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as an aggrieved employee, and on behalf of all other aggrieved employees

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

ROSARIO LOPEZ, as an aggrieved employee, and on behalf of all other aggrieved employees under the Labor Code Private Attorneys' General Act of 2004,

Plaintiff,

v.

COMMUNITY RESTAURANTS, INC., a California corporation; GRANVILLE GLENDALE, INC., a California corporation; GRANVILLE RESTAURANTS PARTNERS, LLC, a California limited liability company; GRANVILLE RESTAURANTS PARTNERS 2, LLC, a California limited liability company; GRANVILLE PASADENA, LLC, a California limited liability company; GRANVILLE MANAGEMENT GROUP, INC., a California corporation; and DOES 1 through 100, inclusive,

Defendants.

CASE NO.: 24STCV09221

[Assigned for all purpose to the Hon. Daniel Murphy in Dept. 32]

PAGA REPRESENTATIVE ACTION

PLAINTIFF'S NOTICE OF MOTION AND MOTION FOR APPROVAL OF REPRESENTATIVE ACTION SETTLEMENT; MEMORANDUM OF POINTS AND AUTHORITIES

[Filed concurrently with the Declarations of Bradford Smith, David D. Bibiyan, and Rosario Lopez; [Proposed**] Order; and [**Proposed**] Judgment]**

HEARING INFORMATION

DATE: January 7, 2026
TIME: 8:30 a.m.
DEPT: 32

Reservation No.: 69977381674

TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on January 7, 2026 at 8:30 a.m., or as soon thereafter as Rosario Lopez ("Plaintiff") may be heard in Department 32 of the Los Angeles County Superior Court of California, Plaintiff will, and hereby does move for this Court for entry of an order approving the PAGA Settlement Agreement ("Settlement," "Agreement" or "Settlement Agreement"), under the Labor Code Private Attorneys General Act of 2004, Labor Code § 2698, *et seq.* ("PAGA"), entered into by and between Plaintiff, on one hand; and defendants Community Restaurants, Inc., Granville Glendale, Inc., Granville Restaurants Partners, LLC, Granville Restaurants Partners 2, LLC, Granville Pasadena, LLC, and Granville Management Group, Inc. (collectively, "Defendants"), on the other hand, in the above-referenced action.

This motion is based upon this Notice, the attached Memorandum of Points and Authorities, the accompanying Declarations of Bradford Smith, David D. Bibiyan, Sean Hartranft, and Rosario Lopez, exhibits attached thereto, the [Proposed] Order Granting Approval of the PAGA Settlement, the [Proposed] Judgment, and any other evidence or argument that may be presented at the hearing.

Dated: November 5, 2025

BIBIYAN LAW GROUP, P.C.

By: Bradford Smith

BRADFORD SMITH

Attorneys for Plaintiff ROSARIO LOPEZ, as an aggrieved employee, and on behalf of all other aggrieved employees

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Labor Code section 2699(l)(2) requires that the Superior Court review and approve any settlement of a civil action filed pursuant to the Private Attorneys General Act of 2004, codified at Labor Code section 2698, *et seq.*, ("PAGA"). Plaintiff Rosario Lopez ("Plaintiff"), on one hand; and defendants Community Restaurants, Inc., Granville Glendale, Inc., Granville Restaurants Partners, LLC, Granville Restaurants Partners 2, LLC, Granville Pasadena, LLC, and Granville Management Group, Inc. ("Defendant"), on the other hand, have agreed to settle Plaintiff's PAGA claims, fully resolving this case pursuant to the PAGA Settlement Agreement[1] ("Settlement," "Agreement" or "Settlement Agreement").

The approximately 519 "Aggrieved Employees" who are covered by the Settlement Agreement are persons employed by Defendants in California and classified as a non-exempt, hourly-paid employee who worked for Defendants during the period from February 7, 2023 to the date the Court signs the Approval Order ("Settlement Period" or "PAGA Period").

The Settlement Agreement provides that Defendant shall pay $340,000.00[2] as Gross Settlement Amount. From this amount, Plaintiff request an award of $6,990.00 in administration costs, attorneys' fees of thirty-five percent (35%) of the Gross Settlement Amount, which amounts to $119,000.00 (as may be increased pursuant to the Settlement Agreement), and reimbursement of $16,600.58 in litigation costs. Of the remaining sum (hereinafter, the "PAGA Penalties"), seventy-five percent (75%) of which shall be paid to the California Labor and Workforce Development Agency ("LWDA") and twenty-five percent (25%) of which will be paid to Aggrieved Employees. These penalties are genuine and meaningful and fulfill PAGA's underlying purpose to benefit the

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[1] A true and correct copy of the Settlement Agreement is attached as Exhibit "1" to the Declaration of Bradford Smith ("Smith Decl.") for the Court's convenience.

[2] Defendants represent that there were no more than 12,926 Pay Periods worked during the PAGA Period as of the date of mediation. In the event the number of Pay Periods during the PAGA Period increases by more than ten percent (10%), or 1,293 Pay Periods, then Defendants shall have the choice of: (1) increasing the Gross Settlement Amount proportionally by the Pay Periods in excess of 12,916 Pay Periods multiplied by Pay Period Value (Pay Period Value shall be calculated by dividing the Gross Settlement Amount by the estimate of Pay Periods at issue, meaning that the Parties agree that the Pay Period Value shall be $26.30 [$340,000 / 12,926]); or (2) electing to end the PAGA Period on the date the number of Pay Periods reaches 14,219 Pay Periods (12,926 Pay Periods + 1,293 Pay Periods).

public. Accordingly, Plaintiff requests that the Court approve the Settlement as such awards are reasonable and warrant approval.

II. FACTUAL AND PROCEDURAL BACKGROUND

A. The Parties

Plaintiff Rosario Lopez was employed by Defendants, as a non-exempt employee, with duties that included, but not limited to, inspecting products, managing machines, and general labor within California from approximately October 2022 to approximately February 2023. Based on information provided by Defendants, there are approximately 519 Aggrieved Employees in the PAGA Period.

B. Procedural History

On February 7, 2024, Plaintiff filed with the California Labor Workforce Development Agency ("LWDA") a notice under Labor Code section 2699.3 and served on Defendants, stating her intention to serve as a proxy of the LWDA to recover civil penalties for various alleged Labor Code violations (the "PAGA Notice").[3] On April 12, 2024, Plaintiff filed this PAGA action alleging violations of the Labor Code as asserted in the PAGA Notice for which Plaintiff sought civil penalties under PAGA.

