined to the PAGA penalties
4 alleged in the complaint and to the claims that were, or could have been, alleged pursuant to
5 PAGA based on the factual allegations in the complaint.⁷ In the case at hand, as the only claims
6 at issue are PAGA claims, those will be the only claims extinguished because of this Settlement.

7 **B. This Court Should Approve the Settlement Because It Is a Fair, Adequate,**
8 **and Reasonable Compromise of Disputed Claims**

9 California courts have a strong policy in favor of settlement. *See, e.g., Stambaugh v.*
10 *Superior Court* (1976) 62 Cal.App.3d 231, 236. Unlike individual settlements, class and
11 representative PAGA settlements involve a court approval process that exists to prevent fraud,
12 collusion, and unfairness to absent individuals. *See Malibu Outrigger Bd. of Governors v.*
13 *Superior Court* (1980) 103 Cal.App.3d 573, 578-79. California law generally follows the same
14 standards applicable under Rule 23. *See Hanlon v. Chrysler Corp.*, 150 F.3d 1011, 1026 (9th Cir.
15 1998) (stating that Rule 23(e) requires the trial court to determine “whether a proposed settlement
16 is fundamentally fair, adequate, and reasonable”). To be approved, a settlement must be “fair,
17 reasonable and adequate to all concerned.” *Reed v. United Teachers Los Angeles* (2012) 208
18 Cal.App.4th 322, 337. Settlement is the preferred means of dispute resolution, particularly in
19 complex representative litigation. *See In re Syncor ERISA Litig.*, 516 F.3d 1095, 1101 (9th Cir.
20 2008). The Court’s role in evaluating a proposed settlement is limited to ensuring that the
21 agreement taken as a whole is fair and is not the product of fraud or collusion between the
22 negotiating parties. *See, e.g., Hanlon, supra*, 150 F.3d at 1027. There is an initial presumption of
23 fairness when the settlement agreement was negotiated at arm’s length by experienced counsel.
24 *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 130. Because this Settlement is
25 fair, adequate, and reasonable, Plaintiffs respectfully requests that the Court grant approval.

26
27 ⁷ This is contrasted with the broader release permitted in a class action, which may release all Labor Code
28 violations based on “any matter or fact” alleged in the complaint. *See Hesse v. Sprint Corp.*, 598 F.3d 581,
590 (9th Cir., 2010) (“district courts properly released claims not alleged in the underlying complaint
where those claims depended on the same set of facts as the claims that gave rise to the settlement.”).

1 **1. Factors in Evaluating a Representative PAGA Settlement**

2 A settlement is presumptively fair where it is reached through arm's-length bargaining,
3 based on sufficient discovery and investigation to allow counsel and the court to act intelligently,
4 and counsel is experienced in similar litigation. *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th
5 1794, 1802; *see also Kullar, supra*, 168 Cal.App.4th at 130. In deciding whether to approve a
6 proposed settlement, a trial court has broad powers to determine if the proposed settlement is fair
7 under the circumstances of the case. *Mallick v. Sup. Ct.* (1979) 89 Cal.App.3d 434, 438. In
8 exercising these powers, the overriding concern is to ensure that a proposed settlement is "fair,
9 adequate, and reasonable." *Dunk*, 48 Cal.App.4th at 1801 (internal quotations omitted). Relevant
10 factors for the Court to consider include, but are not limited to:

11 [T]he strength of Plaintiffs' case, the risk, expense, complexity and likely duration
12 of further litigation, the risk of maintaining class action status through trial, the
13 amount offered in settlement, the extent of discovery completed and the stage of the
proceedings, the experience and views of counsel, the presence of a governmental
participant, and the reaction of the class members to the proposed settlement.

14 *Id.* These factors require balancing and are non-exhaustive. Trial courts should therefore tailor
15 the factors to each case and give due regard to "what is otherwise a private consensual agreement
16 between the parties." *Id.* In the context of a PAGA settlement, the third and eighth factors (risk
17 of maintaining class action status and reaction of class members to settlement) are inapplicable.

