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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO

BARRY VINCENT ADAMS, on behalf of himself and others similarly situated, Plaintiff, v. 376 5TH LLC dba HUNTRESS STEAK & WHISKEY SOCIETY, a California limited liability company; RMD GROUP, LLC, a California limited liability company; and DOES 1 through 50, inclusive, Defendants.	Case No. 37-2024-00014140-CU-OE-CTL Assigned for All Purposes To: Hon. Matthew C. Braner Dept.: C-60 **NOTICE OF MOTION AND PLAINTIFF'S MOTION FOR APPROVAL OF PAGA SETTLEMENT AGREEMENT; MEMORANDUM OF POINTS AND AUTHORITIES** *[filed concurrently with Declarations of Enoch J. Kim and Kimberly Sutherland; and [Proposed] Order]* Date: November 20, 2026 Time: 9:00 a.m. Department: C-60 Complaint Filed: March 26, 2024 First Amended Complaint Filed: May 30, 2024 Trial Date: None Set

TO THE COURT AND DEFENDANTS AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on November 20, 2026, at 9:00 a.m., or as soon thereafter as the matter may be heard in Department C-60 at the Superior Court for the County of San Diego located at 330 West Broadway, San Diego, CA 92101, Plaintiff Barry Vincent Adams ("Plaintiff"), on behalf of himself and other similarly situated employees of 376 5th LLC and RMD Group, LLC ("Defendants") ("Plaintiff and Defendants collectively referred to herein as "the Parties") will and hereby does move this Court for entry of an order: (1) approving the representative action settlement embodied in the Parties' PAGA Settlement Agreement ("Settlement Agreement" or "Settlement"); (2) approving PAGA Counsel's application for attorney's fees and litigation costs and costs for the Administrator; and (3) entering judgment approving the Settlement Agreement (the "Motion").

The grounds for this Motion, as set forth in the attached Memorandum of Points and Authorities and supporting Declarations, are that this is a fair and reasonable settlement that benefits the Aggrieved Employees and was the product of informed, non-collusive negotiations by the parties who were represented by experienced and able counsel. *See Wershba v. Apple Computer, Inc.*, 91 Cal. App 4th 224, 244-45 (1996); *Dunk v. Ford Motor Co.*, 48 Cal. App. 4th 1794, 1802 (1996); Manual for Complex Litigation, (Second), § 30.44 (1985).

Defendants do not oppose this Motion. Plaintiff bases this Motion on this Notice and the accompanying Memorandum of Points and Authorities, the Declarations of Enoch J. Kim and Kimberly Sutherland, the complete pleadings, records, and files in the case, and such other further oral and documentary evidence which may be submitted at or before the hearing on this Motion.

DATED: October 26, 2026

D.LAW, INC.

By: _____

Enoch J. Kim
Arianna N. Razi
Attorneys for Plaintiff Barry Vincent Adams
on behalf of himself and Aggrieved Employees

TABLE OF CONTENTS

I. INTRODUCTION 1

II. RELEVANT BACKGROUND AND PROCEDURAL HISTORY 1

A. Litigation Overview and Procedural History 1

B. Mediation and Settlement 2

III. PAGA ACTIONS AND THE REQUIREMENTS 3

A. The PAGA Statutory Scheme 3

B. The Court Has Discretion When Awarding the Amount of Penalties. 4

C. PAGA Authorizes the Payment of PAGA Counsel's Fees and Costs 5

IV. THE SETTLEMENT 5

V. ARGUMENT 6

A. The Court Should Approve the Settlement Agreement. 6

B. The Risks of Moving Forward with Plaintiff's PAGA Claim 6

C. Trial of Plaintiff's PAGA Claims Would Have Presented Many Hurdles. 7

D. The Court May Have Exercised Its Discretion to Reduce Civil Penalties. 7

VI. THE REQUEST FOR ATTORNEYS' FEES AND COSTS 8

A. The Court Should Approve the Requested Attorneys' Fees and Costs 8

1) PAGA Counsel Are Entitled to Fees from the Civil Penalties Recovered 8

2) The Attorneys' Fees Request Is Within the Range of Reasonable Fees 10

3) PAGA Counsel's Fee Request Is Reasonable Under the Lodestar Crosscheck. 10

4) The Court Should Approve the Reimbursement of PAGA Counsel's Costs. 12

VII. THE COURT SHOULD APPROVE THE COSTS OF ADMINISTRATION AND NOTICE 12

VIII. CONCLUSION 13

TABLE OF AUTHORITIES

Amalgamated Transit Union, Local 1756, AFL-CIO v. Superior Court (2009) 46 Cal.4th 993 4

