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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ORANGE

CHERYL A. GERRISH and SHENIKA AKINS, individually, and on behalf of all others similarly situated,

Plaintiffs,

vs.

ORANGE COUNTY'S CREDIT UNION; and DOES 1 through 10, inclusive,

Defendants

Case No.: 30-2024-01400951-CU-OE-CXC

[Assigned for all purposes to: Hon. William Claster, Dept. CX101]

DECLARATION OF KANE MOON IN SUPPORT OF MOTION FOR APPROVAL OF PAGA SETTLEMENT

[Filed with (1) Plaintiffs' Notice of Motion and Motion for Approval of PAGA Settlement, (2) the Declaration re: Qualifications and Costs for Settlement Administration, (3) [Proposed] PAGA Approval Order, and (4) [Proposed] Judgment]

PAGA APPROVAL HEARING:
Date: September 19, 2025
Time: 9:00 a.m.
Dept.: CX101

Complaint filed: May 21, 2024
Trial date: Not set

DECLARATION OF KANE MOON

I, KANE MOON, declare as follows:

1. I am an attorney at law duly licensed to practice as such before all the Courts of the State of California and am one of the attorneys of record for Plaintiffs Cheryl A. Gerrish ("Plaintiff Gerrish") and Shenika Akins ("Plaintiff Akins") (together, "Plaintiffs"). I have personal knowledge of the facts set forth in this declaration and if called as a witness, I could and would testify competently to them under oath.

2. This declaration is submitted in support of Plaintiffs' concurrently filed Motion for Approval of PAGA Settlement. Plaintiffs seek approval of a PAGA Settlement Agreement (the "Settlement") entered into with Defendant Orange County's Credit Union ("Defendant") (together with Plaintiffs, the "Parties"). A true and correct copy of the fully executed Settlement is attached hereto as **Exhibit 1**. Exhibit A to the Settlement contains the Parties' proposed *Court-Approved Notice of PAGA Settlement* to be mailed to Aggrieved Employees with Individual PAGA Payments following settlement approval and entry of judgment.

3. The above-captioned matter is a wage-and-hour action alleging claims for civil penalties pursuant to the California Private Attorneys General Act, Labor Code sections 2698, *et seq.* ("PAGA"). Plaintiffs brought their PAGA claims on behalf of the State of California, themselves, and all other current and former non-exempt employees of Defendant who worked in California at any time during the PAGA Period ("Aggrieved Employees").[1]

CASE BACKGROUND AND PROCEDURAL HISTORY

4. Defendant is a regional bank founded and primarily based in Orange County, California proving various banking services, including checking accounts, savings accounts, credit cards, investments, insurance products, as well as home, auto, and personal loans. Defendant employed Plaintiffs and other non-exempt employees at various branches in California during the PAGA Period. Plaintiff Gerrish worked in Defendant's accounting department based out of Defendant's Santa Ana headquarters, and was employed from June 21, 2022, through March 29, 2024. Towards the end of her employment, Plaintiff Gerrish worked remotely. Plaintiff Akins worked as a member service representative out of Defendant's Mission Viejo

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[1] For purposes of settlement, the "PAGA Period" is May 19, 2023, through the earlier of 60 days from the date of mediation or the date of the Court's Approval Order. (Settlement, ¶ 1.27.) Because the Parties' mediation was held on May 14, 2025, the PAGA Period ended on July 13, 2025 (i.e., 60 days from mediation).

branch, and was employed from September 11, 2023, through June 20, 2024. Throughout their employment, Plaintiffs were classified as non-exempt and were typically scheduled to work 5 days per week and 8 hours per day. Plaintiffs contend they and their former coworkers were subjected to the same or similar unlawful labor practices during their employment by Defendant, including failure to pay all wages.

5. Plaintiffs' claims for unpaid wages stem from allegations of Defendant's failure to pay all wages owed, including for off-the-clock ("OTC") work related to timekeeping as well as for failure to incorporate all renumerations into the regular rate of pay for purposes of paying overtime, sick pay, and meal premiums. Plaintiffs' meal period claim is based on allegations that Defendant failed to pay premium wages owed despite time records showing clear violations and the absence of any signed waivers. Plaintiffs' rest period claim is based on allegations that due to the demands of work, employees regularly experienced missed, untimely, or interrupted breaks, and that Defendant failed to provide any premiums for non-compliant rest breaks. Plaintiffs further allege they were not reimbursed for all necessary and/or reasonable business expenses incurred in direct consequence of their job duties, including personal cell phone use, home internet, and computer monitor. Plaintiffs also allege they did not receive all wages owed at the time of termination nor their accurate itemized wage statements due to Defendant's failure to pay all wages and premiums owed during employment. Accordingly, Plaintiffs allege Defendant is liable for civil penalties under PAGA.

6. Because of the foregoing alleged Labor Code violations, Plaintiff Gerrish filed a Class Action Complaint on May 21, 2024, alleging Defendant systematically: (1) failed to pay minimum wages, (2) failed to pay overtime compensation, (3) failed to provide meal periods, (4) failed to authorize and permit rest breaks, (5) failed to indemnify necessary business expenses, (6) failed to timely pay final wages at termination, (7) failed to provide accurate itemized wage statements, and (8) engaged in unfair business practices.

7. Pursuant to PAGA, on May 19, 2024, Plaintiff Gerrish submitted notice of the alleged Labor Code violations to the California Labor and Workforce Development Agency (the "LWDA"), with certified mail service on Defendant, and paid the required filing fee. A true and correct copy of her PAGA Notice is attached hereto as **Exhibit 2A**. The administrative exhaustion period under PAGA expired without the LWDA indicating any intent to investigate the allegations. On July 23, 2024, Plaintiff Gerrish timely filed a First Amended Class and Representative Action Complaint to allege a ninth cause of action for civil penalties

under PAGA. In compliance with Labor Code section 2699(s)(1), Plaintiff Gerrish submitted to the LWDA a file-stamped copy of the amended complaint containing the Court-assigned case number.

