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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

JEROD GOLDMAN, in his representative
capacity, on behalf of the State of California, the
general public, and all aggrieved employees,

Plaintiff,

v.

BILL HOWE PLUMBING INC., a California
Corporation; and DOES 1 through 50, inclusive,

Defendants.

Case No.: 37-2024-00019731-CU-OE-CTL

*[Assigned for All Purposes to the Honorable
Marcella O. McLaughlin]*

**MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT OF
PLAINTIFF'S UNOPPOSED MOTION FOR
APPROVAL OF PAGA SETTLEMENT AND
REQUEST FOR AWARD OF ATTORNEYS'
FEES, COSTS, ENHANCEMENT AWARD,
AND SETTLEMENT ADMINISTRATION
EXPENSES**

[IMAGED FILE]

Date: September 24, 2026
Time: 9:30 a.m.
Dept: C-72
Judge: Hon. Marcella O. McLaughlin

Complaint Filed: April 26, 2024
Trial Date: None set

*[Notice of Motion; the Declarations of Vilmarie
Cordero and Jerod Goldman; and [Proposed]
Order are filed concurrently herewith]*

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1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 Plaintiff Jerod Goldman (“Plaintiff”) seeks approval of the parties’ PAGA Settlement Agreement
4 and Release of PAGA Claims (“Settlement” or “Settlement Agreement”),¹ which provides for Defendant
5 Bill Howe Plumbing, Inc. (“Defendant”) to fund a non-reversionary Gross Settlement Amount of
6 \$187,500 on behalf of 100 current and former non-exempt employees who held the position of Plumber
7 with Defendant in the State of California from February 20, 2023 to August 28, 2026 (the “Aggrieved
8 Employees”). The Court should approve the Settlement because it is fundamentally fair and reasonable.
9 The Settlement resolves disputed representative wage and hour claims under the California Labor Code’s
10 Private Attorneys General Act of 2004 (“PAGA”). At all times, the negotiations leading to the Settlement
11 were hard-fought and conducted at arm’s-length between attorneys who are highly experienced in wage
12 and hour litigation, overseen by an experienced mediator.

13 Under the terms of the Settlement, the Gross Settlement Amount of \$187,500 will be distributed
14 as follows:

- 15 • Settlement administration fees in an amount not to exceed \$3,740 to Apex Class
16 Action, LLC;
- 17 • Enhancement Award to Plaintiff in the amount of \$2,500;
- 18 • Attorneys’ fees to ARCH Legal, P.C. in the amount of \$65,625 (35% of the Gross
19 Settlement Amount);
- 20 • Litigation costs to ARCH Legal, P.C. in the amount of \$12,720.25;
- 21 • The remainder, the Net Settlement Amount (estimated to be \$102,914.75), will be
22 distributed in accordance with the PAGA statute, with 75 percent (estimated to be
23 \$77,186.06) to be paid to the California Labor and Workforce Development Agency
24 (“LWDA”) and 25 percent (estimated to be \$25,728.69) to be paid to the members of the

25
26
27
28 ¹ To the extent the terms used in this Motion are defined in the PAGA Settlement Agreement, the defined terms contained herein shall have the same meaning as set forth in the Agreement.

Aggrieved Employees on a pro-rata basis based on the number of pay periods each individual worked during the relevant time period.

As fully set forth below, the Settlement is fair and reasonable and was reached after two-and-a-half years of litigation, and ultimately a full-day mediation with Daniel Turner, Esq., a highly experienced and well-respected mediator. The terms of the Settlement are fair and reasonable based on the disputed merit of the PAGA claims, the range of possible outcomes in the litigation, the risk, expense, and complexity of further litigation, and the experience and views of counsel. Accordingly, Plaintiff respectfully requests that the Court grant approval of the Settlement.

II. PROCEDURAL AND FACTUAL BACKGROUND

A. Plaintiff's Allegations and Case History

This Settlement involves the claims of approximately 100 current and former non-exempt employees who held the position of Plumber with Defendant in the State of California at any time from February 20, 2023, through August 28, 2026. Declaration of Vilmarie Cordero ("Cordero Decl."), ¶ 24, Settlement Agreement, ¶¶ 1.17, 1.25, 3.1.2.

Plaintiff was employed by Defendant as an apprentice and plumber from February 8, 2022, to July 14, 2023. Cordero Decl., ¶ 6. He was classified as a non-exempt employee. *Id.* From February 8, 2022, to September 22, 2022, Plaintiff was paid an hourly wage. *Id.* Thereafter, Plaintiff alleges his compensation structure changed from an hourly wage to piece-rate pursuant to the Productivity Bonus Compensation Policy (the "Compensation Policy"). *Id.*

On February 20, 2024, Plaintiff notified the California Labor and Workforce Development Agency ("LWDA") and Defendant of his intent to assert the rights granted to him under PAGA. *Id.*, ¶ 7, Ex. 3. On April 26, 2024, Plaintiff filed a representative PAGA action against Defendant in this Court. *Id.*, ¶ 8.