Amaral v. Cintas Corp. No. 2 (2008) 163 Cal.App.4th 1157 ..... 5, 8

Arias v. Super. Ct. (2009) 46 Cal.4th 969..... 4, 5, 6

Brown v. Ralphs Grocery Co. (2011) 197 Cal. App. 4th 489..... 4

Dunk v. Ford Motor Co. (1996) 48 Cal. App. 4th 1794 9

Folsom v. Butte County Ass'n of Gov'ts (1982) 32 Cal. 3d 668..... 5

Iskanian v. CLS Transp. Los Angeles, LLC (2014) 59 Cal.4th 348..... 4, 8

Ketchum v. Moses (2001) 24 Cal.4th 1122..... 11

Laffitte v. Robert Half Intern. Inc. (2016) 205 Cal.Rptr.3d 555..... 9

Lealao v. Beneficial Calif., Inc. (2000) 82 Cal. App. 4th 19 10

Medina v. Vander Poel (E.D. Cal. 2015) 523 B.R. 820..... 4

Montano v. The Wet Seal Retail, Inc. (2015) 232 Cal. App. 4th 1214 4

Moreno v. Autozone, Inc. (N.D. Cal. June 5, 2007) No. C05-04432 MJJ, 2007 WL 1650942 8

Reyes v. Macy's, Inc. (2011) 202 Cal. App. 4th 1119 4

Santisas v. Goodin (1998) 17 Cal.4th 599 5

Securitas Sec. Servs. USA, Inc. v. Sup. Ct. of San Diego Cnty. (2015) 234 Cal. App. 4th 1109.... 4

Serrano v. Priest (1977) 20 Cal.3d 25 ..... 10, 11

Thayer v. Wells Fargo Bank (2001) 92 Cal. App. 4th 819 11

Thurman v. Bayshore (2012) 203 Cal. App. 4th 1112..... 8

Wershba v. Apple Computer, Inc. (2001) 91 Cal. App. 4th 224..... 9

STATUTES

Code of Civil Procedure § 1021.5..... 5

Labor Code § 2698, *et seq* 1, 2
Labor Code § 2699(a) 4, 9
Labor Code § 2699(e)(2) 5
Labor Code § 2699(f)(2) 5
Labor Code § 2699(g)(1) 5, 9
Labor Code § 2699(*l*) 6
Labor Code § 2699(*l*)(2) 1

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Through this Motion, Plaintiff Barry Vincent Adams ("Plaintiff") requests that the Court grant approval of the Parties' PAGA Settlement Agreement ("Settlement" or "Settlement Agreement")[1] reached between Plaintiff and Defendants 376 5th LLC and RMD Group, LLC ("Defendants") ("Plaintiff and Defendants collectively referred to herein as "the Parties") to resolve claims brought exclusively under the Private Attorneys General Act of 2004, Labor Code § 2698, *et seq*. ("PAGA") seeking civil penalties for various violations of the California Labor Code and Industrial Wage Commission's Wage Orders. Pursuant to the Settlement, Defendants will pay a gross settlement amount of **$220,000.00** ("Gross Settlement Amount" or "GSA"). (Declaration of Enoch J. Kim ("Kim Decl."), ¶ 15, Exhibit 1, ¶ 1.12.)

For purposes of the Settlement, the group of aggrieved employees included in the Settlement is defined as: "all individuals who worked for RMD Group, LLC and/or 376 5th LLC as non-exempt employees in California at any time from March 26, 2023, through January 11, 2026" ("Aggrieved Employees"). (Kim Decl., ¶ 14, Exhibit 1, ¶¶ 1.4, 1.21.)

As further explained below, Plaintiff and his counsel ("PAGA Counsel") believe that the Settlement is fair, reasonable, and in the best interests of the State and the Aggrieved Employees. Accordingly, Plaintiff requests that the Court "review and approve" the Settlement pursuant to Labor Code § 2699(*l*)(2). If the Court deems the Settlement fair and acceptable, Plaintiff requests that the Court enter an order approving the Settlement in the form lodged herewith ordering the Parties and Administrator to carry out the terms of the Settlement Agreement and enter a Final Judgment thereon.[2]

II. RELEVANT BACKGROUND AND PROCEDURAL HISTORY

A. Litigation Overview and Procedural History

Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to

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[1] Defendants have not yet executed the Settlement Agreement. Plaintiff will submit the fully executed Settlement Agreement upon receipt of Defendants' signatures.