8. After this action was filed, Defendant produced a copy of an arbitration agreement signed by Plaintiff Gerrish containing a class action waiver. After reviewing the arbitration clause, Plaintiffs' Counsel determined it would likely be enforced if Plaintiff Gerrish opposed individual arbitration. Plaintiffs' Counsel also determined the class action waiver would likely be found enforceable under *Epic Systems Corp. v. Lewis* (2018) 138 S.Ct. 1612. The Parties subsequently stipulated to dismiss the class claims and stay proceedings pending arbitration of the individual claims, which the Court granted by way of Order entered on July 11, 2204. On August 5, 2024, the Court dismissed the class claims without prejudice.

9. In lieu of initiating arbitration, Defendant and Plaintiff Gerrish agreed to schedule mediation. Plaintiff Gerrish's firm was subsequently retained by Plaintiff Akins who alleged similar wage-and-hour claims against Defendant. Following further meet and confer, the Parties stipulated to amend the complaint to add Plaintiff Akins. On September 7, 2024, Plaintiffs submitted an amended PAGA Notice to the LWDA to add Plaintiff Akins to the action. A true and correct copy of her PAGA Notice is attached hereto as **Exhibit 2B**. The administrative exhaustion period under PAGA expired without the LWDA indicating any intent to investigate the allegations. On October 18, 2024, the Court granted leave to amend the complaint to add Plaintiff Akins. On November 12, 2024, Plaintiffs filed the operative Second Amended Representative Action Complaint.

10. Plaintiffs have complied with the requisites for bringing a civil action under PAGA and therefore, are duly authorized to act as private attorneys general with respect to the PAGA claims involved in this action. To date, the LWDA has not sought to intervene in this action.

11. Defendant ardently opposes the merits of this case and denies Plaintiffs' factual allegations. Defendant argues all employees were properly paid all wages owed, that OTC work was prohibited, that any OTC time related to timekeeping was *de minimis*, and that it correctly calculated the regular rate of pay as additional renumeration consisted of bonuses that were discretionary. Defendant maintains all employees were provided with the opportunity to take all code-compliant meal and rest breaks and that missed breaks, if any, were solely the result of employees' voluntary choice to waive their rights. As for business expenses, Defendant maintains employees were informed of Defendant's expense reimbursement policy and that it

reimbursed employees for any and all business expenses if employees submitted a reimbursement request. Defendant further maintains any unreimbursed expenses claimed by Plaintiffs were individualized and not appropriate for representative treatment under PAGA. Defendant also maintains that it provided cell phone stipends to those employees who were required to use personal phones for work purposes, and that Plaintiff Akins was not required to use her personal phone for work. To the extent employees received wage statements that were allegedly inaccurate, Defendant argues penalties are not warranted because employees suffered no actual damage or harm as a result. (*See, e.g.*, *Angeles v. U.S. Airways, Inc.* (N.D. Cal. Feb. 19, 2013) No. C 12–05860 CRB, 2013 WL 622032, at *10 ["A plaintiff must adequately plead an injury arising from an employer's failure to provide full and accurate wage statements, and the omission of the required information alone is not sufficient."].) Additionally, Defendant alleges its good-faith belief that it paid all wages precludes the imposition of waiting time penalties because Plaintiffs would be unable to show Defendant's alleged conduct was done willfully or knowingly. (*See, e.g.*, *Pedroza v. PetSmart, Inc.* (C.D. Cal. June 14, 2012) No. ED CV 11–298 GHK (DTBx), 2012 WL 9506073, *5.) For these reasons, Defendant claims it did not engage in any unfair business practices and denies liability under PAGA. Defendant also maintains the claims are not susceptible to proof on a representative basis because of the individualized and varying nature of each employee's experience, making this matter unmanageable.

<u>DISCOVERY AND INVESTIGATION</u>

12. In advance of mediation, Defendant produced, through informal but extensive discovery, Plaintiffs' personnel files with time and pay records, an approximate 15% sampling of time and pay records for other Aggrieved Employees, three employee handbooks in effect during the PAGA Period, and demographic information. Notably, Defendant did not produce any signed meal period waivers. Additionally, Plaintiffs identified another former employee of Defendant who experienced similar issues as Plaintiffs.

13. Prior to mediation, Plaintiffs' Counsel reviewed in depth all the information that Defendant produced, including the time/pay records, and analyzed it in conjunction with information provided by Plaintiffs and their witness. Plaintiffs' Counsel retained an expert to analyze the time/pay data and prepare a damage analysis for mediation. The time/pay records produced contained 18,862 shifts worked by Aggrieved Employees, representing roughly 15% of all shifts worked as of mediation, which allowed

Plaintiffs' expert to prepare an analysis with a high degree of certainty. Further, Plaintiffs' Counsel investigated the applicable law regarding the claims and defenses asserted in this action. Accordingly, Plaintiffs' Counsel were able to meaningfully evaluate the probability of success on the merits and Defendant's monetary exposure. In sum, Plaintiffs and their Counsel's familiarity with the facts of the case and the legal issues involved allowed them to act intelligently in negotiating the Settlement.