18 "In the context of a settlement agreement, the test is not the maximum amount Plaintiffs
19 might have obtained at trial on the complaint, but rather whether the settlement is reasonable
20 under all of the circumstances." *Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224,
21 250. Because settlements inherently involve compromise, settlements providing for narrower
22 relief than can be obtained if the suit were successfully litigated can be reasonable because "the
23 public interest may indeed be served by a voluntary settlement in which each side gives ground
24 in the interest of avoiding litigation." *Air Lines Stewards, etc., Local 550 v. Am. Airlines, Inc.*,
25 455 F.2d 101, 109 (7th Cir. 1972). Further, courts review the discovery conducted by the parties
26 to aid in assessing whether the parties sufficiently developed the claims and supporting factual
27 bases before reaching settlement. *See Kullar, supra*, 168 Cal.App.4th at 129-31. Information is
28 sufficient where it allows the parties and the court to form "an understanding of the amount that

1 is in controversy and the realistic range of outcomes of the litigation.” *Clark v. Am. Residential*
2 *Serv. LLC* (2009) 175 Cal.App.4th 785, 801. This requirement exists so that parties can provide
3 the trial court with “a meaningful and substantiated explanation of the manner in which the factual
4 and legal issues have been evaluated.” *Kullar*, 168 Cal.App.4th at 132.

5 **a) The Strength of Plaintiffs’ Case**

6 Plaintiffs acknowledge that there are substantial risks and uncertainty in proceeding to
7 trial. Defendants presented numerous defenses to Plaintiffs’ underlying claims and arguments to
8 why Plaintiffs’ damages calculations were overstated and that the Court would utilize its
9 discretion to substantially reduce any award of PAGA penalties. While prepared to litigate their
10 claims through trial, Plaintiffs faced substantial challenges in prevailing in this matter and
11 obtaining a better result than will be provided through Settlement. This factor supports approval.

12 **b) Risk, Expense, Complexity, and Duration of Further Litigation**

13 Although the parties engaged in significant informal discovery prior to mediation, no
14 formal written or deposition discovery had been conducted prior to mediation. Moen Decl., ¶ 26.
15 Absent settlement, the parties will be required to expend substantial time and resources engaging
16 in formal discovery. *Id.* Preparation for trial remained, as well as the prospect of appeals in the
17 wake of a summary judgment ruling for either party and after trial. *Id.* This Settlement avoids
18 these considerable costs, risks, and the accompanying burden of continued litigation on the Court.

19 **c) Amount Offered in Settlement Given Realistic Value of Claims**

20 This proposed Settlement provides a fair and reasonable monetary recovery for the
21 LWDA and Aggrieved Employees in the face of disputed claims and significant litigation risks.
22 Plaintiffs and their retained expert analyzed Defendants’ produced data, and forecasted
23 Defendants’ realistic exposure for PAGA civil penalties as follows:

24 The Aggrieved Employees worked an aggregate 27,959 pay periods during the relevant
25 time period. Moen Decl., ¶ 27. Labor Code § 2699(f)(2) provides for PAGA civil penalties in the
26 amount of \$100 for each aggrieved employee per pay period for the initial violation, and \$200 for
27 each aggrieved employee per pay period for each subsequent violation. *See* Labor Code
28 § 2699(f)(2). However, courts have interpreted section 2699(f)(2) to only impose the \$200
subsequent penalty after an employer has been notified that its conduct violates the Labor Code.

1 *See, e.g., Amaral, supra*, 163 Cal.App.4th at 1207 (finding “initial” violation rate applies until
2 employer is notified that it is violating a Labor Code provision); *Trang v. Turbine Engine*
3 *Components Technologies Corp.*, No. CV 12–07658 DDP (RZx), 2012 WL 6618854 (C.D. Cal.
4 Dec. 19, 2012) (“courts have held that employers are not subject to heightened penalties for
5 subsequent violations unless and until a court or commissioner notifies the employer that it is in
6 violation of the Labor Code”). Plaintiffs’ expert’s analysis confirmed that at least one of
7 Plaintiffs’ primary theories of relief (minimum, overtime, and sick pay violations, meal and rest
8 period violations, and failure to reimburse business expenses) would be triggered in every pay
9 period during the PAGA Period. Moen Decl., ¶ 27. Assuming that Plaintiffs could prove at least
10 one Labor Code violation in each pay period, Plaintiffs calculated Defendants’ maximum possible
11 PAGA exposure at \$2,795,900.00 (27,959 pay periods x \$100 per violation). *Id.*