On June 24, 2024, Defendant filed a motion to compel arbitration of Plaintiff's individual claims and to stay the PAGA claims pursuant to an arbitration agreement Plaintiff signed in connection with his employment. Cordero Decl., ¶ 9. Plaintiff filed his opposition to Defendant's motion on January 27, 2025. *Id.* On August 18, 2025, the Court denied Defendant's motion on the basis that Plaintiff was not seeking individual PAGA relief, and his representative PAGA claims could not be compelled to arbitration. *Id.*

1 On October 13, 2025, Defendant filed its notice of appeal of the Court’s ruling denying the Motion to
2 Compel Arbitration and Stay Proceedings. *Id.*, ¶ 10.

3 On October 15, 2025, the parties scheduled a private mediation with Daniel J. Turner, Esq., to
4 resolve Plaintiff’s PAGA claims. Cordero Decl., ¶ 11. In preparation for mediation, the parties engaged
5 in voluminous informal discovery, including: Defendant’s written policies and procedures, handbooks,
6 attestation prompts, and severance agreements; time records, wage statements, and commission
7 calculation worksheets for a 25-percent random sample of Aggrieved Employees; data points related to
8 the number of Aggrieved Employees, the total number of pay periods in the PAGA Period, and total
9 amount of meal period premiums paid; and Plaintiff’s complete personnel records. *Id.*, ¶¶ 18-20.

10 On June 29, 2026, the parties participated in a full-day mediation before Daniel J. Turner, Esq., an
11 experienced and well-respected mediator. Cordero Decl., ¶ 22. During mediation, the parties engaged in
12 good-faith, non-collusive negotiations and discussed the realistic exposure to Defendant and the relative
13 strengths and weaknesses of the claims. *Id.* With the mediator’s assistance, the parties reached an
14 agreement to settle Plaintiff’s PAGA claims. *Id.*, ¶ 23. Over the course of the following month, the parties
15 drafted and executed the Settlement Agreement. *Id.*

16 As a condition of this Settlement, on July 17, 2026, Plaintiff provided the LWDA and Defendant
17 with an amended PAGA notice alleging reimbursement violations. *Id.*, ¶ 14, Ex. 4. On August 7, 2026,
18 the parties filed a joint stipulation for leave to file Plaintiff’s First Amended Complaint (“FAC”). As of
19 the date of this Motion, the Court has not entered an Order granting or denying the Joint Stipulation. *Id.*,
20 ¶ 15. Once the filed, the FAC will become the operative complaint. The FAC alleges Defendant violated
21 the Labor Code by: (1) failing to provide legally compliant meal periods and/or timely pay meal premiums;
22 (2) failing to provide legally compliant rest periods and/or timely pay rest premiums; (3) failing to pay all
23 minimum, regular, overtime and/or double time wages; (4) failing to timely pay all wages during
24 employment; (5) failing to timely pay wages due and owed upon separation of employment and the
25 required waiting time penalties; (6) failing to furnish accurate, itemized wage statements; (7) failing to
26 maintain accurate records; and (8) failing to reimburse for necessary business expenditures. Cordero Decl.,
27 ¶ 16.

28 ///

B. Defendant's Position

Defendant vehemently denies any liability and wrongdoing of any kind associated with the claims alleged in this action. Cordero Decl., ¶ 17; Settlement Agreement, ¶ 2.5. Among other things, Defendant contends that it timely paid all wages owed, including at the time of separation of employment; provided all meal and rest periods; consistently provided accurate itemized wage statements; consistently maintained accurate records; and reimbursed all necessary business expenses. Cordero Decl., ¶¶ 17, 29-32. Defendant maintains that it did not engage in any Labor Code violations and that Plaintiff will not be able to demonstrate liability under PAGA. *Id.*

III. SUMMARY OF SETTLEMENT

The Settlement Agreement before the Court provides substantial financial consideration in exchange for releasing the PAGA claims asserted in the Action. The consideration is fair and reasonable in light of the potential liabilities and risks of litigation. Cordero Decl., ¶ 37. The released claims have been narrowly tailored to ensure the settlement is not unduly expansive. The parties' agreed upon procedure for distributing the settlement funds will ensure efficient distribution to the Aggrieved Employees and the state of California.