SETTLEMENT NEGOTIATIONS AND NOTICE TO THE LWDA

14. On May 14, 2025, the Parties participated in a full day of private mediation facilitated by the Hon. Carl West (ret.), an experienced class and PAGA action mediator. The negotiations were at arm's length and although conducted in a professional manner, were adversarial. Both sides went into the mediation willing to explore the potential for a settlement of the dispute, but they were also prepared to litigate their position through trial and appeal if a settlement had not been reached. Negotiations were protracted, with extended discussions and instances in which it appeared the Parties would not reach a resolution. Following a full discussion of the strengths and weaknesses of the claims and defenses at a full day of mediation, the Parties ultimately reached a resolution, the material terms of which are encompassed within the Settlement at issue.

15. In reaching a resolution, the Parties recognized that the issues presented in this action are likely only to be resolved with extensive and costly pretrial and trial proceedings, and that further litigation will lead to inconvenience, distraction, disruption, delay, and expense disproportionate to the potential benefits of litigation. Plaintiffs and their Counsel also considered the risk and uncertainty of the outcome inherent in any litigation when determining whether this Settlement was the correct option. In sum, Plaintiffs and their Counsel believe the proposed Settlement is in the best interests of Aggrieved Employees and the LWDA.

16. In compliance with Labor Code section 2699(s)(2), notice of settlement and a copy of the proposed Settlement was submitted to the LWDA. A true and correct copy of the LWDA's email confirming receipt is attached hereto as **Exhibit 3**. To date, the LWDA has not indicated any objection to the Settlement.

KEY TERMS OF SETTLEMENT

17. GSA, Funding, Disbursement, and Uncashed Funds: The Gross Settlement Amount ("GSA") is $300,000.00, subject to potential increase under an Escalator Clause, and is non-reversionary. (Settlement, ¶ III.1.) Defendant's settlement funding will be due within 30 calendar days of the Court's Approval Order.

(*Id.* at ¶ IV.2b.) Disbursement will occur within 14 days of funding. (*Id.* at ¶ IV.2c.) Any funds remaining uncashed after 180 days from issuance will be transmitted to the California State Controller's Office, to be held pursuant to the Unclaimed Property Law in the name of each individual who failed to cash his or her check prior to the void date. (*Id.* at ¶ IV.5.)

18. Escalator Clause: The GSA was negotiated based on Defendant's estimation that as of mediation, there are 14,519 cumulative pay periods in the PAGA Period. (*Id.* at ¶ III.3.) The Settlement includes an Escalator Clause whereby should the actual number of pay periods in the PAGA Period exceed the estimated amount by more than 10%, then Defendant will make a pro-rata increase to the GSA for each additional pay period above the escalator. (*Id.*)

19. PAGA Counsel Fees and Costs Payments: The Settlement provides attorneys' fees to Plaintiffs' Counsel in an amount up to one-third of the GSA (i.e., $100,000, subject to potential increase if the Escalator Clause is triggered), plus reimbursement for out-of-pocket litigation costs not to exceed $21,000.00, payable from the GSA. (*Id.* at ¶ III.4a.) In the event actual costs are less and/or the amount of fees and costs approved by the Court are less than the amounts requested, the difference will be allocated to the Net Settlement Amount as PAGA Penalties. (*Id.*)

20. Administration Costs Payment: The Settlement provides an Administration Costs Payment to the Settlement Administrator, payable from the GSA, in an amount up to $5,000.00, for its services and costs in administering this Settlement. (*Id.* at ¶ III.4b.) In the event the amount of actual administration costs is less and/or the amount approved by the Court is less than requested, the difference will be allocated to the Net Settlement Amount as PAGA Penalties. (*Id.*) Following a competitive bidding process, the Parties jointly selected Simpluris as the neutral entity to administer this Settlement. (*Id.* at ¶ I.28.) Bids were requested from four competent administration entities, and ILYM Group provided the lowest bid at $4,250.00. A true and correct copy of the bid is attached hereto as **Exhibit 5**.

21. Net Settlement Amount a.k.a. PAGA Penalties: After deducting the PAGA Counsel Fees and Costs Payments and the Administration Costs Payment from the GSA, in the amounts specifically approved by the Court, any difference in the amounts requested and the amounts awarded will be allocated to the Net Settlement Amount as PAGA Penalties. (*Id.* at ¶ I.16.) Accordingly, the Net Settlement Amount will be no

less than **$174,000**,[2] which will be distributed 75% (i.e., no less than .75 * $174,000 = **$130,500**) to the LWDA and 25% (i.e., no less than .25 * $174,000 = **$43,500**) to Aggrieved Employees pursuant to PAGA law governing Plaintiffs' claims.[3] (*See id.* at ¶ III.5.)

22. Aggrieved Employees, PAGA Period, Individual PAGA Payments, and No Claim Form: The Settlement includes only all current and former employees of Defendant who worked in California in a non-exempt position at any time during the PAGA Period. (*Id.* at ¶ I.4.) Each Aggrieved Employee will be entitled to his or her pro rata amount from the 25% share of PAGA Penalties that is directly proportional to the number of pay periods worked in the PAGA Period without having to submit any claim form. (*Id.* at ¶¶ III.5b, IV.3.) This results in an average Individual PAGA Payment of roughly **$117.57** for each of the estimated **370** Aggrieved Employees ($43,500 / 370), and a PAGA Pay Period value of roughly **$3.00** for each of the 14,519 estimated PAGA Pay Periods ($43,500 / 14,519). Individual PAGA Payments will be allocated as 100% penalties for tax purposes. (*Id.* at ¶ III.4a.) Aggrieved Employees will receive an explanatory letter with their payment. (*Id.* at ¶ IV.3.)