12 However, as discussed above, Defendants raised numerous defenses to the merits of
13 Plaintiffs’ underlying claims and argued that even if found liable, the Court would exercise its
14 discretion to drastically reduce any potential PAGA penalties awarded. Moen Decl., ¶ 28; *see*
15 *also* Section II.C, *supra*. In the face of Defendants’ defenses on the merits and the Court’s
16 discretion to reduce PAGA penalties, Plaintiffs discounted this figure by 25% to account for the
17 risk of losing on the merits, and by an additional 80% for the risk of the Court reducing the
18 penalties, to arrive at a realistic recovery of \$419,385.00. Moen Decl., ¶ 28; *see also, Fleming v.*
19 *Covidien Inc.*, Case No. ED CV 10-01487 RGK (OPx), 2011 WL 7563047, *4 (C.D. Cal. Aug.
20 12, 2011) (reducing PAGA penalties to 17% of exposure); *Carrington, supra*, 30 Cal.App.5th
21 504 (affirming reduction of PAGA penalties to 10% of maximum exposure).

22 Thus, the mediator’s proposed settlement amount of \$392,000 represents approximately
23 93.47% of Plaintiffs’ reasonably forecasted recovery, which is well within the range approved by
24 courts as fair, reasonable and adequate, while also avoiding further expense and risk of litigation.
25 Moen Decl., ¶ 28; *see Linney v. Cellular Alaska Partnership* (9th Cir. 1998) 151 F.3d 1234, 1242
26 (“The fact that a proposed settlement may only amount to a fraction of the potential recovery does
27 not, in and of itself, mean that the proposed settlement is grossly inadequate and should be
28 disapproved.”) (internal quotations omitted). Approval is appropriate since the Settlement will

1 provide tangible, monetary relief to the Aggrieved Employees and the State of California.

2 **d) Discovery Completed and the Status of Proceedings**

3 The parties engaged in a significant informal exchange of documents and data necessary
4 to evaluate the value of the PAGA claim prior to mediation. Moen Decl., ¶ 16. Defendants
5 provided Plaintiffs with a representative sampling of the Aggrieved Employees' timekeeping and
6 payroll records and written wage and hour policies. *Id.* It was only after the completion of this
7 informal discovery exchange and Plaintiffs' expert's comprehensive data analysis that the parties
8 attended mediation. *Id.* Thus, this factor supports settlement approval.

9 **e) The Experience and Views of Counsel**

10 "Parties represented by competent counsel are better positioned than courts to produce a
11 settlement that fairly reflects each party's expected outcome in litigation." *In re Pacific*
12 *Enterprises Securities Litigation*, 47 F.3d 373, 378 (9th Cir. 1995). Here, Plaintiffs are
13 represented by competent and experienced wage and hour counsel who possess extensive
14 experience litigating wage and hour class actions and PAGA representative actions, and who
15 believe this Settlement to be fair and adequate for all involved. Moen Decl., ¶¶ 2-7; *see also*,
16 *generally*, Voskanyan Decl.; Declaration of Paul K. Haines ("Haines Decl."); Declaration of
17 Fletcher W. Schmidt ("Schmidt Decl."); Declaration of Ian T. Mallery ("Mallery Decl.");
18 Declaration of Asaf Agazanof ("Agazanof Decl."). Further, the proposed Settlement was reached
19 with the input and assistance of mediator Steven Mehta, Esq., whose mediator's proposal was
20 ultimately accepted by the parties. Moen Decl., ¶ 16. Thus, this factor strongly supports settlement
21 approval. *See, Kullar, supra*, 168 Cal.App.4th at 130 ("The court undoubtedly should give
22 considerable weight to the competency and integrity of counsel and the involvement of a neutral
23 mediator in assuring itself that a settlement agreement represents an arm's length transaction
24 entered without self-dealing or other potential misconduct.").

