Nicholas J. Ferraro (State Bar No. 306528)
Lauren N. Vega (State Bar No. 306525)
Dorota James (State Bar No. 309933)
Conor J.D. Gómez (State Bar No. 337395)
Ferraro Vega Employment Lawyers, Inc.
3333 Camino del Rio South, Suite 300
San Diego, California 92108
(619) 693-7727 main / (619) 350-6855 fax
nick@ferrarovega.com / lauren@ferrarovega.com /
dorota@ferrarovega.com / conor@ferrarovega.com

Attorneys for Plaintiff Timothy McDermott

**Electronically FILED by
Superior Court of California,
County of Los Angeles
10/06/2026 4:16 PM
David W. Slayton,
Executive Officer/Clerk of Court,
By J. Wong, Deputy Clerk**

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

TIMOTHY MCDERMOTT, on behalf of others similarly situated and the State of California under the Private Attorneys General Act,

Plaintiffs,

vs.

ABBOTT LABEL, INC. and DOES 1 through 50, inclusive,

Defendants.

Case No. 24NWCV01424

Judge: Hon. Lee W. Tsao
Dept.: C

NOTICE OF ENTRY OF ORDER GRANTING FINAL APPROVAL OF PAGA ACTION SETTLEMENT AND ATTORNEYS' FEES AND COSTS AND ENTERING JUDGMENT

Action Filed: May 6, 2024

TO THE COURT, ALL PARTIES AND THEIR ATTORNEYS OF RECORD, PLEASE TAKE NOTICE THAT:

1. On September 3, 2026, at 9:30 a.m. in this Department, the Court entered the Order Granting Final Approval of PAGA Action Settlement and Attorneys' Fees and Costs and Entering Judgment attached hereto as Exhibit 1.
2. The Judge confirmed the Court's Tentative Ruling attached hereto as Exhibit 2.
3. A conformed copy of this Notice will be submitted to the LWDA via its online electronic portal in accordance with Labor Code § 2699(s)(3).
4. Notice of the Court's final ruling and entry of judgment is hereby provided.

Respectfully submitted,

Dated: October 6, 2026

Ferraro Vega Employment Lawyers, Inc.

Nicholas J. Ferraro
Lauren N. Vega
Dorota A. James
Conor J.D. Gómez
Attorneys for Plaintiff Timothy McDermott

EXHIBIT 1

FILED
Superior Court of California
County of Los Angeles
10/05/2026
David W. Slayton, Executive Officer / Clerk of Court
By: K. Caudill Deputy

Electronically Received 06/03/2026 10:04 AM

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

TIMOTHY MCDERMOTT, on behalf of others similarly situated and the State of California under the Private Attorneys General Act,

Plaintiffs,

vs.

ABBOTT LABEL, INC. and DOES 1 through 50, inclusive,

Defendants.

Case No. 24NWCV01424

~~[PROPOSED~~] ORDER GRANTING FINAL APPROVAL OF PAGA ACTION SETTLEMENT AND ATTORNEYS' FEES AND COSTS AND ENTERING JUDGMENT

Motion for Final Approval/Attorneys' Fees:
Date: September 3, 2026
Time: 9:30 a.m.
Dept.: C
Judge: Hon. Lee W. Tsao

Res. ID: 826973398528

[Filed concurrently with Plaintiff's Notice of *Unopposed* Motion and Motion for Approval of PAGA Action Settlement, Plaintiff's Memorandum of Points and Authorities, Declaration of Nicholas J. Ferraro, and Declaration of Plaintiff Timothy McDermott]

Action Filed: May 6, 2024

Plaintiff Timothy McDermott's ("Plaintiff") *unopposed* Motion for Approval of PAGA Action Settlement ("Motion") was scheduled for hearing before the Court on September 3, 2026, at 9:30 a.m., before the Honorable Lee W. Tsao. The Court, having considered the Motion, the PAGA Settlement Agreement ("Settlement Agreement") and Notice of PAGA Settlement and Release of Claims attached to the Declaration of Nicholas J. Ferraro, and all other papers submitted in support of the Motion, and for good cause appearing, now FINDS and ORDERS as follows:

Plaintiff's Motion for Approval of PAGA Action Settlement is **GRANTED** and approved pursuant to California Labor Code section 2699(s)(2). After the attorneys' fees, individual representative service payment, costs, and administrator's expenses are deducted from the Gross Settlement Amount, the Net Settlement Amount is $86,331.35, of which 75% ($64,748.51) shall be distributed to the LWDA and the remaining 25% ($21,582.84) shall be distributed to the aggrieved employees as their share of PAGA penalties.