23. Released PAGA Claims and Released Parties: The "Released PAGA Claims" are limited to claims for civil penalties under PAGA arising during the PAGA Period and that were alleged in Plaintiffs' PAGA Notices and in Plaintiffs' operative Second Amended Representative Action Complaint. (*Id.* at ¶ III.6.) The release of claims will be effective upon the Court's approval order and Defendant's full Settlement funding. (*Id.*) The "Released Parties" means: Defendant and each of its past, present and future owners, parents, affiliates, related companies, divisions, subsidiaries, and all their past, present and future officers, directors, partners, members, managers, consultants, partners, shareholders, joint venturers, agents,

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[2] The estimated Net Settlement Amount was calculated by deducting the following amounts from the GSA ($300,000): $21,000 for the maximum PAGA Counsel Costs Payment, $100,000 for the PAGA Counsel Fees Payment, and $5,000 for the maximum Administration Costs Payment.

[3] On July 1, 2024, new legislation was enacted to amend PAGA in several respects, including as to the recovery split for civil penalties. (Stats. 2024, ch. 44 (Assem. Bill No. 2288), § 1, eff. Jul. 1, 2024).) As amended, PAGA now provides for a 65%-LWDA/45%-aggrieved employee split. (Lab. Code § 2699(m).) However, this provision does not apply retroactively prior to June 19, 2024. (*Id.* at § 2699(v)(1).) In other words, because Plaintiff Gerrish's PAGA Notice was submitted prior to June 19, 2024, any civil penalties recovered in this action will be split according to prior PAGA law (i.e., 75% to the LWDA and 25% to Aggrieved Employees).

predecessors, successors, affiliates, assigns, advisors, accountants, attorneys, insurers, reinsurers, trustees, heirs, executors, administrators, and representatives. (*Id.* at ¶ I.27.)

24. No Related Actions: To the best of Plaintiffs' knowledge, there is no other pending litigation involving similar claims against Defendant that may be impacted by approval of the Settlement at issue, nor has Defendant pointed to any.

THE PROPOSED SETTLEMENT IS FAIR AND REASONABLE

25. There can be no doubt that this Settlement is the result of vigorous, adversarial, non-collusive, and arm's-length negotiations between the Parties. Based on Plaintiffs' Counsel's analysis of the arguments and information provided by Defendant, on an expert analysis of the time and pay records, and on information from Plaintiffs and other witnesses, Plaintiffs' Counsel evaluated both Defendant's maximum (*optimistic*) and risk-adjusted (*realistic*) potential exposure in preparation for mediation. Although analysis revealed that the time and pay records supported several violations by Defendant, those identifiable violations were primary limited to the meal period and regular rate of pay claims. The records themselves did not provide strong support for the OTC, expense reimbursement, rest period, and related derivative penalties claims, as those claims are predominantly testimony based. In other words, Plaintiffs' Counsel's analysis revealed that certain claims were not as strong as originally believed.

26. Even as to the meal period and regular rate of pay claims, Plaintiffs' Counsel's analysis found that Defendant's exposure is less than was initially believed. Specifically, Plaintiffs' expert identified 394 meal period violations (2,671 when extrapolated to all Aggrieved Employees). However, this resulted only in a 2.3% violation overall rate. Additionally, the violation rate decreased to .02% when offset by records showing meal premium payments made for non-compliant meals. As for the regular rate claim, while 420 additional compensation payments were identified, information provided by Defendant at mediation indicated that many of these payments were discretionary and thus not required to be factored into the regular rate of pay for purposes of calculating overtime, meal premiums, and sick pay.

27. Because the OTC, expense reimbursement, and rest period claims are testimony based, Defendant's records themselves will not be sufficient to establish these claims on the merits. For example, the lack of reimbursements may not indicate failure to reimburse but rather that no reimbursement request was submitted and thus, that Defendant was not on notice that any reimbursement was due. As to home

internet and computer monitors, Defendant emphasized that these expenses were individualized and limited to Plaintiff Gerrish who worked from home, whereas other Aggrieved Employees did not incur these expenses as they were required to work from the office. Defendant also emphasized that usage of personal phones was not required for work for all Aggrieved Employees, including Plaintiff Akins, and that as supported by the pay records, Defendant did compensate those Aggrieved Employees who used their cell phones for work purposes. Additionally, as employees were not required to record rest break times, testimony by Plaintiffs and other Aggrieved Employees would be needed to establish non-compliant breaks. In sum, proof of a majority of Plaintiffs' claims would need to be supported by declarations from Aggrieved Employees regarding actual OTC work performed on each shift, expenses that were unreimbursed, and rest breaks that were missed, shorted, or untimely.

28. Indeed, the maximum exposure figures that were calculated for mediation were based on assumed high violation rates that would not likely be demonstrated at trial. This is because the maximum exposure assumes either the participation of all Aggrieved Employees (which would be difficult given the large size of this group), or alternatively, the use of surveys or statistical data as a surrogate (which would still require the participation of a majority of Aggrieved Employees to establish a sound representation of all non-exempt employees). For example, for purposes of mediation, Plaintiffs' Counsel assumed a 100% violation rate for rest period violations, unpaid OTC time, and unreimbursed expenses. The reality is that many, if not all, employees would be unwilling to participate due to fear of retaliation. Indeed, prior to mediation, Plaintiffs' Counsel interviewed a former coworker of Plaintiffs who provided useful information but wase unwilling to disclose their identity to Defendant. Even assuming employees would be willing to participate, obtaining declarations would potentially reveal that each Aggrieved Employee had a different experience. The individualized nature of their employment experience and the numerosity of employees affected present significant risk with manageability and proof on the merits.

29. Further, the likelihood that Defendant could assert viable legal defenses would likely further reduce its overall exposure. For example, the individualized and testimony-intensive nature of the claims could bar manageability of this representative action or otherwise significantly reduce Defendant's overall liability.