A. Monetary Terms

The Gross Settlement Amount is \$187,500. Settlement Agreement, ¶ 3.1. Under the terms of the settlement, \$65,625 (or 35-percent of the Gross Settlement Amount) will be awarded to Plaintiff's Counsel for attorneys' fees, \$12,720.25 will be awarded to Plaintiff's Counsel for litigation costs, \$2,500 will be awarded to Plaintiff as an Enhancement Award, and \$3,740 is allocated to the Administration Expenses Payment. *Id.* ¶¶ 3.3-3.6. Of the remaining \$102,914.75, defined as the Net Settlement Amount, 75 percent (\$77,186.06) will be paid to the LWDA. Settlement Agreement. ¶ 3.2. The remaining 25 percent (\$25,728.69) will be distributed amongst the Aggrieved Employees. *Id.* On average, each Aggrieved Employee will receive approximately \$257.29.

Each Individual PAGA Payment will be calculated based on the following formula: Each Aggrieved Employee will receive a proportionate settlement share based on the number of Pay Periods that each Aggrieved Employee worked during the PAGA Period, to be calculated by multiplying the 25% portion of the Gross Settlement Payment by a fraction, the numerator of which is the Aggrieved

Employee's Pay Periods during the PAGA Period, and the denominator of which is the total Pay Periods worked by all Aggrieved Employees during the PAGA Period. Settlement Agreement, ¶ 3.2.

B. Distribution Procedure

The parties have agreed to use Apex Class Action, LLC ("Apex") to administer the distribution of funds from the Settlement. Settlement Agreement, ¶ 1.26. Within 15 calendar days of the Effective Date (defined as the date the Court approves the Settlement and enters judgment), Defendant will provide the Settlement Administrator with a list of all Aggrieved Employees, with each listed employee's full name, last known mailing address, Social Security number, and number of Pay Periods. *Id.*, ¶¶ 1.3, 1.6, 4.4. Within 45 calendar days of the Effective Date, Defendant shall deposit the Gross Settlement Amount with the Settlement Administrator. *Id.*, ¶ 4.5. Within 14 calendar days after Defendant funds the Gross Settlement Amount, the Settlement Administrator will mail settlement checks to the Aggrieved Employees along with the PAGA Explanatory Letter. *Id.*, ¶ 4.7, Ex. A to the Settlement Agreement. Prior to mailing, the Settlement Administrator shall run all the addresses of the Aggrieved Employees through the United States Postal Service National Change of Address database and perform an in-depth skip trace to obtain the best possible address for the Aggrieved Employee. *Id.* The Settlement Administrator will skip-trace any returned mail and promptly re-mail to the updated address. *Id.*, ¶ 4.8.2. The Settlement Administrator will issue the appropriate tax forms for all payments issued under this Settlement. *Id.*, ¶ 4.1. The Individual PAGA Payments will be valid for a period of 180 days, after which time any unclaimed funds will be transmitted to the *cy pres* recipient Make a Wish Foundation. *Id.*, ¶¶ 4.7.1, 4.9. This *cy pres* distribution is appropriate under California Code of Civil Procedure section 384(b), which allows distribution of any unclaimed funds to child advocacy programs.

C. PAGA Released Claims

The Settlement provides Plaintiff and the State of California (through Plaintiff as a Private Attorney General) shall release the Released Parties from any and all claims for civil penalties arising from the claims alleged in the PAGA Notices and operative complaint during the PAGA Period, as well as all claims that could have been pled arising out of the same operative facts, including any claims for civil penalties arising from Defendant's alleged violations of the California Labor Code including but not limited to sections 201-204, 210, 223, 225.5, 226, 226.3, 226.7, 510, 558, 1174, 1174.5, 1194, 1194.1,

1197, 1197.1, 1198, and 2802 for failure to provide compliant meal periods and/or timely pay premiums; failure to provide rest periods and/or timely pay premiums; failure to timely pay all minimum, regular, overtime, and/or double time wages; failure to timely pay all wages due during and upon separation of employment; failure to provide accurate itemized wage statements; failure to maintain accurate records; and failure to reimburse for business expenses. Settlement Agreement, ¶¶ 1.22, 5.1. “Released Parties” is defined as Defendant and each of its parents, subsidiaries, affiliates, shareholders, members, agents, predecessors, successors, assigns. *Id.*, ¶ 1.23.