On January 9, 2025, the Parties participated in a full-day mediation before Chris Barnes, Esquire, a well-regarded mediator experienced in mediating complex labor and employment matters, which led to this Agreement to settle the Action.

Prior to mediation, Plaintiff obtained, through informal discovery: (1) time records for a 20% sampling of Aggrieved Employees during the PAGA Period; (2) payroll data for a 20% sampling of Aggrieved Employees during the PAGA Period; (3) data points, including number of pay periods during the PAGA Period, the number of Aggrieved Employees (current and former), and number of pay periods in the Wage Statement/PAGA Period; (4) a 2023 employee handbook; and (5) all documents concerning Plaintiff available to Defendants.

/ / /

[3] A true and correct copy of the PAGA Notice is attached as Exhibit "3" to the Smith Decl.

PAGA Counsel, comprised of David D. Bibiyan and Vedang J. Patel, have conducted significant investigation of the law and facts relating to the claims asserted in the Action, and have concluded that the Settlement set forth herein is fair, reasonable, adequate and in the best interests of the Aggrieved Employees, and, to the extent permitted by law, the State of California, taking into account the sharply contested issues involved, the expense and time necessary to litigate the Action through trial and any appeals, the risks and costs of further litigation, the risk of an adverse outcome, the uncertainties of complex litigation, the information learned through informal discovery regarding Plaintiff's allegations, and the substantial benefits to be received by Aggrieved Employees.

Defendants have concluded that, because of the substantial expense of defending against the Action, the length of time necessary to resolve the issues presented herein, the inconvenience involved and the concomitant disruption to their business operations, it is in their best interests to accept the terms of this Agreement. Defendants deny each of the allegations and claims asserted against them in the Action. However, Defendants nevertheless desires to settle the Action for the purpose of avoiding the burden, expense, and uncertainty of continuing litigation, and for the purpose of putting to rest the controversies engendered by the Action.

C. <u>Discovery and Investigation</u>

In the leadup to mediation, PAGA Counsel investigated Plaintiff's claims, performed legal research regarding Defendants' defenses and engaged in informal discovery. During that time, Defendants produced: (1) time records a 20% sampling of Aggrieved Employees during the PAGA Period; (2) payroll data for a 20% sampling of Aggrieved Employees during the PAGA Period; (3) data points, including number of pay periods during the PAGA Period, the number of Aggrieved Employees (current and former), and number of pay periods in the Wage Statement/PAGA Period; (4) a 2023 employee handbook; and (5) all documents concerning Plaintiff available to Defendants.

This yielded sufficient information to determine, for the PAGA Period, the total number of Aggrieved Employees, the total number of shifts and PAGA pay periods, the length of shifts for all Aggrieved Employees, detailed analysis of alleged meal and rest periods violations, and the policies and practices in play during the PAGA Period. The documents and information produced enabled

PAGA Counsel to analyze the law and facts relating to Plaintiff's claims. PAGA Counsel also retained an expert data consultant to review and analyze the time and payroll records and prepare a model setting forth Defendant's potential exposure for civil penalties for use in the mediation. The documents and information shared also enabled Plaintiff to evaluate the potential hurdles to recovery, including in connection with the merits of the claims and manageability. Based on this investigation and discovery, PAGA Counsel were able to act intelligently and effectively in negotiating the proposed Settlement.

D. <u>Mediation</u>

On January 9, 2025, the Parties participated in a full-day mediation before Chris Barnes, Esquire, a well-regarded mediator experienced in mediating complex labor and employment matters, which led to this Agreement to settle the Action. The Settlement negotiations were at arm's length and, although conducted in a professional manner, were adversarial. The Parties went into mediation willing to explore the potential for a settlement of the Action, but each side was also prepared to litigate its position through trial and appeal if a settlement had not been reached. After several exchanges of draft settlement agreements, the Parties fully executed the Settlement Agreement, a copy of which is attached to the Declaration of Bradford Smith as Exhibit "1" thereto.

Based on Plaintiff's investigation, informal discovery and evaluation of Plaintiff's claims, Defendants' defenses regarding the merits of the claims and the manageability of a trial thereon, Defendants' potential exposure, the expense and time necessary to pursue this action through trial, the risks and costs of further prosecution of this action, the uncertainties of complex litigation and developing law, and the benefits that will accrue to the LWDA and the Aggrieved Employees, the Parties and their counsel believe that a settlement on the terms set forth herein is fair, reasonable, adequate, and in the best interests of Plaintiff, Aggrieved Employees, the LWDA and Defendants.

III. <u>SUMMARY OF SETTLEMENT</u>

A. The Aggrieved Employees

The "Aggrieved Employees" who are covered by the Settlement Agreement are persons employed by Defendants in California and classified as a non-exempt, hourly-paid employee who worked for Defendants during the period from February 7, 2023 to the date the Court signs the

Approval Order ("Settlement Period" or "PAGA Period). Based on information provided by Defendants prior to mediation, Plaintiff believes there are approximately 519 Aggrieved Employees in the Settlement Period.

B. Settlement Terms

The Settlement provides for a Gross Settlement Amount ("GSA") of $340,000.00, as the same may be escalated pursuant to the Parties' Settlement Agreement, to be paid by Defendants. The GSA shall be allocated as follows:

1. PAGA Penalties

The amount of the GSA that remains after deducting the PAGA Representatives Service Payments, Administration Expenses Payment, PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment will be designated as PAGA Penalties. If the Court approves those allocations, the total estimated amount of the PAGA Penalties is **$184,010.00** (as the same may be escalated pursuant to the Settlement Agreement). Pursuant to the Settlement Agreement and Labor Code section 2699(i), 75% of the PAGA Penalties, or **$138,007.50** (as the same may be escalated pursuant to the Settlement Agreement), will be paid to the LWDA, and the remaining 25%, or **$46,002.50**, of the PAGA Penalties (as the same may be escalated pursuant to the Settlement Agreement) will be paid to the Aggrieved Employees on a *pro rata* basis using their respective number of PAGA Pay Periods[4] worked. The estimated average payment to Aggrieved Employees is approximately **$88.64** ($46,002.50 / 519 Aggrieved Employees).