25 **C. The Requested Award for Attorneys' Fees is Reasonable as a Percentage of**
26 **the GSA Confirmed by a Lodestar Cross-Check**

27 Plaintiffs, as the prevailing party in settlement, are entitled to recover attorneys' fees and
28 costs for bringing this PAGA claim. *See* Cal. Labor Code § 2699(g) ("Any employee who prevails
in any action shall be entitled to an award of reasonable attorney's fees and costs."); Code of Civil

1 Procedure § 1021.5(a). A fee award is justified where the legal action has produced its benefits
2 by way of a voluntary settlement. *See, e.g., Maria P. v. Riles* (1987) 43 Cal.3d 1281, 1290-91;
3 *Westside Community for Independent Living, Inc. v. Obledo* (1983) 33 Cal.3d 348, 352-53.
4 California state and federal courts routinely award fee awards of one-third of the settlement fund
5 in class and PAGA actions. *Chavez v. Netflix, Inc.* (2008) 162 Cal. App. 4th 43, 66, fn. 11; *see*
6 *also Wershba, supra*, 91 Cal. App. 4th at 254 (recognizing the “percentage of recovery” method);
7 *In re Pacific Enterprises Securities Litig.* (9th Cir. 1995) 47 F.3d 373, 379 (affirming 33% fee
8 award). Indeed, the California Supreme Court approved the use of the “percentage of fund”
9 method. *See Laffitte v. Robert Half Int’l, Inc.* (2016) 1 Cal.5th 480, 506 (“the percentage of fund
10 method survives in California class action cases...”). Specifically, the *Laffitte* Court held:

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

17 *Id.*, at 503 (internal citation omitted); *see also Rawlings v. Prudential-Bache Properties, Inc.*, 9
18 F.3d 513, 516 (6th Cir. 1993) (the percentage of the fund method more accurately reflects the
19 results achieved than the lodestar method and “establishes reasonable expectations on the part of
20 plaintiffs’ attorneys as to their expected recovery; and it encourages early settlement, which
21 avoids protracted litigation.”); *In re Rite Aid Corp. Securities Litigation*, 396 F.3d 294, 300 (3d
22 Cir. 2005) (“The percentage-of-recovery method is generally favored in common fund cases.”).
23 This is consistent with counsel’s experience in similar PAGA matters. Moen Decl., ¶ 29.

24 Here, Plaintiffs’ counsel’s fee request of \$130,666.67 (one-third of the GSA) is the same
25 percentage sought in *Laffitte*, and is fair and reasonable based on the percentage of the recovery
26 method. Moen Decl., ¶ 29. In *Laffitte*, the California Supreme Court held that trial courts have
27 discretion to assess the reasonableness of fee awards with tools such as the “lodestar cross-check,”
28 whereby the trial court calculates counsel’s lodestar and determines whether the “lodestar
multiplier” needed to bring the lodestar on par with the percentage of recovery is reasonable.
Laffitte, 1 Cal.5th at 503-06. Under the lodestar method, the court multiplies the number of hours

reasonably expended by each attorney or legal staff member by their reasonable hourly rates, then enhances this lodestar figure by a “multiplier” to account for a range of factors, such as the contingent nature of the case and the degree of success achieved. *See Serrano v. Priest*, (1977) 20 Cal.3d 25, 48-49; *Ketchum v. Moses*, (2001) 24 Cal.4th 1122, 1132-36; *Thayer v. Wells Fargo Bank*, (2001) 92 Cal.App.4th 819, 834 (“There is no hard-and-fast rule limiting the factors that may justify an exercise of judicial discretion to increase or decrease a lodestar calculation”).

Under California law, lodestar multipliers can range from 2 to 4 or even higher. *See, e.g., Chavez*, 162 Cal.App.4th at 49-50 (approving multiplier of approximately 2.5); *Coalition for L. County Planning etc. Interest v. Bd. of Supervisors*, (1977) 76 Cal.App.3d 241, 251 (approving multiplier of approximately 12.8). In class and representative actions, where the value of the benefit conferred “can be monetized with a reasonable degree of certainty,” a court may “adjust the lodestar in comparison to a percentage of the common fund to ensure that the fee awarded is reasonable and within the range of fees freely negotiated in the legal marketplace in comparable litigation.” *Consumer Privacy Cases*, (2009) 175 Cal.App.4th 545, 557.