IV. THE PAGA SETTLEMENT SHOULD BE APPROVED

Pursuant to Labor Code section 2699(s)(2), the settlement of a civil action brought under PAGA must be submitted to the LWDA and must be approved by the trial court. Where a settlement purports to resolve PAGA claims, courts must examine the settlement as a whole and the amount allocated to PAGA, including the amount distributed to the LWDA. *See O’Connor v. Uber Techs, Inc.*, 201 F. Supp. 3d 1110, 1134-35 (N.D. Cal. 2016). To warrant approval, a PAGA settlement must be fair, adequate, and reasonable. *Id.*

To determine whether a settlement is fair, adequate, and reasonable, a court must be provided with “basic information about the nature and magnitude of the claims in question and the basis for concluding that the consideration being paid for the release of those claims represents a reasonable compromise.” *Clark v. American Residential Services LLC*, 175 Cal. App. 4th 785, 799 (2009). In the class action context, the trial court must exercise its discretion through the application of several well-recognized factors when deciding whether the settlement is fair. *Id.* The California Court of Appeal has held that in determining whether a PAGA settlement is fair, a court may refer to the well-developed settlement standards analyzed by courts in the class actions. *See Moniz v. Adecco USA, Inc.*, 72 Cal. App. 5th 56, 77 (2021). The list of factors, which “is not exhaustive and should be tailored to each case,” includes “the strength of plaintiff’s case, the risk, expense, complexity and likely duration of further litigation . . . the 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 [represented] members to the proposed settlement.” *Kullar v. Foot Locker Retail, Inc.*, 168 Cal. App. 4th 116, 128 (2008) (quoting *Dunk v. Ford Motor Co.*, 48 Cal. App. 4th 1794, 1801 (1996)). The most

important factor the trial court should consider in determining whether to approve a settlement is the strength of the case for plaintiff on the merits, balanced against the amount offered in settlement. *Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles*, 186 Cal. App. 4th 399, 407-08 (2010); *Kullar*, 168 Cal. App. 4th at 130. In sum, the trial court must determine that the settlement was not the product of fraud, overreaching or collusion, and that the settlement is fair, reasonable, and adequate. *Nordstrom Com'n Cases*, 186 Cal. App. 4th 576, 581 (2010).

A. The Settlement is the Result of Non-Collusive, Arm's-Length, and Informed Negotiations

California courts recognize that a "presumption of fairness exists where (1) the settlement is reached through arm's-length bargaining; (2) sufficient investigation allows counsel and the court to act intelligently; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small." *Dunk*, 48 Cal. App. 4th at 1802. Here, the Settlement objectively meets all these requirements, and this Court should undoubtedly give considerable weight to the competency and integrity of the parties' respective counsel, who are experienced in wage and hour class action litigation and reached the settlement through arm's-length negotiations without self-dealing or other misconduct. *Kullar*, 168 Cal. App. 4th at 129.

1. The Settlement is the Product of Arm's-Length Negotiations

"[W]hat transpires in settlement negotiations is highly relevant to the assessment of a proposed settlement's fairness." *State v. Levi Strauss & Co.*, 41 Cal. 3d 460, 482 (1986). Courts presume the absence of fraud or collusion in the negotiation of a settlement unless evidence to the contrary is offered. In short, there is a presumption that the negotiations were conducted in good faith. *See William B. Rubenstein, et al.*, *Newberg on Class Actions* § 13:45 (5th ed. 2011-2017). Here, there can be no doubt as to the fairness of the settlement as the parties did not engage in settlement negotiations until they possessed sufficient information and documents to conduct a comprehensive review and analysis of the facts and legal issues raised by the action to make an informed decision. *Cordero Decl.*, ¶¶ 18-21. At all times, the settlement negotiations were conducted with the assistance of mediator Daniel J. Turner, Esq., an experienced and well-respected mediator. *Id.*, ¶ 22.

In reaching the settlement, Plaintiff's Counsel took into consideration relevant factors such as the

information and documents obtained in formal and informal discovery, the strength of Defendant's defenses, Defendant's projected liability, the expense of continued litigation, the inherent risks in litigating complex representative actions, and the potential for Defendant prevailing in its appeal. Cordero Decl., ¶¶ 28-36. Based on Plaintiff's Counsel's experience, they are of the belief that the settlement represents a favorable resolution without the further expense and uncertainty of continued litigation, while at the same time maintaining the enforcement purpose behind the PAGA statute. *Id.*, ¶ 37.

2. The Settlement is the Product of Informed Investigation and Discovery

There is a presumption that a proposed settlement is fair and reasonable when there has been sufficient investigation and discovery to permit counsel and the court to act intelligently, and counsel are experienced in similar litigation. *Dunk*, 48 Cal. App. 4th at 1802. Here, the parties conducted a lengthy and thorough investigation into the merits of Plaintiff's claims prior to attending mediation and ultimately settling this case. Cordero Decl., ¶¶ 18-21. Plaintiff's Counsel's investigation included the exchange of extensive informal discovery, in which Defendant produced hundreds of pages of written policies and procedures, compensation agreements, time and payroll records, commission calculation worksheets, PAGA data points, and Plaintiff's complete personnel file. *Id.*, ¶¶ 18-20. Plaintiff's Counsel undoubtedly obtained sufficient information to adequately evaluate the merits of the claims asserted and Defendant's maximum potential liability. *Id.*, ¶¶ 20-21. Therefore, this Court can and should presume the fairness of the proposed settlement.