2. Settlement Administrator and Expenses Payment

The Parties have agreed that the Settlement Administrator will be Apex Class Action LLC ("Apex"). The cost of administering the Settlement, including, but not limited to, mailing the Individual PAGA Payments to the Aggrieved Employees, shall not exceed $6,990.00 and will be paid to the Settlement Administrator from the Gross Settlement Amount.

3. PAGA Counsel Fees and Litigation Expenses Payments

An award of attorneys' fees to PAGA Counsel in an amount not to exceed thirty-five percent

[4] "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant at least one (1) day during the PAGA Period, as reflected in Defendant's records.

(35%) of the Gross Settlement Amount which, unless escalated pursuant to the Settlement Agreement, will be $119,000.00, as well as reimbursement of litigation expenses reasonably incurred in an amount of $16,600.58.

4. Settlement Administration

Within 7 days of the Court granting approval of the Settlement, Defendants shall provide the Settlement Administrator with a list of all Aggrieved Employees ("Aggrieved Employees Data"). The Aggrieved Employees List shall state the first name and last name for each Aggrieved Employee; the last known address for each Aggrieved Employee; each Aggrieved Employee's social security number; and the number of pay periods during which each was employed in a non-exempt position for Defendants in California during the Settlement Period as reflected in Defendants' records.

Defendants shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 14 days after the Effective Date. The Effective Date means the date by when both of the following have occurred: (1) the Court enters a Judgment on its Order Approving the PAGA Settlement and (2) the Judgment is final. The Judgment is final on the day the Court enters Judgment. The Administrator will issue checks and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The checks shall be valid for 180 days after issuance. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

5. Taxes

All settlement payments to Aggrieved Employees will be treated as miscellaneous income for which an IRS Form 1099 will be issued. Other than the reporting requirements set forth in the Agreement, the Aggrieved Employees shall be responsible for the reporting and payment of any federal, state, and/or local income or other tax or any other withholdings, if any, on any of the payments made pursuant to the Agreement. The Parties do not expect there to be any employer side taxes arising from the Settlement because this is a settlement of a representative action for civil penalties. If it is determined that employer side taxes exist on the Gross Settlement Amount, such taxes will be funded by the Gross Settlement Amount.

6. Release

Release of Claims for Aggrieved Employees and the State of California: All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, the Released Parties from all claims for PAGA civil penalties that were alleged or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice.

"Released Parties" shall mean Defendants, and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries and affiliates.

Plaintiff Released Claims: Plaintiff and her respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors and assigns generally release and discharge Released Parties from all claims, transactions or occurrences that occurred prior to the execution of this Agreement, including, but not limited to, all claims for civil penalties that were, or reasonably could have been alleged based on the facts contained in the Operative Complaint and the PAGA Notice ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement or to any claims for alleged individual Aggrieved Employees' wage and hour claims, vested benefits, unemployment benefits, disability benefits, social security benefits, or workers compensation benefits, or claims outside of the PAGA Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or laws that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

For purposes of Plaintiff's Release. Plaintiff expressly waives and relinquishes the provisions, rights and benefits, if any, of section 1542 of the California Civil Code, which reads:

"A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

The above release expressly excludes Plaintiff's claims for sex discrimination, sexual harassment, retaliation, violation of Labor Code section 1102.5, wrongful termination, wrongful termination in violation of public policy, intentional infliction of emotional distress, negligent infliction of emotional distress, and related claims.

7. Escalator Provision

Defendants represent that there were no more than 12,926 Pay Periods worked during the PAGA Period as of the date of mediation. In the event the number of Pay Periods in the PAGA Period increases by more than ten percent (10%), or 1,293 Pay Periods, then Defendants shall have the choice of: (1) increasing the Gross Settlement Amount proportionally by the Pay Periods in excess of 12,926 Pay Periods multiplied by the Pay Period Value (the Pay Period Value shall be calculated by dividing the Gross Settlement Amount by estimate of Pay Periods at issue, meaning that the parties agree that the Pay Period Value shall be $26.30 ($340,000.00 / 12,926 Workweeks); or (2) electing to end the PAGA Period on the date the number of Pay Periods reaches 14,219 Pay Periods (12,926 Pay Periods + 1,293 Pay Periods).

8. Uncashed Checks

For any Aggrieved Employee whose check is uncashed and cancelled after the void date (180 days after the date of mailing), the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

IV. ARGUMENT

A. The PAGA Penalties Secured by the Settlement are Genuine and Meaningful, and Fulfill PAGA's Underlying Purpose to Benefit the Public

The PAGA statute specifically provides that "[t]he superior court shall review and approve any settlement of any civil action filed pursuant to this part." (Lab. Code, § 2699, subd. (l)(2).) The statute, however, does not require a two-step process or otherwise mimic the class action approval requirements when the parties reach a settlement only as to PAGA civil penalties. (*Salazar v. Sysco Central Cal., Inc.* (E.D. Cal. Feb. 2, 2017) 2017 WL 1135801, *2 [rejecting the application of class action settlement rules and procedures for PAGA settlement approval].). In the absence of an explicit statutory requirement, the LWDA has provided guidance, explaining that courts should evaluate settlements of PAGA claims based on whether "the relief provided for under the PAGA [is] genuine and meaningful, consistent with the underlying purpose of the statute to benefit the public." (*O'Connor v. Uber Techs., Inc.* (N.D. Cal. 2016) 201 F. Supp. 3d 1110, 1133.). Courts defer to the agency's interpretation of a statute where authority has been delegated to that agency. (*New Cingular Wireless PCS, LLC v. Pub. Utilities Comm'n* (2016) 246 Cal.App.4th 784, 807.) When evaluating a PAGA settlement, the Court should analyze whether the amount of civil penalties obtained is "genuine and meaningful" in light of the PAGA's statutory purpose.