30. Additionally, a maximum exposure analysis involving a claim-by-claim penalty calculation is

overly optimistic as it presumes Plaintiffs would be able to stack the penalties although not expressly permitted by PAGA. Rather, without either (i) a prior finding by the LWDA or a court within the past five years that the employer violated PAGA or (ii) evidence that the employer's conduct was malicious, fraudulent or oppressive, PAGA only provides for a maximum $100 penalty for each pay period. (Lab. Code § 2699(f)(2)(A)–(B).) Moreover, Plaintiffs' Counsel believe it would be unrealistic to expect the Court would stack penalties given the discretionary nature of awarding penalties and given Defendant's defenses, including that any failure to pay OTC wages, rest period premiums, or expense reimbursements was not knowingly or willfully done and that to the extent employees received wage statements that were inaccurate, employees suffered no actual resulting damage or harm. Plaintiffs' Counsel further determined that penalty-stacking would not be awarded in this case as awarding all penalties would likely raise Due Process concerns. Thus, in reaching the Settlement amount, Plaintiffs' Counsel concluded that Defendant's *realistic* exposure is far below the *optimistic* maximum estimate.

31. Based on the foregoing, Plaintiffs' Counsel believe it is more reasonable to assess penalties on a $100 penalty per-pay-period basis pursuant to Labor Code § 2699(f)(2)(A) for each of the estimated 14,519 pay periods at issue, rather than a claim-by-claim approach. Accordingly, Plaintiffs' Counsel estimated Defendant's maximum PAGA exposure to be **$1,415,900** ($100 x 14,519). However, based on the discovery obtained, Defendant's arguments at mediation, an understanding that the claims are heavily dependent on the unlikely participation by Aggrieved Employees and their varying employment experience, and other important considerations discussed above, it is reasonable to assume a violation occurred at most only in one-fourth of all pay periods, which results in a realistic (*risk-adjusted*) exposure of **$353,975** ($1,415,900 / 4). As a result, the GSA of $300,000 represents roughly **85%** of the realistic exposure ($300,000 / $353,975).

32. The Settlement thus represents a substantial recovery when compared to the reasonably forecasted recovery. Considered against the risks of litigation, the uncertainties involved in continued litigation, the burdens of proof necessary to establish liability, and the probability of appeal, it is clear the GSA of $300,000 is within the "ballpark" of reasonableness and that settlement approval is appropriate. (*Kullar v. Foot Locker Retail, Inc*. (2008) 168 Cal.App.4th 116, 133; *see Munoz v. BCI Coca-Cola Bottling Co. of L.A.* (2010) 186 Cal.App.4th 399, 408–09 [holding that *Kullar* does not require "an explicit

statement of the maximum amount the plaintiff class could recover if it prevailed on all its claims," but instead, only an "understanding of the amount that is in controversy and the realistic range of outcomes of the litigation"].)

33. The $300,000.00 GSA constitutes "genuine and meaningful, consistent with the underlying purpose of the statute to benefit the public." (*See O'Connor v. Uber Tech., Inc.* (N.D. Cal. 2016) 201 F.Supp.3d 1110, 1133–35 [denying settlement approval where allocation for PAGA claims was 0.1% of the estimated full worth].) This is an excellent result, particularly because, under the Settlement, Aggrieved Employees and the LWDA will receive timely, guaranteed relief and will avoid the risk of not being able to recover anything at all.

34. The Settlement is a fair and reasonable resolution that satisfies PAGA's dual statutory purposes of deterrence and punishment, on the one hand, and providing Aggrieved Employees with genuine and meaningful relief, on the other. (Lab. Code §§ 2698, *et seq.*) As a result of this litigation, Defendant has had to hire legal counsel, engage in employee-wide discovery, and participate in mediation. Assuming approval is granted, Defendant also will have to pay civil penalties pursuant to PAGA. Not including its own attorneys' fees and costs, Defendant will pay no less than $300,000 to resolve this matter—of which at least **$130,500** is allocated toward PAGA Penalties and will be distributed as 75% to the LWDA and 25% to Aggrieved Employees in compliance with PAGA law governing the claims here. Additionally, the release provided under the Settlement does not preclude Aggrieved Employees from pursuing any individual (non-PAGA) claims they may have against Defendant or the other Released Parties.

35. Plaintiffs' Counsel have conducted a thorough investigation into the facts of the allegations. Based on the foregoing discovery, on their own independent investigation and evaluation, and on their extensive experience in wage-and-hour litigation, Plaintiffs' Counsel are of the opinion that the Settlement is fair, reasonable, and adequate. Furthermore, considering all known facts and circumstances, the risk of significant delay, trial risk, appellate risk, the defenses that could be asserted by Defendant on the merits, the Settlement is in the best interests of the Aggrieved Employees and the State of California.

36. Although Plaintiffs' Counsel believe there is merit to Plaintiffs' allegations, they also acknowledge a legitimate controversy exists as to each allegation. Plaintiffs' Counsel also recognize that proving the amounts of penalties owed to each Aggrieved Employee would be an expensive, time-consuming,

and uncertain proposition.

37. Moreover, Plaintiffs' Counsel are also of the opinion that because the issues here are fairly contested, there is a possibility of the Court not awarding PAGA penalties even if Plaintiffs prevailed on the merits due to the largely discretionary nature of awarding PAGA penalties. Indeed, a Court may reduce PAGA penalties "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." (Lab. Code § 2699(e)(2).) In other words, were this matter to go to trial, any award granted would be at the discretion of the Court and subject to a substantial reduction.