[2] Plaintiff has submitted the Settlement Agreement and this Motion to the LWDA by uploading it on the LWDA's website concurrently with the filing of this Motion as required by Labor Code § 2699(*l*)(2). (Kim Decl., ¶ 59, Exhibit 6.)

Defendants and the Labor and Workforce Development Agency ("LWDA") by sending his PAGA Notice on March 26, 2024 (LWDA-CM-1018779-24). (Kim Decl., ¶ 4.) The LWDA did not respond to the PAGA Notice and did not notify Plaintiff that it intended to investigate Plaintiff's allegations. (*Id*.)

On March 26, 2024, Plaintiff filed a class action complaint in the San Diego County Superior Court against Defendants alleging claims under the California Labor Code for (1) Failure to Pay Minimum Wages; (2) Failure to Pay Wages and Overtime Under Labor Code § 510; (3) Recovery of Reporting Time Pay; (4) Meal-Period Liability Under Labor Code § 226.7; (5) Rest-Break Liability Under Labor Code § 226.7; (6) Failure to Pay Vacation Wages; (7) Failure to Comply With Labor Code §§ 245 *et seq*. and 246; (8) Reimbursement of Necessary Expenditures Under Labor Code § 2802; (9) Violation of Labor Code § 226(a); (10) Failure to Keep Required Payroll Records Under Labor Code §§ 1174 and 1174.5; (11) Failure to Pay Wages Due, Negotiable, and Payable in Cash on Demand Under Labor Code §§ 212 and 225.5; (12) Penalties Pursuant to Labor Code § 203; and (13) Violation of Business & Professions Code § 17200 *et seq*. (the "Action"). (*Id*. at ¶ 5.)

On May 30, 2024, 65 days after Plaintiff's submission of the PAGA Notice, Plaintiff filed a First Amended Class Action Complaint, alleging a fourteenth cause of action for Penalties Pursuant to Labor Code § 2699, *et seq*. ("Operative Complaint"). (*Id*. at ¶ 6.)

On September 17, 2024, Plaintiff filed a Request for Dismissal of Class Allegations Without Prejudice pursuant to Rule 3.770 of the California Rules of Court, pursuant to an arbitration agreement Plaintiff signed while employed with Defendants which contained a class action waiver, which the Court granted on September 26, 2024. (*Id*. at ¶ 7.)

After initiating the Action, the Parties met and conferred about the claims and issues in this case, including the existence of an arbitration agreement with a class action waiver between the Parties, and agreed to explore resolution of this case through mediation with a highly respected mediator. (*Id*. at ¶ 9.)

B. Mediation and Settlement

Prior to mediation, Defendants provided data, numbers, and documents, including a company handbook entitled "Staff Handbook & Onboarding Documents 2023," Plaintiff's signed meal break

waiver, a sampling of Aggrieved Employees' timekeeping and payroll data, information and documentation regarding Defendants' wage and hour policies, Plaintiff's wage statements and personnel file, meal period and rest period information, and an Arbitration Policy and Agreement signed by Plaintiff. (Kim Decl., ¶ 9.) Defendants also provided information relating to the number of Aggrieved Employees and PAGA Pay Periods. (*Id*.) The information and data exchanged by Plaintiff and Defendants prior to and during mediation and settlement negotiations were sufficient to reliably assess the merits of the Parties' respective positions, to compromise the issues on a fair and equitable basis, and to devise a formula for distribution of civil penalties among the Aggrieved Employees that took into consideration the strength of the PAGA claims. (*Id*. at ¶ 10.)

With the assistance of a highly respected wage and hour mediator, the Parties agreed to the general terms for settling this Action and worked together to finalize and execute the long-form PAGA Settlement Agreement. (Kim Decl., ¶ 12.) The Parties believe and agree that the PAGA Settlement provides for a fair, adequate, and reasonable resolution of the Action and have arrived at the Settlement after extensive, arm's length negotiations, considering all relevant factors, present and potential. (Kim Decl., ¶ 13.) PAGA Counsel believes that the Settlement confers real benefits upon the State and Aggrieved Employees and that an independent review of the Settlement by the Court in the approval process will confirm this conclusion. (*Id*.)