3. Plaintiff's Counsel is Highly Experienced in Similar Litigation

Throughout this litigation, Plaintiff has been represented by well-qualified counsel who have years of experience in wage and hour litigation. Cordero Decl., ¶¶ 43-48, Ex. 5. To date, Plaintiff's Counsel has handled well over 150 class, collective, and representative action cases. *Id.*, ¶ 44. Plaintiff's Counsel relied on their extensive experience while negotiating the settlement. As discussed, the settlement negotiations were conducted with Plaintiff's Counsel's consideration of documents produced; the strength of the case versus the amount offered in settlement; the risk, expense, complexity, and likely duration of further litigation; the present state of the law as it applies to the claims asserted; and the burdens of proof necessary to establish liability against Defendant. *Id.*, ¶ 34. Although the recommendations of counsel proposing the settlement are not conclusive, courts can properly consider the recommendations, particularly if counsel

1 have been involved in litigation for some period of time, appear to be competent, have experience with
2 this type of litigation, and significant discovery has been completed. Newberg on Class Actions § 13:53
3 (5th ed. 2011-2017).

4 In sum, the Court should presume the proposed settlement is fair because it was the result of
5 arm's-length negotiations, sufficient investigation and discovery, and the efforts of experienced counsel.

6 **B. The Settlement is Fair, Reasonable, and Adequate in Light of the Significant Risks**
7 **and Expense of Further Litigation**

8 In order to determine whether a representative settlement is fair, adequate and reasonable, courts
9 must be provided with “basic information about the nature and magnitude of the claims in question and
10 the basis for concluding that the consideration being paid for the release of those claims represents a
11 reasonable compromise.” *Kullar*, 168 Cal. App. 4th at 133. A settlement is not judged against what might
12 have been recovered had a plaintiff prevailed at trial, nor does the settlement have to provide 100 percent
13 of the damages sought to be fair and reasonable. *See Wershba v. Apple Computer, Inc.*, 91 Cal. App. 4th
14 224, 246, 250 (2001). Here, the settlement results in a substantial benefit to the Aggrieved Employees, the
15 State of California, and the general public because it achieves the enforcement objectives of PAGA while
16 providing compensatory relief to the Aggrieved Employees and the State. Cordero Decl., ¶ 50. In reaching
17 this settlement, Plaintiff’s Counsel carefully considered the strength of the case versus the amount offered
18 in settlement and the risk, expense, and complexity of the case. *Id.*, ¶ 34.

19 While Plaintiff believes that his claims are meritorious and would have prevailed had the issues
20 gone to trial, Plaintiff also acknowledges that Defendant possesses legitimate defenses to liability and the
21 stacking of civil penalties, as well as plausible arguments for the reduction of civil penalties under Labor
22 Code section 2699(e)(2). Cordero Decl., ¶¶ 28-33. Defendant has consistently denied all material
23 allegations in the operative complaint and denied that it violated any laws or is liable for any civil
24 penalties. *Id.*, ¶ 17.

25 Plaintiff also acknowledges that even if he was successful, continued litigation would likely result
26 in additional attorneys’ fees and costs, as Defendant would undoubtedly appeal any judgment in Plaintiff’s
27 favor. Cordero Decl., ¶ 36. Moreover, continued litigation would result in a substantial delay of any
28 recovery to the Aggrieved Employees and the State of California. *Id.* Given the risks, expenses, and delays

1 associated with further litigation, the Gross Settlement Amount of \$187,500 is an excellent result for the
2 approximately 100 Aggrieved Employees.

3 **C. The Court's Ability to Reduce the Maximum Potential Civil Penalties Justifies**
4 **Approval of the Settlement.**

5 Plaintiff's Counsel estimated Defendant's maximum potential liability for civil penalties to be
6 \$2,171,695. Cordero Decl., ¶ 27. This estimate was based on the assumption that Plaintiff would prevail
7 on all claims at trial and recover all penalties sought. *Id.* Moreover, Plaintiff's estimate assumes that the
8 Court would permit stacking, a practice now proscribed by the PAGA amendments; and further assumes
9 that the Court would *not* exercise its discretion to reduce any recovery under Labor Code section
10 2699(e)(2). *Id.* Thus, Defendant's maximum potential liability of civil penalties is premised on an
11 "everything goes right" scenario. *Id.*