38. While Plaintiffs' Counsel believe there would be no persuasive grounds to reduce penalties, they recognize that the Court could determine otherwise and significantly reduce any award of penalties. This wide range of potential recovery and additional delays and risks of trial provide justification to settle for a reasonable amount of recovery at this point in the litigation. In all, based on the investigation and analysis of the claims in preparation for mediation, the maximum exposure did not comport with the realistic exposure that Defendant faced, as discussed above.

39. Plaintiffs' Counsel took into account the risk of not being able to proceed on a representative basis at all due to the potential manageability issues, the risk of not prevailing at trial, and the risk that even if Plaintiffs prevailed at trial, the penalties would be limited due to the largely discretionary nature of awarding PAGA penalties. PAGA specifically provides that penalties are not mandatory, but rather, permissive. (Lab. Code § 2699(e)(2).) Accordingly, it is entirely possible that even if Plaintiffs would be successful at trial, assuming they are first able to defeat the manageability issues presented at litigation by the large number of Aggrieved Employees in this action, Plaintiffs may still be awarded substantially less than what was obtained through the Settlement.

40. The Settlement avoids the significant risks, burdens, and the accompanying expense of further litigation. Though the Parties have engaged in a significant amount of investigation, discovery, and employee data analysis, they have not taken depositions or engaged in formal expert discovery. Moreover, preparation for trial and the prospect of appeals in the wake of any summary judgment ruling would remain for the Parties. As a result, the Parties would incur considerably more attorneys' fees and costs through trial, a lengthy and uncertain process that could result in recovering fewer penalties than was settled for.

MY EXPERIENCE AND QUALIFICATIONS

41. I received a B.A. in History in 1998 from UCLA, and my J.D. from Loyola Marymount Law School in 2006. I became an Active Member of the State Bar of California in June 2007 and have been an Active Member in good standing continuously since then. I have been selected to Super Lawyers each year from 2019 to 2023.

42. I co-founded Moon & Yang, APC—now Moon Law Group, PC—in March 2010. My practice is focused exclusively on advocating for the rights of employees in wage and hour litigation, almost entirely in class and/or PAGA representative actions.

43. For the past decade, I have built my practice to have an emphasis on employment and related civil litigation cases and have both prosecuted and defended employment-related litigation cases. I have been heavily, successfully, and continuously involved in active litigation and trial work, and have conducted bench and jury trials on behalf of both employees and employers in wage and hour cases.

44. My current billing rate is $950.00 per hour, which is my usual rate in wage and hour litigations. This billing rate is reasonable considering my years of experience practicing in the highly specialized area of employment and labor law and my Laffey Matrix rate. (The Laffey Matrix, http://www.laffeymatrix.com/see.html [last visited Aug. 19, 2025].) The Laffey Matrix is a "well-established objective source for rates that vary by experience" used by the District of Columbia. (*In re HPL Tech., Inc. Sec. Litig.* (N.D. Cal. 2005) 366 F. Supp 2d 912, 921.) A true and correct copy of the Laffey Matrix is attached hereto as **Exhibit 6**. California Courts have adjusted the Laffey Matrix rate upwards based on "locality pay differentials" and the location of counsel's office in California to determine whether counsel's rates are reasonable. (*See, e.g.*, *id.* [applying a 9% upward adjustment to the Laffey Matrix rate based on an approximate difference of 9% between the locality pay differential of the District of Columbia and San Francisco, California, where counsel's office was located].) To determine the locality pay differential, the Court in *In re HPL Technologies, Inc.* utilized the locality pay differentials within the federal courts. (*Id.* at pp. 921–22.) Using the same method here and based on my firm's location in Los Angeles, California, the locality pay differential of the Los Angeles-Long Beach area effective January 13, 2025 is 36.47% and of the Washington-Baltimore-Arlington area is 33.94%, which results in a difference of approximately 2.53%. (*Compare* Judiciary Salary Plan of Los Angeles-Long Beach, CA, Effective January

13, 2025, *with* Judiciary Salary Plan of Washington-Baltimore-Arlington, Effective January 13, 2025.) True and correct copies of the Los Angeles-Long Beach, CA and Washington-Baltimore-Arlington salary plans are attached hereto as **Exhibit 7** and **Exhibit 8**, respectively. Based on my approx. 19 years of experience, my Laffey Matrix rate with a 2.53% adjustment is $971.98 per hour ($948 Laffey Matrix rate + (2.53% x $948)). (*See* Ex. 6.) Accordingly, my billing rate of $950 per hour is reasonable.