In this case, Plaintiffs’ counsel has a lodestar of approximately \$151,032.50 , which results in a *negative* 0.86 multiplier compared to the \$130,666.67 fee request. Moen Decl., ¶ 30. A summary showing the number of hours of work performed by each attorney and paralegal is set forth below. *Id.* The billing rates used are reasonable in view of the evidence submitted herewith, and have all been previously approved by various courts throughout California.⁸ *Id.*, ¶¶ 2-7, 30, Exhibit 4 (2025 *Laffey* Matrix); Haines Decl., ¶¶ 2-14; Schmidt Decl., ¶¶ 2-9; Mallery Decl., ¶¶ 2-6; Agazanof Decl., ¶¶ 2-4; Voskanyan Decl., ¶ 3.

Name	Rate	Hours	Pre-Multiplier Lodestar
Paul K. Haines (19th Year Attorney)	\$925	16.8	\$15,540.00

⁸ When setting rates, courts should utilize attorneys’ “current” rates, i.e., their rates at the time of the fee application. This accounts for the delay in receiving payment, as well as lost interest and inflation. *See Graham v. DaimlerChrysler Corp.* (2004) 34 Cal.4th 553, 584 (approving use of current rates to account for the delay in payment); *Pennsylvania v. Delaware Valley Citizens’ Council for Clean Air* (1987) 483 U.S. 711, 716 (“courts have regularly recognized the delay factor...by basing the award on current rates.”); *Bouman v. Block*, 940 F.2d 1211, 1235 (9th Cir.1991) (affirming use of current hourly rates).

Fletcher W. Schmidt (13th Year Attorney)	\$825	42.5	\$35,062.50
Matthew K. Moen (10th Year Attorney)	\$725	48.8	\$35,380.00
Ian T. Mallery (1st Year Attorney)	\$400	36.1	\$14,440.00
Asaf Agazanof (13th Year Attorney)	\$750	12.0	\$9,000.00
Harut Voskanyan (6th Year Attorney)	\$700	55.7	\$38,990
Firm Paralegals	\$200	13.1	\$2,620.00
Total Lodestar			\$151,032.50

The fee award requested here is justified because Plaintiffs' counsel achieved a significant monetary recovery for the Aggrieved Employees and the State of California (who did not take this case after receiving Plaintiffs' PAGA Notice letters) in an uncertain and risky case, while bearing the substantial burdens of representation on a contingency basis. Moen Decl., ¶ 31. Additionally, Plaintiffs' recovery for the State of California and Aggrieved Employees exceeds other PAGA awards approved by courts in California. *See, e.g., Penaloza, supra*, 2013 WL 2917624 (average PAGA penalties of \$7.49); *Cabrera, supra*, 2013 WL 1182822 (average PAGA penalties of \$3.33). That Plaintiffs' counsel achieved these results in the face of serious defense challenges and an uncertain legal landscape, confirms the strength of the results achieved. As discussed, this case presented significant risks, and it is fair and reasonable to account for these risks in compensating Plaintiffs' counsel, as well as the risks involved in undertaking this litigation and expending considerable effort while working on a pure contingency basis. Since undertaking representation of Plaintiffs, Plaintiffs' counsel dedicated substantial resources to this litigation, including expending \$46,479.34 in litigation costs, without receiving any compensation to date. Moen Decl., ¶¶ 12 and 31, Exhibit 3; Voskanyan Decl., ¶ 11. Plaintiffs' counsel's efforts include conducting pre-filing investigation, analyzing Plaintiffs' claims, conducting legal research and analysis, drafting and filing Plaintiffs' complaints and PAGA Notice letters to the LWDA, drafting, reviewing, and revising all pleadings, stipulations, and status reports filed in this action, attending various court hearings, meeting and conferring extensively with Defendants' counsel regarding the case, meeting and conferring with Defendants' counsel regarding informal

discovery, reviewing substantial documents and data produced by Defendants prior to mediation, retaining an expert to analyze Defendants' document production, evaluating the timekeeping and payroll data and policy documents prior to mediation, drafting a mediation brief, preparing for and attending mediation, negotiating and drafting the Settlement Agreement and PAGA Notice, preparing this Motion for settlement approval and all supporting documents hereto, and otherwise litigating the case. *Id.*, ¶ 31. Plaintiffs' counsel will spend additional time attending the hearing on this Motion and overseeing the settlement administration process. *Id.* The contingent risks borne by Plaintiffs' counsel was great, and the quality of Plaintiffs' counsel's work and the dedication with which it was performed should be compensated.