12 In light of Defendant's asserted defenses and the Court's ability to reduce the amount of civil
13 penalties awarded, it would be reasonable to apply a 50% discount for likelihood of success on all PAGA
14 claims and an additional 50% discount to account for a discretionary reduction in value of PAGA
15 penalties, resulting in a more realistic value of the PAGA claims at \$542,923.75. Cordero Decl., ¶ 35. The
16 Gross Settlement Amount of \$187,500 accounts for approximately 35% of this amount. *Id.* While this
17 represents a significant discount, assuming Plaintiff prevailed on all issues, established liability, and
18 proved the civil penalties as estimated, this reduction is an extremely reasonable compromise considering
19 the substantial risk Plaintiff may face in proving liability and recovering all civil penalties, including those
20 that were stacked. *Id.* Thus, the Settlement strikes a balance between the interests of all parties, including
21 the State of California, the general public, and the Aggrieved Employees by providing timely relief while
22 still penalizing Defendant for the violations alleged. *Id.*

23 **D. The Distribution of the Settlement Is Reasonable**

24 The Settlement provides that Defendant will pay a non-reversionary Gross Settlement Amount of
25 \$187,500. Settlement Agreement, ¶ 3.1. The Gross Settlement Amount will fund: (a) payment to the
26 Aggrieved Employees; (b) payment to the LWDA; (c) an award of attorneys' fees to Plaintiff's counsel;
27 (d) an award of litigation costs to Plaintiff's counsel; (e) an Enhancement Award to Plaintiff; and
28 (f) settlement administration costs. *Id.*

The following chart reflects the estimated payments from the Gross Settlement Amount:

Gross Settlement Amount	\$187,500
Enhancement Award	\$2,500
Settlement Administration Costs	\$3,740
Attorneys' Fees	\$65,625
Litigation Costs	\$12,720.25
PAGA Payment	\$102,914.75
• To the LWDA (75% of PAGA Fund)	\$77,186.06
• To PAGA Members (25% of PAGA Fund)	\$25,728.69

It is estimated that the LWDA will receive \$77,186.06 and the Aggrieved Employees will receive \$25,728.69. The \$25,728.69 payment will be allocated to each Aggrieved Employee based on his or her proportionate share of Pay Periods worked during the PAGA Period. Settlement Agreement, ¶¶ 3.2, 3.8-3.81. The Settlement Administrator is to ensure proper distribution of payments within 59 calendar days of the Court's entry of an order and judgment approving the settlement. *Id.*, ¶¶ 4.5-4.6. All Individual PAGA Payments will be valid for a period of 180 days, after which any unclaimed funds will be transmitted to the Make a Wish Foundation. *Id.*, ¶¶ 4.7.1, 4.9.

E. Plaintiff Submitted the Settlement Agreement to the LWDA

In 2016, the Labor Code was amended to require the Court to review and approve any settlement of a civil action brought pursuant to PAGA. Labor Code section 2699(s)(2). The amendment also requires that the "proposed settlement [] be submitted to the agency at the same time that it is submitted to the court." *Id.* In accordance with the statute, the Settlement Agreement, Notice of Motion, and Memorandum of Points and Authorities were submitted to the LWDA on September 1, 2026, via the agency's online portal. Cordero Decl., ¶ 5, Ex. 2. Therefore, the LWDA has had the opportunity to review the Settlement and advise the parties or the Court of any objections. To date, the LWDA has not indicated any objection to the Settlement. As such, the Court should approve the Settlement.

V. THE REQUESTED ENHANCEMENT AWARD TO PLAINTIFF IS JUSTIFIED

Courts routinely approve enhancement awards to compensate named plaintiffs for the services they provide and the risks they incur during the course of the class litigation. *Cellphone Termination Fee Cases*, 186 Cal. App. 4th 1380 (2010) (affirming \$10,000 incentive payment to four named plaintiffs); *Van Vranken v. Atlantic Richfield Co.*, 901 F. Supp. 294 (N.D. Cal. 1995) (awarding \$50,000 Enhancement Award to a representative); Manual for Complex Litigation § 21.62 n.971 (4th ed. 2004)

(noting that service or enhancement awards may be warranted based on the named plaintiff's participation in the litigation and the benefits conferred on the class). While such awards are discretionary, they are "intended to compensate class representatives for work done on behalf of the class, to make up for financial or reputational risk undertaken in bringing the action, and, sometimes, to recognize their willingness to act as a private attorney general." *Cellphone Termination Fee Cases*, 186 Cal. App. 4th at 1393-94. In determining whether an award is appropriate, courts consider several different factors, including: (1) the actions the plaintiff has taken to protect the interest of the class; (2) the degree to which the class has benefited from those actions; and (3) the amount of time and effort the plaintiffs expended in pursuing the litigation. *Clark v. Am. Residential Servs. LLC*, 175 Cal. App. 4th 785, 805 (2009).

