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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

SCOTT VINCENT BRADLEY, on behalf of himself and all others similarly situated, Plaintiff, vs. AVMC, LLC d/b/a TOYOTA OF LANCASTER, a California Limited Liability Company; and DOES 1 through 10, inclusive, Defendants.	Case No. 24STCV09858 <u>Assigned for All Purposes To:</u> Hon. Timothy P. Dillon Dept.: 15 **NOTICE OF MOTION AND MOTION TO APPROVE PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AGREEMENT UNDER CALIFORNIA LABOR CODE §§ 2698 et seq.** [*filed concurrently with Declarations of William Tran, Alvin B. Lindsay, and Michael Sutherland; and [Proposed] Order and Judgment*] Hearing Date: October 2, 2025 Time: 11:00 a.m. Department: 15 Original Complaint Filed: April 18, 2024 First Amended Complaint Filed: June 25, 2024

TO THE COURT AND DEFENDANTS AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on October 2, 2025 at 11:00 a.m. in Department 15 of the above-entitled Court, located at Stanley Mosk Courthouse, 312 North Spring Street Los Angeles, CA 90012. Plaintiff Scott Vincent Bradley ("Plaintiff" or "PAGA Representative"), on behalf of himself, the State of California, and similarly situated hourly non-exempt Aggrieved Employees, will and hereby does move this Court pursuant to California Labor Code § 2698 *et seq*. for an order approving the Private Attorneys General Act ("PAGA") Settlement Agreement between Plaintiff and Defendant AVMC, LLC d/b/a Toyota of Lancaster ("Defendant") which will approve the representative action settlement embodied in the Settlement Agreement, approve PAGA Counsel's application for attorney's fees and litigation costs, and enter judgment approving the PAGA Settlement Agreement.

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 PAGA aggrieved employees and was the product of informed, non-collusive negotiations by 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 William Tran, Alvin B. Lindsay, and Michael Sutherland in support thereof, 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: August 28, 2025

D.LAW, INC.

By: ______________________

William Tran
Alvin B. Lindsay
Attorneys for Scott Vincent Bradley on behalf of himself and others similarly situated

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Through this motion, Plaintiff Scott Vincent Bradley ("Plaintiff") request that the Court grant approval of the Private Attorneys General Act Settlement Agreement ("Settlement" or "Settlement Agreement") reached between 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, Defendant AVMC, LLC d/b/a Toyota of Lancaster ("Defendant") will pay the Gross Settlement Amount of $241,000.00. (Declaration of William Tran ("Tran Decl."), at Exhibit 1, Settlement Agreement, ¶ 3.1.)

For purposes of the Settlement, the Aggrieved Employees are defined as: "all current and former hourly-paid and/or non-exempt employees who worked for Defendant in the State of California at any time during the PAGA Period." ("Aggrieved Employees"). (Tran Decl., Exhibit 1, ¶ 1.4.) The PAGA Period is defined as: "the period from April 18, 2023 through July 5, 2025." (Tran Decl., Exhibit 1, ¶ 1.19.)

The Parties agree that the Settlement is fair, reasonable, and appropriate as the result of a rigorous, arms-length negotiation conducted during mediation with a mediator highly experienced in wage and hour matters. The resolution was reached only after Plaintiff conducted comprehensive informal discovery and Defendant provided comprehensive data, numbers, and documents, allowing for a well-informed assessment of the claims and potential recovery. Plaintiff, without opposition from Defendant, respectfully requests that the Court enter an order approving the Settlement, directing the Parties and Administrator to implement its terms, and entering Final Judgment.[1]

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[1] Plaintiff has submitted 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). (Declaration of William Tran ("Tran Decl.") ¶ 26, Exhibit 3.)

II. RELEVANT BACKGROUND AND PROCEDURAL HISTORY

A. Litigation Overview and Procedural History

On April 18, 2024, Plaintiff filed a putative Class Action complaint against Defendant asserting various wage and hour violations, including (1) failure to pay minimum wages; (2) failure to pay wages and overtime; (3) meal period liability; (4) rest break liability; (5) violations of Labor Code § 226(a); (6) violation of Labor Code § 221; (7) violation of Labor Code § 204; (8) violation of Labor Code § 203; (9) failure to maintain records required under Labor Code §§ 1174, 1174.5; (10) failure to provide suitable seating; and (11) violation of California Business and Professions Code §17200. (Tran Decl., ¶ 4.) On the same day, Plaintiff submitted his PAGA letter to the California Labor & Workforce Development Agency ("LWDA") and Defendant. (*Id.*; see also Tran Decl. ¶ 25, Exh. 2, confirmation email from LWDA regarding submission of Plaintiff's PAGA Notice Letter.) On the same day, Plaintiff submitted Plaintiff's PAGA Notice Letter with the LWDA. On June 25, 2024, Plaintiff filed a First Amended Complaint adding a claim for violations of PAGA ("Operative Complaint"). (*Id.*)