III. PAGA ACTIONS AND THE REQUIREMENTS

A. The PAGA Statutory Scheme

PAGA creates a means of "deputizing" citizens as private attorney generals to enforce the Labor Code on behalf of the LWDA. *Brown v. Ralphs Grocery Co*. (2011) 197 Cal. App. 4th 489, 501, *review den.* (Oct. 19, 2011, No. S19"850), *cert. denied* 132 S.Ct. 1910 (Apr. 16, 2012). A plaintiff may not — and Plaintiff here does not — bring a PAGA claim simply on his or her own behalf as an individual claim, but "as the proxy or agent of the state's labor law enforcement agencies." *Id*., at 986; *see also Reyes v. Macy's, Inc*. (2011) 202 Cal. App. 4th 1119, 1123-1124; *Iskanian v. CLS Transp. Los Angeles, LLC* (2014) 59 Cal.4th 348, 380. When an aggrieved employee brings a PAGA claim, "the government is always the real party in interest." *Securitas Sec. Servs. USA, Inc. v. Sup. Ct. of San Diego Cnty*. (2015) 234 Cal. App. 4th 1109, 1119; *Montano v. The Wet*

Seal Retail, Inc. (2015) 232 Cal. App. 4th 1214, 1222 ("[A] PAGA action is a dispute between an employer and the State agency."). Accordingly, a plaintiff that brings a PAGA claim represents "the same legal right and interest as state labor law enforcement agencies," in that the plaintiff seeks to recover those civil penalties that the LWDA otherwise would assess and collect. *Arias v. Super. Ct*. (2009) 46 Cal.4th 969, 986; Labor Code § 2699(a) & (f); *Securitas, supra*, 234 Cal. App. 4th at 1119; *see also Medina v. Vander Poel* (E.D. Cal. 2015) 523 B.R. 820, 825 (holding "PAGA plaintiffs do not have property rights in their cases."), and *Amalgamated Transit Union, Local 1756, AFL-CIO v. Superior Court* (2009) 46 Cal.4th 993, 1003.

Therefore, when a plaintiff brings a PAGA claim, he or she is properly viewed as a private attorney general prosecuting violations of California's labor laws on behalf of the state. An employee may commence a PAGA action by fulfilling the requirements of California Labor Code § 2699.3(a)(1), which simply states: "The aggrieved employee or representative shall give written notice by certified mail to the Labor and Workforce Development Agency and the employer of the specific provisions of this code alleged to have been violated, including the facts and theories to support the alleged violation." Labor Code § 2699.3(a)(1). As explained above, Plaintiff complied with the notice requirements and properly pled a PAGA claim. (Kim Decl. ¶ 4.)

B. The Court Has Discretion When Awarding the Amount of Penalties.

PAGA provides for default penalties in the amount of $100 for each violation per aggrieved employee per pay period for the initial violation and $200 for each violation per aggrieved employee per pay period for each subsequent violation, and penalties in the amount of $50 for each pay period for the initial violation and $100 for each pay period for each subsequent violation for claims brought under Labor Code § 558 and the Wage Orders. Labor Code § 2699(f)(2). "PAGA penalties...are mandatory, not discretionary" and must be awarded upon a showing that defendants violated the Labor Code. *Amaral v. Cintas Corp. No. 2* (2008) 163 Cal.App.4th 1157, 1213. However, PAGA provides the Court with discretion when it finds liability and awards these penalties as part of a judgment. Labor Code § 2699(e)(2) states that "a court may award a lesser amount than the maximum civil penalty amount specified by this part if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or

confiscatory."

C. PAGA Authorizes the Payment of PAGA Counsel's Fees and Costs

The Private Attorneys General Act provides for the recovery of reasonable attorneys' fees and costs. Labor Code § 2699(g)(1) ("Any employee who prevails in any action shall be entitled to an award of reasonable attorney's fees and costs, including any filing fee paid…"). The monetary settlement and programmatic relief make Plaintiff a "prevailing party." *Folsom v. Butte County Ass'n of Gov'ts* (1982) 32 Cal. 3d 668,671; *Santisas v. Goodin* (1998) 17 Cal.4th 599, 621. Even if Labor Code § 2699(g)(1) did not authorize fees, Plaintiff would be entitled to fees as a Private Attorney General under Code of Civil Procedure § 1021.5 because Plaintiff brought this action to, and the action does, benefit the public. *Arias,* 46 Cal.4th at 985–986.

IV. THE SETTLEMENT

Pursuant to the Settlement Agreement, Defendants will pay the Gross Settlement Amount of $220,000.00 on a non-reversionary basis. (Kim Decl., ¶ 15, Exhibit 1, ¶ 1.12.) Defendants shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than fourteen (14) days after the Effective Date, which is the date the Court enters a Judgment on its Order approving the PAGA Settlement. (Kim Decl., ¶ 15, Exhibit 1, ¶¶ 1.11, 4.2.)