Here, the settlement contemplates that Plaintiff will seek an Enhancement Award not to exceed \$2,500. Settlement Agreement, ¶ 3.6. As the named representative, Plaintiff has performed his duties without exception. Cordero Decl., ¶ 39; Declaration of Jerod Goldman ("Goldman Decl."), ¶¶ 15-25. Plaintiff has actively participated in this lawsuit since its inception, including, but not limited to, providing documents related to the claims asserted, communicating with his attorneys by phone and email, assisting his counsel in opposing Defendant's motion to compel arbitration, assisting his counsel in preparing for mediation, and remaining available during the mediation session, by telephone and text message, to answer questions and provide clarification as to the day-to-day issues faced by Aggrieved Employees. Cordero Decl., ¶ 39; Goldman Decl., ¶¶ 15-25. The time and effort Plaintiff put into this litigation allowed Plaintiff's Counsel to negotiate a fair and reasonable settlement on behalf of the Aggrieved Employees. Cordero Decl., ¶ 39. For example, Plaintiff took the time to explain Defendant's policies and practices, which were instrumental to counsel's understanding of the claims and defenses asserted, as well as Defendant's potential liability. Cordero Decl., ¶ 39; Goldman Decl., ¶¶ 16-17, 19.

By bringing and maintaining this lawsuit, Plaintiff assumed the risk of an adverse judgment, award of costs to Defendant, and the risk that his future employment may be negatively impacted by his involvement in this litigation. Cordero Decl., ¶¶ 40, 41; Goldman Decl., ¶ 26. Plaintiff went above and beyond what was required of him, and in the absence of his participation and efforts, there undoubtedly would have been no recovery. Cordero Decl., ¶ 41. The requested Enhancement Award of \$2,500 is very fair and reasonable in light of the work performed and the risks undertaken by Plaintiff.

VI. THE REQUESTED ATTORNEYS' FEES AND COSTS ARE FAIR AND REASONABLE

Pursuant to section 2699(k)(1) of the Labor Code, "[a]ny employee who prevails in a PAGA action shall be entitled to an award of reasonable attorney's fees and costs." Accordingly, Plaintiff's Counsel requests that this Court approve an award of attorneys' fees in the amount of \$65,625, or 35-percent of the Gross Settlement Amount, as well as the reimbursement of actual litigation costs of \$12,720.25. Cordero Decl., ¶ 49. As discussed below, these awards are not only recoverable under the common fund theory and lodestar approach, but also are within the range of awards granted in similar cases.

A. Plaintiff's Counsel's Fees are Supported Under the Common Fund Theory

In a PAGA action, which is a type of *qui tam* action, reasonable attorneys' fees are typically awarded under the common fund theory where, as here, the litigation creates a common fund of a specific amount for the benefit of others. *Iskanian v. CLS Transp. Los Angeles, LLC*, 59 Cal. 4th 348, 382 (2014). When a common fund is created, attorneys who secured the fund are entitled to a percentage of the fund. *Laffitte v. Robert Half Int'l, Inc.*, 1 Cal. 5th 480, 503 (2016) ("[T]he court may determine the amount of a reasonable fee by choosing an appropriate percentage of the fund created"). The bases of the common fund doctrine are:

Fairness to the successful litigant, who might otherwise receive no benefit because his recovery might be consumed by the expenses; correlative prevention of an unfair advantage to the others who are entitled to share in the fund and who should bear their share of the burden of its recovery; and encouragement of the attorney for the successful litigant, who will be more willing to undertake and diligently prosecute proper litigation for the protection or recovery of the fund if he is assured that he will be promptly and directly compensated should his efforts be successful.

Bank of America v. Cory, 164 Cal. App. 3d 66, 90 (1985); *see also Serrano v. Priest*, 20 Cal. 3d 25, 34 (1977) ("[O]ne who expends attorneys' fees in winning a suit which creates a fund from which other derive benefits, may require those passive beneficiaries to bear a fair share of the litigation costs.").

Here, a common fund was created in the amount of \$187,500 for the benefit of the Aggrieved Employees and the State of California. As such, these beneficiaries must bear their share of the costs and attorneys' fees, to be deducted from the \$187,500 Gross Settlement Amount under the common fund theory. The parties allocated 35-percent of the Gross Settlement Amount to Plaintiff's Counsel for their reasonable attorneys' fees. Settlement Agreement, ¶ 3.4. The award sought is justified in light of the

1 amount of work Plaintiff's Counsel performed over the course of more than three years and the substantial
2 risks involved in litigating this type of case. Cordero Decl., ¶¶ 52-53. Indeed, the requested attorneys' fees
3 award of \$65,625, or 35-percent of the Gross Settlement Amount, constitutes a fair market cost for the
4 benefits conferred by the Settlement because Plaintiff's Counsel's skills in negotiating the Settlement
5 resulted in the substantial benefit for the Aggrieved Employees, the State of California, and the general
6 public.