Plaintiffs' Counsel's previous experience in litigating wage and hour class and representative PAGA actions also supports the reasonableness of the fee request. Plaintiffs' Counsel are well-versed in plaintiff- and defense-side wage and hour class and representative action litigation, and collectively bring more than four decades worth of wage-and-hour class and representative action litigation experience. *See* Moen Decl., ¶¶ 2-7; *see also generally* Haines Decl.; Schmidt Decl.; Mallery Decl.; Agazanof Decl.; Voskanyan Decl. Plaintiffs' Counsel have also been certified as class counsel in numerous class action cases alleging wage and hour claims. *See id.* Plaintiffs' Counsel's experience in similar matters was integral in evaluating the strengths and weaknesses of this case and the reasonableness of the Settlement. 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 representative litigation. Moen Decl., ¶ 32. Because it is reasonable to compensate Plaintiffs' Counsel commensurate with their skill, reputation, and experience, the requested fee award of \$130,666.67 is fair and reasonable, and should therefore be approved.

D. The Requested Cost Reimbursement is Fair, Adequate, and Reasonable

Plaintiffs' Counsel incurred and respectfully requests reimbursement of \$46,479.34 in actual litigation costs. Moen Decl., ¶ 12, Exhibit 3; Voskanyan Decl., ¶ 11.⁹ Plaintiffs' Counsel's

⁹ Plaintiffs' Counsel utilized the expert services of Berkeley Research Group to perform all expert analyses for this case, and are providing a copy of the expert invoice received by Plaintiffs' Counsel in support of this Motion. Moen Decl., ¶ 33, Exhibit 5 (Expert Invoice).

request is fair, adequate, and reasonable, as all costs are documented and reasonably incurred. Moen Decl., ¶ 12. Moreover, the costs Plaintiffs seek are the types of costs routinely approved by courts. *See, e.g., Harris v. Marhoefer* (9th Cir. 1994) 24 F.3d 16, 19 (counsel should recover “those out-of-pocket expenses that would normally be charged to a fee paying client”); *Berkeley Cement, Inc. v. Regents of University of California* (2019) 30 Cal.App.5th 1133, 1142 (mediation costs reimbursable); *Ashker v. Sayre*, No. 05-03759 CW, 2011 WL 825713, * 3 (N.D. Cal. 2011) (copying costs reimbursable); *Trustees of Const. Industry & Laborers Health and Welfare Trust v. Redland Ins. Co.*, 460 F.3d 1253, 1258-59 (9th Cir. 2006) (legal research costs reimbursable); *In re Immune Response Securities Litigation* (S.D. Cal. 2007) 497 F.Supp.2d 1166, 1177-78 (mediation expenses, legal research, copies, postage, filing fees, messenger and overnight delivery costs are reimbursable). Because the costs were reasonably incurred, the Court should grant Plaintiffs’ Counsel’s request for \$46,479.34 in actual litigation costs reimbursement.

E. The Court Should Approve the Requested Administration Costs

Plaintiffs also request that the Court approve \$10,990 in administration costs to the Settlement Administrator, Apex. Moen Decl., ¶ 34; Hartranft Decl., ¶ 7, Exhibit B. As detailed in the Settlement Agreement and declaration of Sean Hartranft, submitted concurrently with this Motion, Apex will perform duties in connection with this Settlement that are integral in effectuating the Settlement and the PAGA Notice process. Among other things, Apex will calculate each Aggrieved Employee’s Individual Settlement Payment, update addresses contained in the employee data supplied by Defendants, format and translate the PAGA Notices for mailing and mail PAGA Notices to all Aggrieved Employees, and otherwise administer the Settlement. *See generally*, Hartranft Decl.; Settlement, § VII. Apex was selected to administer this Settlement because it is an experienced and well-respected settlement administrator, and returned a bid at a competitive rate. Moen Decl., ¶ 34; *see generally*, Hartranft Decl. For these reasons, Apex’s requested costs are fair, reasonable, and adequate, and should be approved.