The California Legislature enacted PAGA to "augment the limited enforcement capability of the [LWDA] by empowering employees to enforce the Labor Code as representatives of the Agency." (*Iskanian v. CLS Transp. Los Angeles, LLC* (2014) 59 Cal.4th 348, 383.). This statute authorizes an employee to bring an action for "civil penalties on behalf of the state against his or her employer for Labor Code violations committed against the employee and fellow employees." (*Id.* at 360.). An action under PAGA to recover civil penalties "is essentially a law enforcement action designed to protect the public and not benefit private parties." (*Id.* at 381.). Fundamentally, "a PAGA action is a statutory action in which the penalties available are measured by the number of Labor Code violations committed by the employer." (*Sakkab v. Luxottica Retail North America, Inc.* (9th Cir. 2015) 803 F.3d 425, 435.) "As the state's proxy, an employee-plaintiff may obtain civil penalties for violations committed against absent employees [citation], just as the state could if it brought an enforcement action directly." (*Id.*)

Under the general provisions of the PAGA scheme, 75% of the civil penalties recovered go to the State, while the remaining amount is given to the aggrieved employees. (Lab. Code, § 2699, subd. (i).) The PAGA action is one of the "primary mechanisms for enforcing the Labor Code." (*Iskanian,* 59 Cal.4th at 383.) As the State's proxy or agent, "the employee plaintiff represents the same legal right and interest as state labor law enforcement agencies- namely, recovery of civil penalties that otherwise would have been assessed by and collected by the [LWDA]." (*Id.*) "[A]n aggrieved employee's action under [PAGA] functions as a substitute for an action brought by the government itself." (*Id.*) The goal of PAGA is to impose civil penalties for Labor Code violations "significant enough to deter violations." (*Id.* at 379.)

Thus, a PAGA action is "fundamentally different from a class action." (*Baumann v. Chase Inv. Servs. Corp.* (9th Cir. 2014) 747 F.3d 1117, 1123 ["These differences stem from the central nature of PAGA. PAGA Plaintiffs are private attorneys general who, stepping into the shoes of the LWDA, bring claims on behalf of the state agency."]. The PAGA statute expressly distinguishes and preserves the right of employees to separately (or concurrently) pursue their own causes of action against their employers and to recover other available federal and state remedies. (Lab. Code, § 2699, subd. (g)(l); *see Baumann,* 747 F.3d at 1123 [explaining the differences between the finality in class action judgments and the limited res judicata effect of PAGA judgments].) "Unlike 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." (*McKenzie v. Federal Exp. Corp.* (C.D. Cal. 2011) 765 F. Supp. 2d 1222, 1233.) PAGA penalties do not seek damages that are compensatory in nature. (*ZB, N.A. v. Superior Court* (2019) 8 Cal.5th 175, 188.)

Here, the Settlement penalizes Defendants for its alleged violation of California's labor laws, provides a significant benefit of $138,007.50 (as the same may be escalated pursuant to the Settlement) to the State and also provides relief to the Aggrieved Employees that is genuine and meaningful, consistent with the underlying purpose of the statute to benefit the public. Lastly, the Gross Settlement Amount of $340,000.00, as the same may be escalated pursuant to the Settlement Agreement, is significant enough to deter Defendants from future violations. Accordingly, the Settlement fulfills the underlying purpose of the statute and confers a substantial benefit on the public.

B. The Settlement is Reasonable Given the Risks of Further Litigation

In assessing whether the amount in civil penalties is genuine and meaningful, the Court may balance the amount in penalties with the risks of further litigation. Here, Plaintiff obtained a meaningful amount in civil penalties despite facing significant challenges had the litigation continued. The potential claims for penalties include, failure to pay all wages due, failure to provide minimum wages or pay for all hours worked, failure to pay overtime compensation, failure to provide meal and/or rest periods, failure to pay proper meal or rest period premiums, waiting time penalties, and failure to provide and maintain accurate itemized wage statements.

Moreover, only initial violation rates were used in calculating potential penalties as, until "notified that it is violating a Labor Code provision… the employer cannot be presumed to be aware that its continuing underpayment of employees is a "violation" subject to penalties." (*Amaral v. Cintas Corp. No. 2 [Amaral] (2008)* 163 Cal. App. 4th 1157, 1209.) Thus, subsequent violations in the PAGA context means not just later in time but following notice to the employer that it is in violation of the Labor Code. (*Patel v. Nike Retail Servs., Inc.* (N.D. Cal. 2014) 58 F.Supp.3d 1032, 1042; *accord Amaral,* 163 Cal. App. 4th at 1209 [only "after the employer has learned its conduct violates the Labor Code, the employer is on notice that any future violations will be punished… at twice the rate of penalties… that were imposed for the initial violation"].) Because in this instance there was no evidence that Defendants were provided notice that they were in violation of the Labor Code, initial violation rates were used to calculate penalties.

Based on the records produced by Defendants, Plaintiff understood there to be 12,926 pay periods in the PAGA Period. While PAGA Counsel are informed and believe that reasonable minds differ with regard to calculation of PAGA penalties, PAGA Counsel believe one reasonable calculation of Defendants' maximum exposure in PAGA penalties are as follows:

1. <u>Overtime Wage Violations</u>: Labor Code section 558 prescribes penalties of $50 for an initial violation and $100 for each subsequent violation. Using the initial pay period rate for all violations, and a violation every single pay period for every single non-exempt employee in the PAGA Period, this amounts to a maximum exposure of $646,300. (12,926 pay periods x $50).

2. <u>Minimum Wage Violations</u>: Labor Code section 1197.1 prescribes penalties of $100 for an initial violation and $200 for each subsequent violation. Using the initial pay period

rate for all violations, and a violation every single pay period for every single non-exempt employee in the PAGA Period, this amounts to a maximum exposure of $1,292,600. (12,926 pay periods x $100).

3. Meal Period Violations: Labor Code section 558 prescribes penalties of $50 for an initial violation and $100 for each subsequent violation. Using the initial pay period rate for all violations, and a violation every single pay period for every single non-exempt employee in the PAGA Period, this amounts to a maximum exposure of $1,292,600. (12,926 pay periods x $50).

4. Rest Period Violations: Labor Code section 558 prescribes penalties of $50 for an initial violation and $100 for each subsequent violation. Using the initial pay period rate for all violations, and a violation every single pay period for every single non-exempt employee in the PAGA Period, this amounts to a maximum exposure of $646,300. (12,926 pay periods x $50).

5. Waiting Time Penalties: Labor Code section 558 prescribes penalties of $50 for an initial violation and $100 for each subsequent violation. Because this violation is merited only at separation of employment, a 100% violation rate would likely include be just one violation per employee. PAGA Counsel understood at mediation through the documents provided by Defendant that there were approximately 519 terminated Aggrieved Employees during the PAGA Period. This amounts to a maximum exposure of $51,900 (519 terminated Aggrieved Employees x $100).