Accordingly, the $185,000 Gross Settlement Amount shall be distributed as follows:

1. $64,748.51 to the Labor and Workforce Development Agency for PAGA penalties;
2. $21,582.84 to the PAGA Employees;
3. $10,000.00 to Plaintiff as an enhancement payment;
4. $61,660.50 to Plaintiff's counsel for attorneys' fees;
5. $21,508.15 to Plaintiff's counsel for costs; and
6. *Up to* $5,500 to the Settlement Administrator.

The $185,000 Gross Settlement Amount shall be made in two installments as follows: (1) the first installment payment of $92,500.00 shall be paid within 30 days from the date of this Order, and the (2) equal installment payment of $92,500.00 shall be paid within 6 months of the first installment payment.

Plaintiff, Defendant, and the Settlement Administrator are ordered to carry out the terms of the settlement in accordance with the Settlement Agreement.

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JUDGMENT

Judgment shall be entered through the filing of this order and judgment. Cal. Code Civ. Proc. § 668.5. Plaintiff shall take from the Complaint only the relief set forth in the Settlement Agreement and this Order and judgment. The Court retains jurisdiction over the parties to enforce the terms of the Settlement Agreement and the final order and judgment.

IT IS SO ORDERED.

Date: October 5, 2026

The Honorable Lee W. Tsao
Judge of the Superior Court
Lee W. Tsao / Judge

EXHIBIT 2

Case Number: 24NWCV01424 **Hearing Date:** September 3, 2026 **Dept:** C

MCDERMOTT V. ABBOTT LABEL, INC.

CASE NO.: 24NWCV01424

HEARING: 9/3/26 @ 9:30 AM

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TENTATIVE RULING

Plaintiff Timothy McDermott's Unopposed Motion for Approval of PAGA Settlement is GRANTED.

Moving Party to give NOTICE.

Plaintiff Timothy McDermott (Plaintiff) moves for an order granting approval pursuant to California Labor Code § 2699(l) of the parties' proposed Settlement Agreement of claims brought by Plaintiff pursuant to Private Attorneys General Act, California Labor Code (Cal. Lab. Code §§ 2698, et seq.) and related requests.

Background

On February 28, 2024, as required by California Labor Code § 2699.3, Plaintiff served the California Labor and Workforce Development Agency ("LWDA") and Defendant an administrative complaint on behalf of himself and other former and current aggrieved employees. (Ferraro Decl. ¶ 2.) In his LWDA complaint, Plaintiff alleges, among other things, that Defendant failed to pay minimum, regular, and overtime wages earned and owed, failed to pay all wages owed for non-productive time, failed to provide all paid sick leave, failed to provide all required meal and rest periods and pay associated premiums, failed to pay all unused vacation wages, failed to timely pay all wages during and upon separation of employment, failed to pay all waiting time penalties, failed to provide accurate, itemized wage statements, failed to reimburse all necessary business expenses, failed to provide all employee records upon written request, and failed to maintain accurate records. (Complaint, ¶ 2.) After waiting the sixty-five days required by PAGA, the LWDA declined to investigate this matter, leaving Plaintiff free to pursue such PAGA claims in a superior court civil action under PAGA. (Ferraro Decl., ¶ 3.)

On May 6, 2024, Plaintiff filed this individual and representative action alleging Civil Penalties Under PAGA. (See generally Complaint.)

On December 2, 2025, the parties participated in a mediation, after undertaking an investigation and the exchange of information and documents pertaining to Plaintiff and the Aggrieved Employees, and were able to reach a resolution. (Ferraro Decl., ¶¶ 12-13).

Legal Standard

Labor Code § 2699(l)(2) states: "The superior court shall review and approve any settlement of any civil action filed pursuant to this part [Labor Code Private Attorneys General Act of 2004 ("PAGA")]. The proposed settlement shall be submitted to the [Labor and Workforce Development Agency ("LWDA")] at the same time that it is submitted to the court." Any settlement of any civil action filed under PAGA must be "fair and adequate in view of the purposes and policies of the statute." (*Flores v. Starwood Hotels & Resorts Worldwide, Inc.* (C.D. Cal. 2017) 253 F.Supp.3d 1074, 1077, quoting *O'Connor v. Uber Technologies, Inc.* (N.D. Cal. 2016) 201 F.Supp.3d 1110, 1135.)