Pending Court approval, the Gross Settlement Amount will be allocated as follows: (1) attorneys' fees in the amount of 35% of the Gross Settlement Amount, which is **$77,000.00** ("PAGA Counsel Fees Award"); (2) actual litigation costs incurred in this matter in the amount of **$18,172.42** ("PAGA Counsel Costs Award"); and (3) settlement administration costs of up to **$5,350.00** to be paid to the Administrator, Apex Class Action, LLC ("Apex"), for sending notices and for calculating settlement shares and preparing all checks and mailings ("Administration Expenses Payment"). (Kim Decl., ¶ 15, Exhibit 1, ¶¶ 3.2.1-3.2.2.) The remaining settlement amount of **$119,477.58** ("Net Settlement Amount") shall be allocated between the LWDA and the Aggrieved Employees pursuant to Labor Code section 2699(i), with 75% ($89,608.19) allocated to the LWDA ("LWDA PAGA Payment") and 25% ($29,869.39) allocated to the Aggrieved Employees on a pro-rata basis ("Individual PAGA Payments"). (Kim Decl., ¶ 15, Exhibit 1, ¶ 3.2.3.)

The Individual PAGA Payments will be calculated according to the number of PAGA Pay

Periods the Aggrieved Employee worked for Defendants in California during the PAGA Period. (Kim Decl., ¶ 15, Exhibit 1, ¶ 3.2.3.1.) Defendants estimate that there were approximately 325 Aggrieved Employees who worked approximately 8,043 PAGA Pay Periods between March 26, 2023 and December 12, 2025. (Kim Decl., ¶ 14, Exhibit 1, ¶ 8.) If the actual number of PAGA Pay Periods during the PAGA Period exceeds the above pay period estimate by more than 10% (i.e., if the total number of PAGA Pay Periods exceed 8,847 during the PAGA Period), Defendants will have the option to either: (1) end the PAGA Period on a date the number of PAGA Pay Periods does not exceed 8,847, or (2) elect to have the Gross Settlement Amount increase proportionately for each additional pay period over 10% more than 8,043 (e.g., if there is an 11% increase in the number of pay periods during the PAGA Period, Defendants would agree to increase the Gross Settlement Amount by 1%). (*Id.*)

Based on this information, and using a straight average, Plaintiff estimates that each Aggrieved Employee will receive a payment of approximately $91.91 ($29,869.39 divided by 325 Aggrieved Employees). (*Id.*)

V. ARGUMENT

A. The Court Should Approve the Settlement Agreement.

Pursuant to Labor Code § 2699(*l*), the parties must obtain Court approval of a settlement of a PAGA action on a representative basis. However, as explained in *Arias v. Superior Ct.* (2009) 46 Cal.4th 969, the parties need not follow the class action procedural rules in PAGA cases and therefore need not obtain approval of the PAGA settlement through a motion for preliminary or final approval. Nonetheless, to comply with the requirements of Labor Code section 2699, Plaintiff submits this Motion and the Settlement Agreement for Court approval.

B. The Risks of Moving Forward with Plaintiff's PAGA Claim

To help the Court evaluate the fairness of the Settlement, below is a discussion of the risk evaluation made by Plaintiff and PAGA Counsel. Plaintiff and PAGA Counsel considered the arguments and defenses asserted by Defendants at mediation and assessed the risks of moving forward to trial and what this Court could do in awarding penalties even if Plaintiff prevailed at trial.

Plaintiff estimated that the maximum potential exposure on the PAGA claim is $804,300.00,

calculated by multiplying the total number of PAGA Pay Periods (8,043) by $100 per violation. (Kim Decl., ¶ 20.) Plaintiff's calculation of the total potential exposure on the PAGA claim was based on one PAGA penalty per PAGA Pay Period (i.e., Plaintiff did not stack the PAGA penalties in their damages calculation). (*Id*.) Case law supports the notion that it is inappropriate to "stack" penalties for multiple violations, particularly when those violations all stem from the same alleged "injury." (*Id*. at ¶ 21.)