6. Wage Statement Violations: According to *Gunther v. Alaska Airlines, Inc.* (2021) 287 Cal.Rptr.3d 229, in this instance, Labor Code section 2699 would be the appropriate penalty for wage statement violations that are inaccurate, which prescribes penalties of $100 for an initial violation and $200 for each subsequent violation. (*Id.* at 247-248.) Using the initial pay period rate for all violations, and a violation every single pay period for every single Aggrieved Employee in the PAGA Period, this amounts to a maximum exposure of $1,292,600 (12,926 pay periods x $100).

In sum, PAGA Counsel calculated Defendant's total maximum exposure for PAGA violations if the Court were to find a 100% violation rate for every Aggrieved Employee every pay period and not exercise its discretion to reduce any of those penalties to be approximately $5,222,300. On the other hand, PAGA Counsel understand from the mediator and the mediation process that Defendants argued the following in connection with this claim:

Defendants contend that no PAGA penalties are likely to be awarded and, even if they were, the maximum exposure calculated by Plaintiff is vastly overstated. First, Defendants defend that PAGA penalties cannot and should not be stacked. Second, Defendants deny that a violation for each pay period can be established. Third, Defendants contend that a Court is unlikely to exercise its discretion to award civil penalties under PAGA where, as here, Defendants contend there is no conduct shown by Plaintiff that would show any Labor Code violations by Defendants, if any, is knowing and intentional that would justify PAGA penalties. Finally, Defendants assert that individualized issues predominate the PAGA claims, making the claims unmanageable for trial pursuant to *Wesson v. Staples the Office Superstore, LLC* (2021) 68 Cal.App.5th 746 [*Wesson*]. Thus, Defendants contend that the Court cannot, should not, and will not exercise its discretion to award any penalties under PAGA.

While Plaintiff is confident in the merits of the case, a legitimate controversy exists as to each predicate Labor Code violation. For example, Plaintiff contends that the Aggrieved Employees were subjected to, *inter alia*, not being paid for all time under Defendants' control, unlawful meal and rest break policies, and were denied meal and rest break premiums. Defendants refute these contentions, claiming, for example, that everyone was paid for all time worked, they authorized and permitted rest breaks, and provided meal periods.

Plaintiff also considered the fact that continued litigation would be expensive, time-consuming and an uncertain proposition, involving a trial and possible appeals, and would delay any recovery to the State and the Aggrieved Employees. There is also a substantial risk that the Court would reduce the award even if Plaintiff is successful or otherwise exercise its discretion not to award penalties at all even if Labor Code violations are found. In contrast, if the Court approves the Settlement, the Aggrieved Employees will receive timely relief and avoid the risk of an unfavorable judgment. And, in light of the Court's ruling in *Wesson*, Plaintiff had to account for the real possibility that a Court determines that some or all of the theories advanced by Plaintiff in this Action would not lend themselves to a manageable trial, despite the fact Plaintiff denies that there is a manageability requirement under PAGA. (*See, e.g., Estrada v. Royalty Carpet Mills,* (2022) 76 Cal.App.5th 685, 709-710). Plaintiff objectively and knowledgably balanced the strengths and weaknesses of their claims, the likelihood of reaching a trial, and the likelihood of success at trial against the risk of continued litigation and was able to determine a realistic range of settlement recovery for PAGA penalties.

As such, PAGA Counsel believe an 80% discount of this maximum exposure, resulting in **$1,044,460** to be a reasonable estimate of the likelihood of what Plaintiff may potentially recover at trial for PAGA penalties ($5,222,300 x .2). In all, PAGA Counsel obtained a Gross Settlement Amount of **$340,000.00**.

Thus, when the risks of litigation, including, without limitation, the burdens of proof necessary to establish liability, the mixed case law on manageability, as well as the probability of appeal of a favorable judgment are considered, it is clear that the Settlement is reasonable and in the best interest of the State and the public. The Settlement therefore accomplishes PAGA's objectives by imposing sufficient civil penalties "to punish and deter" Defendants from future alleged Labor Code violations, while also ensuring that the penalties are not "unjust, arbitrary and oppressive, or confiscatory." (Lab. Code, § 2699, subd. (e)(2); *Iskanian,* 59 Cal.4th at 384.)

C. PAGA Counsel's Requested Fees and Costs are Reasonable

PAGA Counsel are entitled to reasonable attorneys' fees pursuant to Labor Code section 2699(g)(1) which provides that "[a]ny employee who prevails in any action shall be entitled to an award of reasonable attorney's fees and costs." (Lab. Code, § 2699, subd. (g)(1); see also *Gouskos v. Aptos Village Garage, Inc.* (2001) 94 Cal.App.4th 754, 765 [holding that attorneys' fees to prevailing party are mandatory when the statute uses the word "shall"].) Additionally, PAGA Counsel are entitled to fees based on the contingent agreement with its clients. It is undisputed that Plaintiff is the prevailing party. (*See Graciano v. Robinson Ford Sales, Inc.* (2006) 144 Cal.App.4th 140, 153, internal citations omitted ["[P]laintiffs may be considered 'prevailing parties' for attorney's fee purposes if they succeed on any significant issue in the litigation that achieves some of the benefit the parties sought in bringing suit.")

Accordingly, Plaintiff is entitled to recover attorneys' fees and costs. Plaintiff requests a fee of thirty-five percent (35%) of the Gross Settlement Amount, which, unless and until escalated pursuant to the Parties' Settlement Agreement, amounts to $119,000.00, is reasonable, is well within the range of fees generally sought and approved in other class and representative cases, and is also reasonable based on PAGA Counsel's lodestar.

1. An Award of Fees Based on a Percentage of the Common Fund is Appropriate and Reasonable

The percentage of attorneys' fees set forth in the Settlement (*i.e.,* 35% of the GSA) is reasonable. Historically, courts have awarded percentage fees in the range of 20% to 50% in collective actions, depending on the circumstances of the case. (Newberg on Class Actions, 4th Ed. 2002, § 14: 6.) Furthermore, California and federal courts have long recognized that a percentage of recovery for attorneys' fees is properly awarded on the basis of the total recovery. (*Boeing v. Van Gemert* (1980) 444 U.S. 472, 480-481; *see also In re Consumer Privacy Cases* (2009) 175 Cal.App.4th 545, 558, fn.13, emphasis added ["Empirical studies show that, regardless whether the percentage method or the lodestar method is used, fee awards in class actions average around *one-third* of the recovery"].)