Seventy-five percent of all PAGA penalties must be paid to the LWDA. (See Lab. Code, § 2699(i) ["Except as provided in subdivision (j), civil penalties recovered by aggrieved employees shall be distributed as follows: 75 percent to the Labor and Workforce Development Agency for enforcement of labor laws and education of employers and employees about their rights and responsibilities under this code, to be continuously appropriated to supplement and not supplant the funding to the agency for those purposes; and 25 percent to the aggrieved employees."].) Courts have discretion to approve settlements that do not allocate any penalty amount. (*Nordstrom Com. Cases* (2010) 186 Cal.App.4th 576, 589). Labor Code § 2699(g)(1) provides, in relevant part: "Any employee who prevails in any action shall be entitled to an award of reasonable attorney's fees and costs . . . ." (Lab. Code, § 2699(g)(1).)

Discussion

A. Settlement

With respect to the distribution of the PAGA settlement, the Court finds the parties' agreement is proper. As discussed above, the parties engaged in settlement negotiations after significant analysis, informal discovery, calculation of liability by Plaintiff's counsel, and the assistance of an experienced wage-and-hour mediator. (Ferraro Decl. ¶¶ 9-20.) Counsel aggressively pursued their respective positions before eventually reaching an agreement. (*Id.*) Each side provided the other with several settlement proposals before the agreement was reached. (*Id.*) The negotiations were rigorous and conducted at arm's-length. (*Id.*) The Settlement cannot be described as fraudulent or collusive. (*Id.*) Rather, the Settlement is the product of informed and rigorous negotiations by experienced counsel. (*Id.*)

In exchange for a release of the PAGA claim, Defendant is providing substantial compensation to the State of California, and the Aggrieved Employees in the form of penalties. (Ferraro Decl., ¶19, Exh. 1, p. 5.) Specifically, Defendant have agreed to a payment of $185,000 (the "Gross Settlement Amount"). (Id., Exh 1.) After deducting amounts for requested attorneys' fees and costs, settlement administration costs, and Plaintiff's service award, the remaining Net Settlement Amount distributable to the Aggrieved Employees and the LWDA is $86,331.35. (Ferraro Decl., ¶ 19.)

In summary, the monetary terms of the Settlement Agreement are: Total Settlement Amount: $185,000.00

- LWDA Payment $64,748.51
- Payment to PAGA Employees $21,582.84
- Enhancement Payment $10,000.00
- Attorneys' Fees (33.33%) $61,660.50
- Litigation Costs $21,508.15
- Settlement Admin. Costs $5,500.00

(Ferraro Decl., ¶ 19.)

B. Opposition

The motion is unopposed. As mentioned above, concurrently with this motion, as required by PAGA, Plaintiff provided a copy of the Settlement Agreement to the LWDA and informed the LWDA of the hearing on March 6, 2026. (Ferraro Decl., ¶ 4, Exh. 2.) To date, the LWDA has not commented, constituting its tacit approval of the Settlement. (Ferraro Decl., ¶ 20.) It is also important to note that the LWDA declined to pursue the alleged PAGA violations in response to Plaintiff's administrative complaint submitted to the LWDA on February 28, 2024. (Ferraro Decl., ¶ 2.) California case law recently found that plaintiffs in other PAGA cases against similar Defendants do not have standing to intervene or object to a PAGA settlement agreement that may resolve their PAGA claim. (*See Turrieta v, Lyft, Inc.* (2021) 69 Cal. App. 5th 955.)