7 **B. Plaintiff's Attorneys' Fees are Also Recoverable Under The Lodestar Approach**

8 The reasonableness of Plaintiffs' Counsel's requested Attorneys' Fees award is also supported
9 under the lodestar method. *Lealao v. Beneficial Cal., Inc.*, 82 Cal. App. 4th 19, 26 (2000) ("[F]ees have
10 traditionally been allowed in such common fund cases, although . . . the lodestar methodology may also
11 be utilized in this context."). Under the lodestar approach, the number of hours reasonably expended is
12 multiplied by a reasonable hourly rate. *Id.* Once the Court has established the lodestar, it may be increased
13 or decreased "by applying a positive or negative 'multiplier' to consider a variety of other factors,
14 including the quality of the representation, the novelty and complexity of the issues, the results obtained,
15 and the contingent risk presented." *Id.*

16 Here, Plaintiff's Counsel has expended over 417.9 hours litigating this case. Cordero Decl., ¶ 58.
17 This includes time spent investigating and researching the legal issues raised in this litigation; drafting the
18 notices to the LWDA and the complaint; drafting the opposition to Defendant's motion to compel
19 arbitration; drafting and responding to correspondence regarding discovery disputes; communicating with
20 Plaintiff and other Aggrieved Employees; reviewing and analyzing documents produced by Defendant;
21 conducting the damages analysis; drafting the detailed mediation brief; preparing for and attending
22 mediation; negotiating the terms of the settlement and finalizing the written agreement; and moving for
23 approval of the settlement. Cordero Decl., ¶ 63. At Plaintiff's Counsel's usual and customary rates, this
24 would result in a total lodestar of more than \$204,030.50. *Id.*, ¶ 58. Thus, Plaintiff's Counsel's request for
25 an award of attorneys' fees in the amount of \$65,625 or approximately 32% percent of the firm's total
26 lodestar, is undoubtedly fair and reasonable given the nature and complexity of the litigation and the
27 experience level of each timekeeper. *Id.*, ¶ 61.

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C. Plaintiff's Litigation Costs Were Reasonable and Necessarily Incurred

It is appropriate for litigation costs to be paid from the common fund. *In re Media Vision Tech. Sec. Litig.*, 913 F. Supp. 1362, 1366 (N.D. Cal. 1996) ("Reasonable costs and expenses incurred by an attorney who creates or preserves a common fund are reimbursed proportionally by those class members who benefit from the settlement."). Courts permit attorneys to "recover their reasonable expenses that would typically be billed to paying clients in non-contingency matters." *See In re Omnivision Technologies, Inc.*, 559 F. Supp. 2d 1036, 1048 (N.D. Cal. 2008); *see also Harris v. Marhoefer*, 24 F.3d 16, 19 (9th Cir. 1994) ("[Plaintiff] may recover as part of the award of attorney's fees those out-of-pocket expenses that "would normally be charged to a fee-paying client."). Recoverable expenses may include photocopying, document scanning, postage and delivery charges, travel, attorney services fees, and legal research costs. *Bussey v. Affleck*, 225 Cal. App. 3d 1162, 1166 (1990) ("[A]ttorneys' fees and expenses are inseparably intertwined as equally vital components of the costs of litigation . . . expenses such as supplemental secretarial costs, copying, telephone costs and necessary travel, are integrally related to the work of an attorney and the services for which outlays are made may play a significant role in the ultimate success of litigation . . .").

Here, Plaintiff's Counsel seeks reimbursement of \$12,720.25 for costs and expenses incurred in connection with this action from its inception to the present. Cordero Decl., ¶ 65. Plaintiff's Counsel's costs are warranted as they include filing fees, court fees, postage, attorney services fees, and mediator fees. *Id.* The costs incurred are also the same as those that would normally have been billed to a client paying for Plaintiff's counsel's services on a non-contingency basis. *Id.* Plaintiff's Counsel's costs are more than reasonable in light of the work that has been performed in this matter. *Id.*, ¶ 66.

VII. CONCLUSION

Plaintiff respectfully requests that this Court approve the settlement on the terms outlined in the parties' Settlement Agreement. As set forth herein, the Settlement is fair, reasonable, and adequate given the range of possible outcomes of the litigation, the risks and expenses associated with further litigation, the scope of the release, and the experience and views of Plaintiff's Counsel.

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Respectfully submitted.

Dated: September 1, 2026

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