Here, the requested fee is consistent with the fees awarded in other PAGA settlements approved by California courts. (*See, e.g.*, *Ortiz v. Morgan Stanley Smith Barney, LLC* San Francisco County Superior Court, Case No. CGC-17-560139 [awarding attorneys' fees of one-third under percentage method]; *Chavez v. Saticoy Lemon Ass'n Case No.* 56-2015-00468600-CU-OE-VTA, 2015 WL 5561118, Ventura County Superior Court Aug. 29, 2015) [approving attorneys' fees of one-third of PAGA settlement fund]; *Tocci v. Yard House Northridge LLC,* Los Angeles County Superior Court Case No. BC625604 [same]; *Jozami v. Twilio Inc.,* San Francisco County Superior Court Case No. CGC-18-566356 [same].)

PAGA Counsel invested time and resources into litigating this Action, with over $15,000 of costs to date and counting deferred to the end of the case and entirely contingent on the outcome which, as set forth above, the recovery of which was far from certain with much of the litigation still potentially pending. It has been a long-recognized principle that an attorney merits a significantly larger fee when the compensation is contingent, rather than being fixed on a time or contractual basis. (*Vizcaino v. Microsoft Corp.* (9th Cir. 2002) 290 F.3d 1043, 1048-51.) During the period that this Action has been pending, PAGA Counsel have advanced all expenses, and have not received any compensation for prosecuting the Action on behalf of the State and other Aggrieved Employees.

The significant outlay of monetary and personnel resources has been completely at risk and wholly dependent upon obtaining a substantial settlement or the imposition of civil penalties at trial. PAGA Counsel should not be penalized with a lower fee for settling the case prior to trial, because the percentage of the fund method "encourages early settlement, which avoids protracted litigation." (*Laffitte v. Robert Half Int'l* (2016) 1 Cal.5th 480, 489.) Thus, the requested award of attorneys' fees is reasonable under the percentage of the fund method.

2. The Requested Fees are Also Reasonable Under a Lodestar Crosscheck

To measure reasonableness, the Court may cross-check the percentage of recovery against PAGA Counsel's lodestar. (*Laffitte*, 1 Cal.5th at 506; *see Privacy Cases*, 175 Cal.App.4th at 556-58.) PAGA Counsel's lodestar is based upon a total of 321.1 hours at customary hourly rates.

Specifically, pursuant to the Declaration of David D. Bibiyan, David D. Bibiyan billed 19.8 hours at his hourly rate of $1,200. Vedang J. Patel billed 43.2 hours at his hourly rate of $900. Robert Wilson billed 65.3 hours at his hourly rate of $1,200. Kate Willis billed 81.7 hours at her hourly rate of $400. Bradford Smith billed 43.2 hours at his hourly rate of $400. Adam Lonner billed 15.6 hours at his hourly rate of $550. Laurel Holmes billed 1.2 hours at her hourly rate of $550. Paralegals billed 28.6 hours at $200 per hour. Finally, legal assistants billed 22.5 hours at $75 per hour. Cumulatively, this amounts to a total lodestar of $207,608.00 for Bibiyan Law Group, P.C.

3. PAGA Counsel's Hours are Reasonable

In determining whether the number of hours expended on the litigation was reasonable, the court must determine that "the time spent was reasonably necessary and that counsel made 'a good faith effort to exclude from the fee request hours that are excessive, redundant, or otherwise unnecessary." (*Jordan v. Multnomah County* (9th Cir. 1987) 815 F.2d 1258, 1263 fn. 8.) The court "should defer to the winning lawyer's professional judgment as to how much time he was required to spend on the case." (*Moreno v. City of Sacramento* (9th Cir. 2008) 534 F.3d 1106, 1112 [noting that "[l]awyers are not likely to spend unnecessary time on contingency fee cases in the hope of inflating their fees. The payoff is too uncertain, as to both the result and the amount of the fee."]. "Testimony of an attorney as to the number of hours worked on a particular case is sufficient evidence to support an award of attorney fees, even in the absence of detailed time records" (*Martino v. Denevi* (1986) 182 Cal.App.3d 553, 559, citations omitted; *see also Wershba,* 91 Cal.App.4th at 255 ["California permits fee awards in the absence of detailed time sheets"]; *Laffitte*, 1 Cal.5th at 505 [trial court properly exercised its discretion to perform the lodestar cross-check "using counsel declarations summarizing overall time spent rather than demanding and scrutinizing daily time sheets in which the work performed was broken down by individual task"].)

PAGA Counsel have spent over 321 hours litigating this Action to bring it to resolution, not including time which will be expended monitoring the administration of the settlement and distribution of funds to Aggrieved Employees. The efforts expended by PAGA Counsel to achieve this result include, but are not limited to, the following:

- The investigation of the matter, including meeting with Plaintiff, reviewing policies provided by Plaintiff, review of documents in Plaintiff's possession, review and analysis of Plaintiff's personnel file, and exploring Defendants' corporate structure to determine whether any other individuals or entities should be named in the litigation;
- Researching the dockets for other cases filed against Defendants, determining whether they named all allegedly culpable defendants and included all theories available;
- Compliance with prerequisites in connection with PAGA;
- Filing the complaints in the Class Action;
- Reviewing and analyzing Defendants' Answers to Plaintiff's Complaint;

- Review and analysis of the Court's Minute Orders, attention to scheduling and delegation of actions in light thereof, drafting and filing Case Management Statements and preparation for appearance at the Case Management Conferences;
- Meeting and conferring with counsel for Defendants, and drafting and filing Joint Reports in advance of the conferences and hearings held by the Court, and preparation and attendance of the same;
- Negotiating, drafting, and reviewing various Joint Stipulations counsel for Defendants, and a potential Joint Stipulation and Protective Order for the production of Confidential Materials;
- Meeting and conferring with defense counsel regarding mediation, performance of informal discovery beforehand, and negotiating with opposing counsel regarding the parameters thereof;
- Selecting a mediator and mediation date;
- Preparation of a mediation brief and damages model for use at mediation;
- Communicating with Plaintiff regarding updates on this matter to ensure he remained apprised of the events and happenings;
- Negotiating, finalizing and fully executing the Settlement Agreement; and
- Preparing the instant Motion for Settlement Approval.