Before filing the lawsuit, PAGA Counsel investigated and researched the facts and circumstances underlying the pertinent issues and applicable law. (Tran Decl., ¶ 5.) This required thorough discussions and interviews between PAGA Counsel and Plaintiff, as well as preliminary research into the various legal issues involved in the case. (*Id.*) After conducting initial investigation, PAGA Counsel determined that Plaintiff's claims were well-suited for representative action adjudication owing to what appeared to be a common course of conduct affecting a similarly situated and aggrieved group of employees. (*Id.*)

On September 17, 2024, Defendant filed a Motion to Compel Arbitration of Plaintiff's individual claims, stay the representative PAGA claims pending arbitration, and dismiss the class claims pursuant to a class action waiver. (Tran Decl., ¶ 6.) On March 12 2025, the Parties stipulated to continue the hearing on Defendant's Motion to Compel Arbitration until after mediation. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified therein, denies any and all liability for the causes of action alleged, and denies the existence of any aggrieved employees. (*Id.*)

B. Mediation and Settlement

In advance of mediation, PAGA Counsel conducted a thorough investigation of the facts and claims giving rise to the action, including: (1) conducting informal discovery, and meeting and conferring with defense counsel about same; (2) reviewing and analyzing a sampling of time and pay records, Defendants' Employee Handbook, and Plaintiff's personnel files; (3) researching the applicable law and potential defenses; (4) constructing damage models based on interpretations of California law; and (5) reviewing information provided by Defendant at the mediation. (Tran Decl., ¶ 8.) After analyzing the relevant documents and other gathered data, PAGA Counsel believed that this case was appropriate for resolution via mediation. (*Id*.)

On May 6, 2025, the Parties participated in a full-day mediation facilitated by mediator Brandon McKelvey, Esq. of M Resolution, who is highly experienced in wage and hour matters. (*Id*. at ¶ 9.) During mediation, the Parties engaged in a good faith, arms-length negotiations that resulted in a Mediator's Proposal, which was accepted by both Parties. The general terms of the settlement were first memorialized via acknowledgement of the Mediator's Proposal, then later formalized in the long-form Settlement Agreement now before the Court for approval. (*Id*.)

From PAGA Counsel's review of the facts, strengths, and weaknesses of the case, the risks and delays posed by further litigation, and PAGA Counsel's own prior litigation experience, PAGA Counsel believes that the recovery for each Aggrieved Employee is fair and reasonable taking into consideration the amounts received in other PAGA actions, the risks inherent in litigation of this genre, and the reasonable tailoring of each Aggrieved Employee's claim to the settlement award he or she will receive. (Tran Decl., ¶ 12). Further, and based on the settlement negotiations, which were extensive and conducted in good faith and at arm's length between attorneys with substantial experience litigating PAGA actions, the Settlement Agreement was the product of a non-collusive settlement process in which the parties agreed to make significant compromises in the interest of reaching a full and complete settlement of the lawsuit. (*Id*.) PAGA Counsel believes that the Settlement confers real benefits upon Plaintiff and the Aggrieved Employees and that an independent review of the Settlement by the Court in the approval process will confirm this conclusion. (*Id*. at 13.)

III. PAGA ACTIONS AND THE REQUIREMENTS

A. The PAGA Statutory Scheme

PAGA creates a means of "deputizing" citizens as private attorneys general 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. S195850), *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. (Tran Decl. ¶¶ 4-5).

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

The PAGA provides for 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. 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, the 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." Here, Defendants deny each and all of Plaintiff's allegations in their entirety and maintain that their policies complied with California law. (Tran Decl., Exhibit 1, ¶ 10.1.) Defendant contentions against Plaintiff's claims – particularly those based on off-the-clock work, meal and rest breaks, time spent on shutting down computers and helping customers and coworkers, overtime at the regular rate, and suitable seating – would have faced significant hurdles at trial given Defendant's policies prohibiting off-the-clock work and ensuring compliance with wage and hour laws. While Defendants are confident in their defenses, settlement provides a more efficient resolution, avoiding the uncertainties and costs of litigation.