C. Trial of Plaintiff's PAGA Claims Would Have Presented Many Hurdles.

Defendants denied and continue to deny all of the claims made by Plaintiff in this Action and contend that they acted at all relevant times in conformance with the law. (*Id*. at ¶ 18.) Defendants contend that Plaintiff and Aggrieved Employees were required to report all hours worked and were paid for all hours worked, and that Defendants paid all wages at the proper rates; that Defendants provided Plaintiff and Aggrieved Employees with the reasonable opportunity to take compliant meal periods and rest breaks and that any deviations were at the voluntary election of Plaintiff and Aggrieved Employees; that Defendants paid meal premiums for any non-compliant meal periods; that Defendants paid all wages due on a timely basis and using Labor Code compliant instruments; that any unreimbursed business expenses were not necessary expenditures as required by Labor Code section 2802; and that Defendants' wage statements complied with the law. (*Id*.) As a result, PAGA Counsel had to appropriately discount the amount recoverable from Defendants in a settlement. (*Id*.)

D. The Court May Have Exercised Its Discretion to Reduce Civil Penalties.

"PAGA penalties…are mandatory, not discretionary" and the Court must award penalties upon a showing that Defendants violated the Labor Code. *Amaral v. Cintas Corp. No. 2* (2008) 163 Cal. App. 4th 1157, 1213; *Moreno v. Autozone, Inc*. (N.D. Cal. June 5, 2007) No. C05-04432 MJJ, 2007 WL 1650942, at *3. However, PAGA does provide the Court with discretion when it awards these penalties. Labor Code § 2699€(2) states that "a court may award a lesser amount than the maximum civil penalty amount specified by this part if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." (*See also Thurman v. Bayshore* (2012) 203 Cal. App. 4th 1112 *(*reducing PAGA penalties by 30% under this provision).

In departing from the $100/pay period calculation to arrive at the $220,000.00 Gross Settlement Amount in this case, Plaintiff considered what the realistic potential exposure could be and why the Court may reduce any eventual recovery at its discretion, including Defendants' defenses to the claims and the potential manageability issues with PAGA claims at trial. (Kim Decl., ¶ 22.) Based on those considerations, Plaintiff applied a conservative discount of 70% to the maximum potential exposure (which equates to $30 penalty per pay period) to get a realistic potential exposure of $241,290.00 (8,043 pay periods x $30 penalty per pay period). (*Id.*)

The Gross Settlement Amount of $220,000.00 is 91% of the realistic potential exposure of $241,290.00. (*Id*. at ¶ 23.) PAGA Counsel submits that this is an excellent result for the State and Aggrieved Employees in light of the strengths and weaknesses of the case and the risks and delays posed by further litigation. (*Id*.)

VI. THE REQUEST FOR ATTORNEYS' FEES AND COSTS

A. The Court Should Approve the Requested Attorneys' Fees and Costs

PAGA Counsel is requesting a PAGA Counsel Fees Award in the amount of **$77,000.00** and a PAGA Counsel Costs Award of **$18,172.42** for litigation costs incurred, which is less than the allocated amount of $22,500.00 in the Settlement Agreement. (Kim Decl., ¶ 24.)

Prior to the enactment of PAGA, when the State had the resources to seek civil penalties on behalf of the public, it paid its employees (including their attorneys) their salaries and benefits for pursuing such penalties. The Legislature enacted PAGA because the Labor Commissioner and other agencies were hampered in their enforcement of civil penalties by inadequate funding and staffing constraints. *Iskanian*, *supra*, 59 Cal.4th at 379. To facilitate broader enforcement, the Legislature enacted PAGA, authorizing "aggrieved employees" to pursue civil penalties on the state's behalf. Labor Code § 2699(a). In creating PAGA, the Legislature expressly provided that the private counsel retained by the Plaintiff to represent the public's interest can recover fees if the Plaintiff is the prevailing party. Labor Code § 2699(g)(1).

1) PAGA Counsel Are Entitled to Fees from the Civil Penalties Recovered

As previously indicated, this is *not* a class action. However, like a class action, it is a representative action where instead of a class, the Plaintiff represents the State and the public. As a

matter of law and substance, counsel's client is the public at large and the State of California. The Plaintiff is simply a "proxy" for the State. On August 11, 2016, the California Supreme Court decided *Laffitte v. Robert Half International*, which addressed, in a class action context, the correct methodology for awarding fees in a representative action settlement. *Laffitte v. Robert Half Intern. Inc*. (2016) 205 Cal.Rptr.3d 555, 573. The *Laffitte* Court approved awarding fees as a percentage of the settlement fund.:

> We join the overwhelming majority of federal and state courts in holding that when class action litigation establishes a monetary fund for the benefit of the class members, and the trial court in its equitable powers awards Class Counsel a fee out of that fund, the court may determine the amount of a reasonable fee by choosing an appropriate percentage of the fund created.

Id. at p. 573. Here, the $220,000.00 common fund created for the benefit of the public is, with Plaintiff as a proxy for the State, not unlike the fund created in class action settlements, with the public the equivalent of the class referenced in *Laffitte*.