PAGA Counsel also bear the risk of taking whatever actions are necessary if Defendant fails to pay. Thus, the Court should find that PAGA Counsel's hours were necessary and reasonable to achieve an excellent result. PAGA Counsel's hourly rates are in line with, and, in fact, modest, compared with the hourly rates of other counsel in similar actions.

The over 321 hours expended by the lawyers and staff members of Bibiyan Law Group, P.C. in connection with this Action is only a calculation of efforts made thus far; it does not include the time that will be spent preparing for and attending the approval hearing, reviewing the Settlement Administrator's final calculations, and subsequent coordination with the Settlement Administrator to ensure payments to Aggrieved Employees are timely distributed. Thus, PAGA Counsel request that the Court find that these hours are reasonable in this litigation.

The courts are quite liberal in the evidence required to prove an attorney's hours. Detailed time records are not required. An attorney's testimony alone may suffice. "Testimony of an attorney as to the number of hours worked on a particular case is sufficient evidence to support an award of attorney fees, even in the absence of detailed time records." (*Martino v. Denevi* (1986) 182 Cal.App.3d 553, 559.).

Reasonable hours include, in addition to time spent during litigation, the time spent before the action is filed, including time spent interviewing the clients, investigation of the facts and the law, and preparing the initial pleadings. (*New York Gaslight Club. Inc. v. Carey* (1980) 447 U.S. 54, 62. Further, the fee award should include fees incurred to establish and defend the attorney's fee claim. (*Serrano v. Priest* (1982) 32 Cal. 3d 621, 639.). Here, PAGA Counsel have established by declaration testimony the over 321 hours spent in this case, which suffices for evidentiary purposes.

Once the Court establishes the lodestar amount, it may enhance the fee award by a multiplier in order to make an appropriate fee award. (*Serrano*, 20 Cal.3d at 48). The pertinent factors include the difficulty of the questions involved and the skill in presenting them, the contingent nature of the fee award, the extent to which the litigation precluded other employment, and the percentage-of-the-fund the attorney would have received on the fair market. (*Id.*) However, this list is not exhaustive, and the Court can consider other factors it deems important in setting the multiplier. (*Id.*at 40.) A limitation in setting the multiplier is that the Court cannot duplicate factors already included in the lodestar. (*Ketchum v. Moses* (2001) 24 Cal. 4th 1122, 1139.).

Multipliers are commonly awarded in cases accepted on a contingent basis. (*Ketchum v. Moses* (2001) 24 Cal.4th 1122, 1133 [contingent risk multipliers applied to attract attorneys to cases of significant societal importance and "to compensate them for the risk of loss generally in contingency cases *as a class*."]; *Krumme v. Mercury Ins. Co.* (2004) 123 Cal.App.4th 924, 947 [contingency fee factor *alone* supported a multiplier].) Indeed, it is virtually impossible to bring a plaintiff's counsel's compensation "into line with incentives they have to undertake claims for which they are paid on a fee-for-services basis" unless a premium *(i.e.,* a multiplier) is provided. (*Ketchum,* 24 Cal.4th at 1132.) "Multipliers can range from two to four or even higher". (*Wershba v. Apple*

Computer, Inc. (2001) 91 Cal.App.4th 224, 254, disapproved on another ground in *Hernandez Restoration Hardware, Inc.* (2018) 4 Cal.5th 260, 273-74, fn. 4.).

PAGA Counsel have been representing Plaintiff for more than two years, while never receiving any compensation, and expending significant time and resources which could have been directed towards other cases. In agreeing to litigate this case on a contingent fee basis, PAGA Counsel assumed considerable risk given the uncertain outcome of PAGA actions, which was amplified in light of *Wesson*.

In applying the multiplier, *Newberg on Class Actions* states that "[m]ultipliers ranging from one to four frequently are awarded in common fund cases when the lodestar method is applied. A large common fund award may warrant an even larger multiplier." (*Id.*, Vol. 3, §14.03, pp. 14-5, Dec. 1992.). Here no multiplier is required as PAGA Counsel have incurred more in fees than is being requested.

a. *Plaintiff Would Have Been Entitled to a Multiplier Based on a Percentage of the Fund to Ensure that the Fee Awarded is Within the Range of Fees Freely Negotiated in the Legal Marketplace in Comparable Litigation*

Here, the multiplier sought would have been justified to compensate Class Counsel at a rate reflecting the risk of nonpayment in this matter, as PAGA Counsel's representation of Plaintiff was purely on a contingent basis. The risk of nonpayment in this Action was particularly acute, too. This is because litigating a wage-and-hour representative action through trial takes years and requires the investment of tens (if not hundreds) of thousands of dollars and thousands of hours of time. Attorneys willing to undertake this risk deserve a high rate of recovery.

Moreover, wage-and-hour laws are still developing, and change in the law always threaten to wipe out the plaintiff's attorney. In fact, numerous appellate decisions and decisions of both the California and United States Supreme Courts have attacked the validity of PAGA actions directly relevant to this case, including *Wesson*, which, as set forth herein, could have significantly affected its value. It is this contingent nature of these cases that justify an award when and if PAGA Counsel are able to obtain a settlement or verdict, because oftentimes no money is recovered in a case, including plaintiff's counsel's costs, let alone their time.

b. *The Quality of Representation, the Novelty, and Complexity of the Issues and Results Obtained*

PAGA Counsel used a high level of skill in addressing the difficult questions presented in this case, which involved the contested issues regarding: the compliance of various of Defendants' policies with the Labor Code, including whether all time worked was paid for; whether meal and/or rest breaks were given in compliance with the Labor Code; issues regarding the timeliness of pay, including whether all pay was received by termination or resignation; the sufficiency and accuracy of wage statements (including whether issues therewith, if any, were intentional or injurious); and various other issues. Proof of PAGA Counsel's skill in this area of law lies in the size of this Settlement and the recoveries of the State and Aggrieved Employees despite Defendants' contentions that Plaintiff' unpaid wages claims are speculative; Defendants' contention that its meal and rest period policies were compliant; and other hurdles encountered by PAGA Counsel that were traversed in reaching this Settlement pertaining to evolving case law regarding PAGA actions.

c. *This Litigation Precluded Other Employment by* PAGA *Counsel*

A practitioner can only properly litigate so many cases at one time. The requirements of this case were significant, requiring over 321 hours to be expended to date by PAGA Counsel, and another twenty-five (25) to fifty (50) hours conservatively expected to be expended in the future in connection with approval, settlement administration, answering questions of Aggrieved Employees, and updates to this Court regarding uncashed checks. PAGA Counsel were also most definitely precluded from other employment. This factor must also be considered.