C. Fairness of the Settlement

PAGA authorizes aggrieved employees to recover civil penalties on behalf of the state, themselves, and other aggrieved employees. The default PAGA civil penalty is $100 per employee per pay period for an initial violation and $200 per pay period for any subsequent violations. As of December 2, 2025, there were an estimated 92 non-exempt employees who worked 3,524 cumulative pay periods in the PAGA Period. (Ferraro Decl. ¶ 6.) First, although Plaintiff alleged several strong claims—including Defendant's failure to (1) include all forms of remuneration in the regular rate of pay used to compute overtime, (2) provide compliant meal and rest periods, and (3) pay for all hours worked—Defendant vigorously denied liability. Specifically, Defendant asserted that the regular rate of pay issue affected only a very small percentage of the aggrieved employees. Regarding meal periods, Defendant argued that it maintained compliant policies, did not exercise control over employees during their lunch breaks, and therefore fully satisfied its obligations under Brinker. Similarly, Defendant contended that it maintained compliant policies and procedures that fully authorized and permitted all mandated rest breaks. While the litigation could have proceeded with these risks, the largest element of damages would have likely been for statutory attorneys' fees as the prevailing party; therefore, Plaintiff considered the remedial and enforcement mechanisms of the PAGA were better served through this settlement than through additional litigation. (Ferraro Decl. ¶ 20.)

Considering the above and the settlement sum of $185,000 in this case, the Settlement is fair and reasonable under the circumstances. The gross settlement offers an estimated $52.50 per pay period ($185,000 / 3,524 approximate pay periods). (Ferraro Decl. ¶ 20.)

Notice

Following approval of the Settlement, in addition to the settlement checks, the PAGA Settlement Letter will be mailed by first-Class mail to each Aggrieved Employee. (Ferraro Decl., Exh. 1, p. 6.) Aggrieved Employees will have 180 calendar days to cash his or her settlement check. (*Id.*) Prior to the disbursements of the Employee Payments, the Settlement Administrator shall run a single skip trace for every Aggrieved Employee to determine whether any more recent physical address information than that reflected in Defendant's regularly maintained records may be found. (*Id.*)

Attorney's Fees and Costs

"Any agreement, express or implied, that has been entered into with respect to the payment of attorney's fees or the submission of an application for the approval of attorney fees must be set forth in full in any application for approval of the dismissal or settlement of an action that has been certified as a class action." (Cal. Rules of Court, rule 3.769(b).)

Ultimately, the award of attorney fees is made by the court at the fairness hearing, using the lodestar method with a multiplier, if appropriate. (*PLCM Group, Inc. v. Drexler* (2000) 22 Cal.4th 1084, 1095-96; *Ramos v. Countrywide Home Loans, Inc.* (2000) 82 Cal.App.4th 615, 625-26; *Ketchum III v. Moses* (2000) 24 Cal.4th 1122, 1132-36.) In common fund cases, the court may utilize the percentage method, cross-checked by the lodestar. (*Laffitte v. Robert Half Int'l, Inc.* (2016) 1 Cal.5th 480, 503.) Despite any agreement by the parties to the contrary, "the court ha[s] an independent right and responsibility to review the attorney fees provision of the settlement agreement and award only so much as it determined reasonable." (*Garabedian v. Los Angeles Cellular Telephone Company* (2004) 118 Cal.App.4th 123, 128.)

Plaintiff's counsel now applies for an award of attorney's fees of $61,660.50 (33.3% of the settlement fund created), and litigation costs of $21,508.15. (Ferraro Decl. ¶ 25, Exh. 3.)

The Court finds that the requested attorney's fees and costs are reasonable after accounting for the time spent, counsel's experience, and the results achieved by this litigation. Plaintiff's

counsel has undertaken representation at their own expense spending hundreds of hours, with compensation wholly contingent upon providing a benefit to the State of California and the Aggrieved Employees. (Ferraro Decl. ¶¶ 29-41.) The State of California and the Aggrieved Employees will benefit by the terms of the proposed Settlement by receiving substantial monetary compensation. (*Id.*)

Civil Penalties

As stated above, with respect to the civil penalties, the Court finds that the distribution complies with Labor Code section 2699(i), which requires 75 percent of the amount to be paid to the LWDA and 25 percent of the amount to be paid to the aggrieved employees, which consists of all current and former hourly-paid non-exempt employees who worked for Defendant during the PAGA period.

. Settlement Administration

The Court finds the $5,500.00 in settlement administration costs is reasonable. The parties have agreed to engage CPT Group ("CPT") as the third-party administrator. (Ferraro Decl., Exh. 6.) CPT shall be responsible for, among other things, calculating the Employee Payments, and mailing the settlement checks to the Aggrieved Employees and to the LWDA. (Id.) CPT has agreed to administer the Settlement Agreement for $5,500.00.

Based on the foregoing, the motion for approval of PAGA representative action settlement is GRANTED.