The Parties agree that the Court, in assessing the Settlement, should consider the risk assessment, and the post-judgment prerogative the Court possesses to lower penalties had Plaintiff prevailed at trial. The Parties believe that, based on these factors, the Court will find that this Settlement is fair and reasonable.

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

PAGA 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 Private Attorneys 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. PAGA Counsel seeks one-third (33%) of the Gross Settlement Amount, or **$80,333.33** in fees and **$21,674.77** in actual litigation costs. Pursuant to PAGA, Labor Code § 2699(l)(2), Plaintiff will be providing the LWDA notice of the Settlement and this Motion upon its filing. (Tran Decl., ¶ 38). The LWDA will have the opportunity to object or otherwise comment on the terms of the Settlement.

IV. THE SETTLEMENT

Pursuant to the Settlement Agreement, Defendants will pay the Gross Settlement Amount of **$241,000.00** in full and final settlement of the PAGA claim as alleged in the Operative Complaint and PAGA Notice Letter to the LWDA. (Tran Decl., Exh. 1, ¶ 3.1).

Pending Court approval, the Gross Settlement Amount will be allocated as follows: (a) attorneys' fees of up to one-third of the Gross Settlement Amount, which is **$80,333.33** ("PAGA Counsel Fees Payment") (Tran Decl., ¶ 21, Exh. 1, ¶ 3.2.1); (2) actual litigation costs incurred in this matter in the amount of **$21,674.77** ("PAGA Counsel Litigation Expenses Payment") (*Id*.); (3) settlement administration costs of **$5,500.00** to be paid to the Settlement Administrator, Apex Class Action Settlement Administrator ("Apex"), for sending notices and for calculating settlement shares and preparing all checks and mailings ("Administration Expenses Payment") (*Id.*) (See also concurrently filed Declaration of Michael Sutherland of Apex ("Sutherland Decl."); and (4) PAGA Penalties in the amount of **$133,491.90**, with 75% ($100,118.93) allocated to the LWDA ("LWDA PAGA Payment") and 25% ($33,372.98) allocated to providing Individual PAGA Payments to the Aggrieved Employees ("Individual PAGA Payment"). (*Id*.) The Individual PAGA Payments for each Aggrieved Employe will be calculated based on the number of Pay Periods they worked during the PAGA Period. (Tran Decl., Exhibit 1, ¶ 3.2.3.1.) Plaintiff is not requesting that a representative enhancement award be deducted from the Gross. Instead, in exchange for his general release of claims against Defendants and section 1542 waiver, Defendant has entered into a separate confidential individual settlement agreement and will pay Plaintiff a General Release Payment. (*Id*.).

Based on its records, Defendant estimated that at the time of executing the Settlement Agreement there were 270 Aggrieved Employees who worked a total of 7,700 pay periods during the PAGA Period. (Tran Decl., Exhibit 1, ¶ 4.1.) The Aggrieved Employees will receive an average of approximately $123.60 per person ($33,372.98 divided by 270 Aggrieved Employees) for their Individual PAGA Payment. (Tran Decl., ¶ 11.) If it is determined that the number of Pay Periods during the PAGA Period exceeds 8,470 (i.e., 7,700 plus 10%), Defendants may elect to either (1) end the PAGA Period on the date on which the number of Pay Periods reached 8,470, or (2) increase the Gross Settlement Amount by a pro-rata dollar value for the PAGA Pay Periods in excess of the escalation margin. (Tran Decl., Exhibit 1, ¶ 8.2.)

V. <u>ARGUMENT</u>

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 and final approval. Nonetheless, to comply with the requirements of Labor Code § 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 his Counsel. They considered the arguments and defenses asserted by Defense Counsel at mediation, 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 $770,000.00, calculated by multiplying the total number of Pay Periods (7,700) by $100 per violation. (Tran Decl., ¶ 17.) Plaintiff's calculation of the total potential exposure on the PAGA claim was based on one PAGA penalty per 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." *Aguirre v.*

Genesis Logistics, 2015 U.S. Dist. LEXIS 78748 (citing *Villacres v. ABM Indus., Inc.*, 189 Cal.App.4th 562, 577 (2010)). ("One injury gives rise to only one claim for relief…The violation of one primary right constitutes a single cause of action."; *Crowley v. Katleman*, 8 Cal. 4th 666, 681-82 (1994); *Li v. A Perfect Day Franchise, Inc.*, 2012 WL 2236752, *17 (N.D. Cal.2012) ("There is no authority that "would permit double recovery of essentially the same penalties.") (Tran Decl. at ¶ 18.)