The Court, in *Laffitte,* pointed out several reasons why the percentage-of-the-fund method is preferred over the alternative lodestar-multiplier approach in California courts:

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

Id. at 573.

An award of 35% of the civil penalties realized in the Settlement is appropriate here under the "substantial benefit" theory. *Dunk v. Ford Motor Co*. (1996) 48 Cal. App. 4th 1794, 1810; *Wershba v. Apple Computer, Inc.* (2001) 91 Cal. App. 4th 224, 254. That theory permits a litigant who has sued in a representative capacity to recover fees from the beneficiaries of that representation. Courts exercise their inherent equitable powers to assess attorneys' fees against the entire fund, thereby spreading the cost of those fees among the public who benefits from PAGA actions. *Serrano v. Priest* (1977) 20 Cal.3d 25, 35 (*Serrano III).* As this approach "better approximates the workings of the marketplace than the lodestar approach," there is "a greater judicial willingness to evaluate a fee

award as a percentage of the recovery." *Lealao v. Beneficial Calif., Inc*. (2000) 82 Cal. App. 4th 19, 31, 48.

2) The Attorneys' Fees Request Is Within the Range of Reasonable Fees

PAGA Counsel at D.Law, Inc. are experienced employment attorneys with expertise in wage and hour class and representative actions. (Kim Decl., ¶¶ 38-54). Throughout this case, PAGA Counsel have borne, and continue to bear, the entire risk and cost of litigation associated with this Action on a purely contingency basis. (Kim Decl., ¶ 26.) As a result, PAGA Counsel have yet to receive any compensation for the amount of time and money invested in the case to date. (*Id*.) Moreover, courts in this county and others have approved attorneys' fees awards in other PAGA settlements on a common fund basis at higher percentages than the 35% Plaintiff is requesting here. (Kim Decl., ¶ 29.)

For these reasons, PAGA Counsel's requested fee of 35% of the Gross Settlement Amount is well within the range of reasonableness and is fair compensation for undertaking this complex and risky litigation on a contingent basis.

3) PAGA Counsel's Fee Request Is Reasonable Under the Lodestar Crosscheck.

PAGA Counsel's fee request is reasonable when calculated using the lodestar method. Under the lodestar method, a base fee amount is calculated from a compilation of time reasonably spent on the case and the reasonable hourly compensation of the attorney. *Serrano v. Priest* (1977) 20 Cal.3d 25, 48. The court then may enhance this lodestar figure by a "multiplier" to account for a range of factors, such as the novelty and difficulty of the case, its contingent nature, and the degree of success achieved. *Id*. at 49; *see also Ketchum v. Moses* (2001) 24 Cal.4th 1122, 1132-36; *Thayer v. Wells Fargo Bank* (2001) 92 Cal. App. 4th 819, 834, ("[t]here is no…rule limiting the factors that may justify an exercise of judicial discretion to [adjust the] lodestar").

Throughout this case, PAGA Counsel have borne, and continue to bear, the entire risk and cost of litigation associated with this Action on a purely contingency basis. (Kim Decl., ¶ 26.) As a result, PAGA Counsel have yet to receive any compensation for the amount of time and money invested in the case to date. (*Id*.)

Contingent-fee cases present the very real risk of working hundreds if not thousands of hours

that may never be entirely compensated. (Kim Decl., ¶ 27.) Moreover, while the case is being litigated, counsel must pay overhead (salaries, rent, etc.), provide for their own expenses, and in most cases pay the out-of-pocket expenses incurred on the plaintiff's behalf. (*Id*.) And the prospect of a court-awarded fee does not greatly reduce the risk posed by these cases. (*Id*.) In many cases, the prospect is nothing more than a potential that never materializes. (*Id*.) First, you must win the case to get a court-awarded fee; even those cases that seem strongest at the onset can be lost and sometimes are lost. (*Id*.) Second, there are always pitfalls and unforeseen obstacles that arise along the way, such as settlement offers that the client may accept without ensuring that we receive a reasonable fee or changes in the law that substantially affect the merits of the case, or other uncertainties involving the client. (*Id*.) Finally, there is the great risk inherent in advancing tens if not hundreds of thousands of dollars in out-of-pocket expenses. (*Id*.) If that money were to be invested in some sort of financial investment, one would expect a reasonable rate of return on that investment. (*Id*.) Here, however, the best we can hope to recover is our money, and then only if we are substantially successful; if we are not, all or part of this "investment" can be lost. (*Id*.)