4. PAGA Counsel's Hourly Rates are Reasonable

At the above requested hourly rates, this results in a total lodestar amount of $207,608.00. A reasonable hourly rate is the prevailing rate charged by attorneys of similar skill and experience in the relevant community. (*PLCM Group, Inc. v. Drexler* (2000) 22 Cal. 4th 1084, 1095.) The Court may consider other factors when determining a reasonable hourly rate, *e.g.*, the attorney's skill and experience, the nature of the work performed, the relevant area of expertise, and the attorney's customary billing rates. (*Flannery v. California Highway Patrol* (1998) 61 Cal. App. 4th 629, 632.)

One difficulty in determining the hourly rate of attorneys of similar skill and experience in the relevant community is the scarcity of hourly fee-paying clients in class action litigation. As a practical matter, few if any consumers pay attorneys' fees on an hourly basis for such extensive litigation, and thus retainer agreements in such cases are based on a contingency fee relationship. Although there is no customary billing rate, the nature of class action work should be strongly considered by the court. Courts have upheld rates as high as $450[5] per hour (in 1993) in employment matters. (*Bihun v. AT&T Information Systems. Inc.* (1993) 13 Cal. App. 4th 976, overruled on other grounds.)

A survey conducted by the National Law Journal for the year 2002 provides a sample of a billing rate for California Lawyers. In that survey, six California firms provided their hourly billing rates. Of those six firms, five regularly charge in excess of $500.00 per hour for their partners. In fact, four of the firms charge as high as $600.00, $620.00, $650.00, and up to $850.00 per hour. These firms are located in Orange County, Los Angeles County, San Francisco County and San Diego County and are the types of firms that PAGA Counsel regularly oppose in these class action cases. (*See* National Law Journal Survey, attached as Exhibit "4" to the Declaration of Bradford Smith). The only difference is that these defense attorneys are paid on a monthly basis and do not have to advance any costs on a case.

Finally, PAGA Counsel attach the Declaration of Richard Pearl in support of the Motion for Final Approval in the case of *Rosa Cantu, et al v. Pacific Bell Telephone Company*, Los Angeles Superior Court Case No. BC441237, dated January 4, 2011. (*See* Declaration of Richard Pearl attached as Exhibit "5" to the Declaration of Bradford Smith.) Mr. Pearl specializes in issues related to cost-award attorney's fees, including the representation of parties in fee litigation and appeals, serving as an expert witness, mediator and arbitrator in disputes concerning attorney's fees and related issues. Mr. Pearl is also the author of California Attorney's Fee Awards (3d ed. Cal. CEB 2010), as well as the author of the Second Edition, years 1994 through 2008. He has also authored numerous other publications on attorney's fees, as set forth in his Declaration.

[5] Adjusted for inflation, $450 in 1993 equals over $860 in 2022.

Mr. Pearl has reviewed the comparable hourly rates of attorney fees in California. He confirms that courts have approved hourly rates of attorneys as follows:

- Rates of up to $875.00 in *Savaglio, et al. v. Wal-Mart*, Alameda County Superior Court, Case No. C-835687-7 (before applying a 2.36 multiplier);
- Rates of up to $750.00 in *Kashmiri et al. v. Regents of UC*, San Francisco County Superior Court (before applying a 3.7 multiplier); and
- Rates of up to $750.00 in *Environmental Law Foundation v. Laidlaw Transit, Inc.*, San Francisco Superior Court, Case No. CGC-06-451832 (before applying a 1.25 multiplier). *Id* at pages 4 and 5.

Additionally, Mr. Pearl has reviewed numerous declarations, depositions, and surveys of legal rates on a non-contingent basis for the year 2009 and found hourly rates of up to $775.00, $795.00, $800.00, $855.00, $950.00, etc. (*Id.* at pp. 6-12). These are non-contingent rates where payment in full is expected promptly upon billing. (*Id.* at p. 13).

PAGA Counsel are experienced litigators which specialize in employment law, with a substantial PAGA and wage and hour class action practice. Moreover, similar rates for the attorneys and staff of PAGA Counsel have been approved by various California Superior Courts. Given the skill and experience of PAGA Counsel in this case, and the excellent result achieved for the State and other Aggrieved Employees, the requested rates are reasonable.

5. PAGA Counsel's Litigation Expenses are Reasonable

The Settlement provides for reimbursement of PAGA Counsel's reasonable litigation costs in an amount up to $30,000.00. PAGA Counsel request only $16,600.58 in total for costs incurred. Because these costs are reasonable, PAGA Counsel request that the Court approve those costs.

6. The Settlement Administrator Expenses are Reasonable

The Settlement Administrator's request for costs of up to $6,990.00 is reasonable, given the tasks to be performed by the Settlement Administrator, including but not limited to (a) processing the data provided by Defendants to be used in calculating the Aggrieved Employees' payments; (b) preparing, printing and mailing to the 519 Aggrieved Employees the PAGA Payment Letter, as well as following up with reasonable skip tracing; (c) calculating and mailing Aggrieved Employees' payments to Aggrieved Employees; (d) filing any required federal and state tax forms and related agency reporting; (e) filing any required reports with the Court; (f) establishing a settlement fund; (g) distributing the Gross Settlement Amount; (h) voiding uncashed or undeliverable checks to issue those funds to the California Controller's Office; (i) providing necessary reports and declaration; and (j) all other tasks described in the Settlement Agreement, as to which the Parties mutually agree. The Settlement Administrator's costs should be approved.

V. CONCLUSION

For the foregoing reasons, Plaintiff respectfully request that the Court approve the PAGA Settlement Agreement in its entirety.

Dated: November 5, 2025

BIBIYAN LAW GROUP, P.C.

By: Bradford Smith

BRADFORD SMITH
Attorneys for Plaintiff, ROSARIO LOPEZ, as an aggrieved employee, and on behalf of all other aggrieved employees