45. I am experienced in prosecuting and defending employment matters, particularly class and PAGA actions. My firm has focused a substantial percentage of its practice on wage, hour, and working conditions violations. In addition to the present case, I am also class counsel for other wage and hour class action lawsuits pending in various counties throughout California, including in state and federal courts. The following is a list of some of our recent class action settlements that have received preliminary and final approval: *Aparicio v. Lineage Logistics, LLC* (LASC No. BC722764) (class size approx. 155; lead counsel); *Black v. Mission Healthcare Servs., Inc*. (LASC No. 19STCV04602) (class size approx. 1,000; lead counsel); *Campa v. Bloomingdeals, Inc*. (LASC No. BC700366) (class size approx. 1,500; lead counsel); *Garcia v. Comfy U.S.A. Apparel, Inc.* (LASC No. BC709630) (class size approx. 210; lead counsel); *Gomez v. H Mart Cos., Inc.* (LASC No. BC671525) (class size approx. 2,500; co-counsel); *Jones v. Citiguard, Inc.* (LASC No. BC664890) (class size approx. 587; lead counsel); *Jones v. Fitness Alliance, LLC* (Riverside No. PSC1404079) (class size approx. 1,000; lead counsel); *Lagos v. ThyssenKrupp Elevator Corp.* (LASC No. BC682972) ($750,000 for 79 class members; lead counsel); *Mark Brulee et al. v. DAL Global Servs., LLC* (C.D. Cal. Dec. 20, 2018) No. CV 17-6433 JVS(JCGx), 2018 WL 6616659, at *10 (class size approx. 2,650; lead counsel) (in approving my $650 hourly rate in that case, the Court found: "Class Counsel's declarations show that the attorneys are experienced and successful litigators. Other courts have approved the attorneys' current rates for the Moon & Yang, APC attorneys"); *Martinez v. Bail Hotline Bail Bonds, Inc.* (LASC No. BC700131) (class size approx. 173; lead counsel); *Montoya v. Golden 1 Credit Union* (Sacramento No. 34-2018-00228252) (class size approx. 1,900; lead counsel); *Onofre v. Caitac Garment Processing, Inc*. (LASC No. BC702283) (class size approx. 750; lead counsel); *Rodriguez v. Rossmoyne, Inc.* (LASC No. BC699137) (class size approx. 220; lead counsel); *Sison v. Cha Hollywood Med. Ctr., L.P.* (LASC No. BC6441 29) (class size approx. 2,100; co-counsel); *Slaughter v. ACA Sec. Stems, LP* (LASC No. BC699137) (class size approx. 300; lead counsel); *Taylor v. Sherman's Delicatessen & Bakery, LLC* (LASC No. BC722765) (class size

approx. 515; lead counsel); *Vargas v. AMS Paving, Inc*. (LASC No. BC722767) (case size approx. 260; lead counsel); *Vertti v. Bagcraft Papercon III, LLC* (LASC No. 19STCV12729) (class size approx. 260; lead counsel); and *Wallick v. Campbell Soup Supply Co., LLC* (San Joaquin No. STK-CV-UOE-2021-0000865) (class size 435; lead counsel).

ALLEN FEGHALI'S EXPERIENCE AND QUALIFICATIONS

46. Allen Feghali is a partner at Moon Law Group, PC. He received his B.A. in Global and International Studies in 2011 from UC Santa Barbara, and his J.D. from University of La Verne College of Law in 2014. Mr. Feghali became an Active Member of the State Bar of California in December 2014 and has been an Active Member in good standing continuously since then. He was selected by Super Lawyers as a "Southern California Rising Star" in 2020–2023.

47. Mr. Feghali began working at Moon Law Group, PC in May 2015, and his practice has focused on advocating for the rights of employees at the trial-court and appellate level. Prior to roughly June 2018, with the exception of a handful of cases, his practice focused on individual FEHA and wrongful termination claims, as well as individual wage and hour claims. Since June 2018, Mr. Feghali's practice has shifted to almost exclusively representing employees in wage and hour class and PAGA representative actions.

48. Mr. Feghali's current billing rate is $900.00 per hour, which is his usual rate in wage and hour litigations. Based on Mr. Feghali's approx. 11 years of experience, his Laffey Matrix rate with a 2.53% adjustment is $860.23 per hour ($839 Laffey Matrix rate + (2.53% x $839)). (*See* Ex. 6.) As compared to the Laffey Matrix rate and when considering his significant wage-and-hour class action experience, Mr. Feghali's billing rate of $900 per hour is reasonable.

49. During Mr. Feghali's tenure with Moon Law Group, PC, he has played a critical role in obtaining outstanding results for employees who have been wronged by their employers. Mr. Feghali's litigation experience includes, but is not limited to:

(a) In March 2021, Mr. Feghali prepared the briefing in the matter of *Rivera, et al. v. Clearpath Federal Credit Union* (LASC No. 19STCV33504), which resulted in a certification order on all causes of action following contested briefing in a wage and hour class action.

(b) Mr. Feghali prepared the briefing in a contested class certification motion in the matter of *Dawson, et al. v. GoHealth, LLC, et al.* (No. CGC-19-577790), which was argued and taken under submission by the Court on February 3, 2022.

(c) Mr. Feghali prepared the briefing in a contested class certification motion in the matter of *Brown v. NTI-CA, Inc., et al.* (No. 21STCV04397), which is not currently scheduled for hearing.

(d) Mr. Feghali was part of a team that prepared the briefing in a contested class certification motion in the matter of *Thong, et al. v. Outlook Resources, Inc., et al*. (No. 19STCV44400), which was granted, in part, and denied, in part, in October 2022.

(e) Mr. Feghali prepared the briefing which resulted in a remand order in the matter of *Andrade v. Rehrig Pacific Corp.* (C.D. Cal. April 22, 2020) No. CV 20-1448 FMP (RAOx), 2020 WL 1934954, where Defendant removed a wage and hour class alleging that Plaintiff's claims were pre-empted by the Labor Management Relations Act.

(f) Mr. Feghali briefed, argued, and won the matter of *Lee, et al. v. The Christian Herald, U.S.A., Inc.* (Cal. Ct. App. Dec. 12, 2017) No. B266853, 2017 WL 6333905, at *1. There, the Court of Appeal reversed a dismissal of an individual defendant following the trial court's granting of a demurrer without leave to amend relating to alter ego allegations.

(g) Mr. Feghali prepared the briefing which resulted in a remand order in the matter of *Sotelo v. Belfor USA Group, Inc.* (C.D. Cal. Mar. 13, 2018) No. 2:17–cv–09056–RSWL–MRWx, 2018 WL 1352910. Defendants there sought to remove the case based on the inclusion of a "sham defendant," but the court agreed with Mr. Feghali's briefing which argued that the individual defendant, who was alleged to have harassed the plaintiff under FEHA, was a proper defendant.