PAGA Counsel is well acquainted with the contingent fee market throughout California, particularly as it pertains to PAGA and class action litigation. (Kim Decl., ¶ 28.) PAGA Counsel has negotiated numerous contingency-fee agreements with plaintiffs, both as individuals and as representatives in class-action and PAGA suits. (*Id*.) Many of those agreements required that counsel receive a fee under certain scenarios that exceed 35% of the recovery. (*Id*.) Plaintiff here signed a retainer agreement indicating that PAGA Counsel could receive a fee under certain scenarios that exceed 35% of the recovery, as much as 40%. (*Id*.) PAGA Counsel's recent attorneys' fees awards in similar wage-and-hour class and PAGA actions have been 35% of the recovery. (*Id*.)

Moreover, PAGA Counsel spent substantial time on this matter. (Kim Decl., ¶ 33.) Aside from drafting the initial complaint, PAGA Counsel conducted informal discovery, reviewed and analyzed time and pay records, an employment handbook, Plaintiff's personnel file, relevant policies, and other documentation, researched the applicable law and potential defenses, constructed damage models based on interpretations of California law, reviewed information provided by Defendants at the mediation, engaged in meet and confer efforts with Defendants, drafted and revised the Settlement

Agreement, and drafted this Motion. (*Id*.)

PAGA Counsel collectively worked at least **89.3** hours on this matter and calculated the base lodestar using rates reflecting those currently earned in the marketplace. (Kim Decl., ¶¶ 33-35.) Multiplying the total hours billed by PAGA Counsel to the litigation by their reasonable hourly rates yields a lodestar of $70,424.20. (Kim Decl., ¶ 37.) Class Multipliers routinely range from 3 to 5, and it is not uncommon that multipliers of between 5 and 10, or higher, are applied. *See, e.g., Wilson v. Bank of Am. Natl. Trust & Savs. Assn.*, No. 643872 (Cal. Sup. Ct., Aug. 16, 1982) (multiplier of 10); *Glendora Comm. Redev. Agency v. Demeter* (1984) 155 Cal.App.3d 456, 465 (affirming multiplier of 12 and expressly rejecting the argument that fee was either exorbitant or unconscionable). (*Id.*) The multiplier in this case of 1.09 is clearly within the reasonable range approved in lodestar crosschecks. (*Id.*) As such, PAGA Counsel respectfully request the Court grant their request for $77,000.00 in attorneys' fees.

4) The Court Should Approve the Reimbursement of PAGA Counsel's Costs.

The litigation expenses incurred by PAGA Counsel in this Action are also to be reimbursed under the Settlement Agreement. (Kim Decl., ¶ 24, Exhibit 1, ¶ 3.2.2.) PAGA Counsel incurred $18,172.42 in expenses in litigating this Action. (Kim Decl., ¶ 24.) The lion's share of these costs were incurred in connection with mediation, and the others listed were all reasonably incurred and necessary to the prosecution of this Action. (*Id*.) Thus, PAGA Counsel respectfully request the Court approve their request for reimbursement in the amount of $18,172.42.

VII. THE COURT SHOULD APPROVE THE COSTS OF ADMINISTRATION AND NOTICE

The Parties agreed to use Apex as the third-party settlement administrator in this case. (Kim Decl., ¶ 56.) Apex will be responsible for updating Aggrieved Employees' addresses, mailing the Aggrieved Employees' Notice, and calculating and distributing the settlement checks, among other duties. (*Id*.) Apex capped its fees at $5,350.00 for administering the Settlement and based on PAGA Counsel's experience in other class and PAGA settlements, Apex's costs for administering this Settlement are fair and reasonable. (*Id*.)

The Administrator will mail the Individual PAGA Payment along with the Aggrieved

Employees' Notice providing notice of the Settlement and release of claims to Aggrieved Employees. (*Id*. at ¶ 57.) The Aggrieved Employees' Notice includes, among other things, an explanation of PAGA, a description of the allegations in the Action, and the scope of released claims. (*Id*.)

VIII. CONCLUSION

Plaintiff and PAGA Counsel submit that the proposed Settlement as documented in the Settlement Agreement is fair, adequate, reasonable, and in the best interest of Aggrieved Employees and the State of California. Plaintiff respectfully requests that the Court approve the Settlement and order the Parties to carry out the Settlement according to the terms of the Settlement Agreement and enter the concurrently filed [Proposed] Order Granting Approval and Judgment to that end.

DATED: October 26, 2026

D.LAW, INC

By _____

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