The Gross Settlement Amount of $241,000.00 is approximately 31.3% of the maximum potential exposure of $770,000.00. (*Id*. at ¶ 20.) The Gross Settlement Amount therefore represents a value at approximately $31.30 per Pay Period. (*Id*.) From PAGA Counsel's review of the facts, strengths, and weaknesses of the case, and the risks and delays posed by further litigation, PAGA Counsel believes that the recovery for each Aggrieved Employee is fair and reasonable. (*Id*.)

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

Defendant denied and continue to deny all of the claims made by Plaintiff in this Action and contends that they acted at all relevant times in conformance with the law. (*Id*. at ¶ 15.) Defendant contends that Plaintiff and the Aggrieved Employees were paid for all hours worked; provided lawfully compliant meal periods and that any deviations were at the voluntary election of the Plaintiff and/or the Aggrieved Employees and not at the request of Defendant or due to work; that Defendant paid all wages due on a timely basis; that Defendant paid all wages due on a timely basis and using Labor Code compliant instruments; that Defendant's wage statements complied with the law; and that neither Plaintiff nor any Aggrieved Employees incurred reasonable business related expenses for which they were not reimbursed. (*Id*.) In light of Defendant denials and arguments, PAGA Counsel carefully evaluated and negotiated a settlement that ensures a fair and equitable recovery for the affected employees. (*Id*.)

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

PAGA penalties are permissive rather than mandatory. (*Id*. at ¶ 19.) Labor Code § 2699(e)(2) states that "a court <u>may award</u> 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 *Thurman v. Bayshore* (2012) 203 Cal. App. 4th 1112 (substantially reducing PAGA penalties by 30% under this provision) (emphasis added); see also *Carrington v. Starbucks Corp.*, 30 Cal. App. 5th 504, 529 (2018) (affirming penalty reduction of 90% for practice that resulted in meal periods occasionally starting minutes after the fifth hour of work); *Sanchez v. McDonald's Corp.* (2017), LASC Case No. No. BC 499888 (98% reduction from $41 million to $775,000); *Ghrdilyan v. RJ Financial* (2012), LASC Case No. BC430633 (94% reduction from $5.4 million to $325,000); *Fleming v. Covidien*, Inc. (2011), USDC Case No. ED CV 10-01487-RGK (OPx) (87% reduction from $2.8 million to $375,000).). In departing from the $100/pay period calculation to arrive at the $241,000.00 Gross Settlement Amount in this case, PAGA Counsel considered various reasons why the Court may reduce any eventual recovery at its discretion and considered that PAGA penalties are not mandatory but permissive. (Tran Decl., at ¶ 19.) 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." (*See also Thurman v. Bayshore* (2012) 203 Cal. App. 4th 1112 *(*reducing PAGA penalties by 30% under this provision).

VI. THE REQUEST FOR ATTORNEYS' FEES AND COSTS

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

Pursuant to the Settlement Agreement, PAGA Counsel is requesting an award of attorneys' fees in the amount of **$80,333.33** and an award of litigation costs to PAGA Counsel of **$21,674.77** (*See* Declaration of Alvin B. Lindsay ("Lindsay Decl.") ¶ 10), Exh. 1.)

Prior to 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) <u>PAGA Counsel Are Entitled to Fees from the Civil Penalties Recovered</u>

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 $241,000.00 common fund created for the benefit of the public is, with Plaintiff as 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 one-third 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. (Tran Decl., ¶¶ 21; *see also* Declaration of Alvin B. Lindsay ("Lindsay Decl.") ¶¶ 16-28). 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. (Lindsay Decl., ¶ 6.) 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 a commensurate percentage to what Plaintiff and PAGA Counsel are requesting here. (*Id*. at ¶ 8.)

For these reasons, PAGA Counsel's requested fee of one-third of the Gross 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 also reasonable when considered under a lodestar cross-check, where 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").