F. This Court Should Approve Plaintiffs’ Representative Enhancement Payments Because they are Fair, Adequate, and Reasonable

Courts routinely approve enhancement awards to compensate named plaintiffs for the services they provide and the risks they incur during class and representative litigation. *See, e.g.,*

1 *Bell v. Farmers Ins. Exch.* (2004) 115 Cal.App.4th 715, 726 (upholding “service payments” to
2 named plaintiffs for their efforts in bringing the case). This is also true in the context of PAGA-
3 only settlements. *See* Moen Decl., ¶ 35, Exhibit 6. Here, Plaintiffs seek representative
4 enhancement payments of \$5,000.00 each. Settlement, §§ I.1.27, III.3.2.3. This request is
5 reasonable given Plaintiffs’ efforts in this case, the time devoted to the prosecution and resolution
6 of this action, and the risks they undertook on behalf of the Aggrieved Employees. Among other
7 things, Plaintiffs consulted with their attorneys, searched for and produced relevant documents
8 for use in the lawsuit, provided factual information to their attorneys, had many phone calls with
9 their attorneys to discuss the claims and legal issues in the lawsuit and Defendants’ practices,
10 reviewed documents with their attorneys, assisted their attorneys to help them prepare for
11 mediation, provided guidance regarding the duties of other hourly-paid, non-exempt employees
12 of Defendants, helped develop strategy as to what documents and information to obtain from
13 Defendants, made themselves available throughout the full-day mediation to answer factual
14 questions raised by the mediator, reviewed and assisted their attorneys in finalizing the settlement
15 agreement, and otherwise assisted their attorneys in moving this case towards resolution. Macias
16 Decl., ¶ 6; Padilla Decl., ¶¶ 3-7. Plaintiffs have spent dozens of hours in total on these activities
17 that lead to the Settlement. *Id.* Thus, Plaintiffs’ enhancement payments are appropriate and
18 justified as part of the Settlement.

19 **V. CONCLUSION**

20 For the reasons stated herein, this Court should grant Plaintiffs’ Motion in its entirety and
21 adopt the [Proposed] Judgment and Order Granting Plaintiffs’ Motion for Settlement Approval
22 of Claims Brought Under the PAGA, Reasonable Attorneys’ Fees and Costs, and Representative
23 Enhancement Payments, submitted concurrently herewith.

24
25 Dated: August 15, 2025

Respectfully submitted,
HAINES LAW GROUP, APC
By: 
Matthew K. Moen
Attorneys for Plaintiffs



Make a Reservation

PAUL MACIAS vs TEAM CAR CARE, LLC, A DELAWARE LIMITED LIABILITY COMPANY

Case Number: 24STCV03864 Case Type: Civil Unlimited Category: Other Employment Complaint Case
Date Filed: 2024-02-15 Location: Stanley Mosk Courthouse - Department 16

Reservation

Case Name:

PAUL MACIAS vs TEAM CAR CARE, LLC, A DELAWARE
LIMITED LIABILITY COMPANY

Case Number:

24STCV03864

Type:

Motion re: (for Settlement Approval of Claims Brought
Under the Private Attorneys General Act, Reasonable
Attorneys' Fees and Costs, and Representative
Enhancement Payments)

Status:

RESERVED

Filing Party:

Paul Macias (Plaintiff)

Location:

Stanley Mosk Courthouse - Department 16

Date/Time:

12/11/2025 9:00 AM

Number of Motions:

1

Reservation ID:

042282731693

Confirmation Code:

CR-O2EVTYN6BRAMVUSA3

Fees

Description	Fee	Qty	Amount
Motion re: (name extension)	0.00	1	0.00
TOTAL			\$0.00

Payment

Amount:

\$0.00

Type:

NOFEE

Account Number:

n/a

Authorization:

n/a

Payment Date:

n/a

Print Receipt

Reserve Another Hearing

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