Here, PAGA Counsel spent substantial time on this matter, the lodestar cross check establishes that the fees requested will require only a modest modifier under the lodestar analysis, which is justified. (Lindsay Decl., ¶ 10). The Lindsay Declaration addresses the background, qualifications, and experience of the attorneys who have worked on this case, along with their billable rates: (1) Alvin B. Lindsay; (2) Jean Power; (3) William Tran; and (4) Emma Geesaman. (Lindsay Decl., ¶ 12). PAGA Counsel from D.Law, Inc. also conservatively estimates that it has invested at least 79.90 hours of attorney time in this matter. (*Id.*) Attorney Alvin B. Lindsay spent approximately 41.2 hours on this matter, and his current billing rate is $1,260.00 (20+ years out of law school, Laffey Matrix rate of $1,141). (*Id.*) Attorney William Tran spent approximately 14.1 hours on this matter, and his current billing rate is $585.00 (4-7 years out of law school, Laffey Matrix rate of $581.00). (*Id.*) Attorney Jean Hopkins Power spent approximately 23.5 hours on this matter, and her current billing rate is $585.00 (4-7 years out of law school, Laffey Matrix rate of $581.00). (*Id.*) Attorney Emma Geesaman spent approximately 1.1 hours on this matter, and her current billing rate is $475 (1-3 years out of law school, Laffey Matrix rate of $473). (*Id.*) The contemporaneously recorded timekeeping records drawn from the firm's timekeeping system and detailing the tasks accomplished by the below listed attorneys and the hours dedicated to them are provided at **Exhibit 2-5** to the Lindsay Declaration:

Attorney	Hourly Rate	Billable Hours	Total Lodestar Fees
Alvin B. Lindsay	$1,260	46.6	$58,716.00
Jean H. Power	$585	23.5	$13,747.50
William Tran	$585	19.8	$11,583.00
Emma Geesaman	$475	1.1	$522.50
Totals		**91**	**$84,569.00**

The total billable hours for lodestar cross-check purposes for PAGA Counsel from D.Law, Inc. at the time of filing this motion result in fees of $84,569.00 ($58,716.00 for Attorney Alvin B. Lindsay's time on the case, $11,583.00 for Attorney William Tran's time on the case, and $13,747.50 for Attorney Jean Hopkins Power's time on the case; and $522.50 for Emma Geesaman's time on the case). (*Id.* at ¶ 13.) Thus, applying the lodestar method as a cross-check to the percentage sought strongly affirms the reasonableness of the requested fee award. In light of the lodestar analysis, PAGA Counsel respectfully requests that the Court award $80,333.33 in attorneys' fees, which based on

$84,569.00 total billables requires only a modest 0.95 multiplier. (Lindsay Decl. at ¶ 14.)

4) <u>The Court Should Approve the Reimbursement of PAGA Counsel's Costs.</u>

The litigation expenses incurred by PAGA Counsel in this Action are also to be reimbursed under the Settlement Agreement. PAGA Counsel seek **$21,674.77** in reimbursement for litigation costs (Lindsay Decl., ¶¶ 10, 20, see also Exhibit 1 for Costs Invoice). 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. Thus, PAGA Counsel respectfully request the Court approve their request for reimbursement in the amount of **$21,674.77**.

VII. <u>THE COURT SHOULD APPROVE THE COSTS OF ADMINISTRATION</u>

The Parties agreed to use Apex Class Action Settlement Administrator ("Apex") as the third-party settlement administrator in this case. (Tran Decl., ¶ 23). Apex will be responsible for updating the addresses for the Aggrieved Employees, mailing the Notice of Settlement and calculating and distributing the settlement checks, among other duties. (Sutherland Decl., ¶¶ 4-8; Exhibit A.) Apex capped its fees at $5,500.00 (Sutherland Decl., Exhibit B.) for administering the Settlement and based on PAGA Counsel's experience in other class and PAGA settlements, Apex' costs for administering this Settlement are fair and reasonable. (*Id.*) Michael Sutherland from the Settlement Administrator Apex provides a concurrently filed Declaration in support of settlement approval addressing Apex's qualifications, the administration quotation they provided, and the support they will provide through funding and distribution.

Additionally, if the Court approves the Settlement Agreement, Plaintiff further requests the Court approve the Notice of PAGA Settlement and Release of Claims attached to the Settlement Agreement as **Exhibit A** for mailing with the disbursement of settlement payments to be completed by Apex. (*Id.* at ¶ 25.)

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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 Plaintiff, Defendant, the Aggrieved Employees, and the State of California. Plaintiff respectfully request that the Court approve the Settlement and order the Parties and Administrator 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: August 28, 2025

D.LAW, INC

By ______________________

Alvin B. Lindsay
William Tran
Attorneys for Plaintiff Scott Vincent Bradley on behalf of himself and others similarly situated