(h) Mr. Feghali has been the lead counsel, or co-lead counsel, in individual cases that settled for $850,000.00, $375,000.00, and $250,000.00. In addition to the foregoing, Mr. Feghali has resolved or assisted in the resolution of approximately 100 cases which has resulted in millions of dollars of unpaid wages being returned to low-wage employees.

(i) Mr. Feghali was part of a team that prepared the briefing in a contested class certification motion in the matter of Hernandez v. CR Laurence, Inc., et al. (No. 20STCV32372), which was granted, in part, and denied, in part, in February 2024.

50. Since June 2018, Mr. Feghali's practice has shifted to almost exclusively representing employees in wage and hour class and PAGA representative actions. His fee has been approved by Courts throughout the state. He has participated as lead, or co-lead counsel, in the litigation and resolution of over 100 wage and hour class actions, including obtaining preliminary and final approval of settlements. A selection of settled cases wherein Mr. Feghali served as lead or co-lead class counsel includes the following: *Barahona v. Methodist Hosp. of Cal*. (No. 20STCV09876) ($5,000,000); *Vazquez v. St. Mar 2.0 Inc.* (No. 37-2021-00042702-CU-OE-CTL) ($2,250,000); *Duncan v. Infineon Technologies Americas Corp*. (No. 21STCV16872) ($2,500,000); *Aquino v. Coast King Packing, LLC* (No. 21CV002448) ($2,300,000); *Martinez, et al. v. Curative LLC* (No. 21STCV20778) ($1,500,000); *Calderon v. Installed Building Products* (No. 37-2021-00035844-CU-OE-CTL) ($1,500,000); *Majdoub v. Argent Hotel Mgmt.* (No. CGC-20-582921) ($1,800,000); *Fuentes v. Covid Clinic, Inc*. (No. CIVSB2106806) ($1,526,317.57); *Rahman, et al. v. Gate Gourmet, Inc*. (No. 3:20-cv-03047) ($3,850,000); *Pagoulatos v. Coast Hills Credit Union* (No. 20CV02801) ($1,100,000); *Hammers v. Redwood Oil Co., Inc*. (No. SCV-269625) ($1,180,000); *Cuadras v. R.C. Wendt Painting, Inc*. (No. BC705964) ($1,400,000); *Zaragoza v. The Roman Catholic Bishop of Fresno* (No. 22CV-00282) ($1,500,000); *Garcia v. San Jose Water Co.* (22CV396328) ($1,200,000); *Garcia v. Tri-Valley Plastering, Inc*. (No. 22CECG00591) ($1,250,000); *Garcia v. Tapia Enter., Inc*. ($2,137,651 for 507 class members); *Cha v. Center Point, Inc*. (No. CIV2102081) ($1,000,000); *Sison v. Cha Hollywood Med. Ctr., L.P*. (No. BC644129) (2,137 class members); *Lagos v. ThyssenKrupp Elevator Corp.* (No. BC682972) ($750,000 for 79 class members); and *Montoya v. Golden 1 Credit Union* (No. 34-2018-00228252) ($1,250,000).

CHARLOTTE MIKAT-STEVENS' EXPERIENCE AND QUALIFICATIONS

51. Charlotte Mikat-Stevens is an associate attorney at Moon Law Group, PC. Ms. Mikat-Stevens advocates for employees in both state and federal court in employment and related litigation. Since joining Moon Law Group, PC, her practice has focused on wage and hour class actions and PAGA representative

actions involving claims related to unpaid overtime and minimum wages, meal and rest break violations, unreimbursed business expenses, improper wage statements, unfair business practices, and penalties.

52. Ms. Mikat-Stevens received her B.As. in Anthropology and International Studies with honors from Loyola University of Chicago, and her J.D. and Master of Environmental Law and Policy from Vermont Law School ("VLS") in 2017. While in law school, Ms. Mikat-Stevens served as Note and Production Editor for the Vermont Journal of Environmental Law, served with the VLS Environmental Law Society, and worked as a student clinician both for both the Food and Agriculture and the Environmental and Natural Resources Law Clinics at VLS. Following law school, Ms. Mikat-Stevens was selected for a fellowship focused on the labor trafficking and forced labor of agricultural workers in the United States, during which time she developed a toolkit for legal practitioners and represented victims of trafficking with civil and criminal cases. Before joining Moon Law Group, PC, Ms. Mikat-Stevens represented farm workers with various employment law claims in administrative and civil courts, including class and representative actions, as well as in grievance and arbitration matters.

53. Ms. Mikat-Stevens became an Active Member of the State Bars of California and Washington in 2019 and has been a member in good standing of both Bars continuously since then. She is also admitted to practice in the United States District Court for the Eastern and Central Districts of California and in the United States District Court for the Eastern District of Washington.

54. Ms. Mikat-Stevens' current billing rate is $675.00 per hour, which is her usual rate in wage and hour litigations. Based on Ms. Mikat-Stevens' approx. 5 of experience, her Laffey Matrix rate with a 2.53% adjustment is $595.70 per hour ($581 Laffey Matrix rate + (2.53% x $581)). (*See* Ex. 6.) As compared to the Laffey Matrix rate and when considering her wage-and-hour class action experience, Ms. Mikat-Stevens' billing rate of $675 per hour is reasonable.

55. A selection of settled class actions that have received preliminary and/or final settlement approval as well as PAGA-only approved settlements in which Ms. Mikat-Stevens assisted in the resolution during her tenure with Moon Law Group, PC includes the following: *Alvarez v. Conagra Foods Packaged Foods, LLC, et al.* (Los Angeles No. 21STCV37375) ($1,000,000 for 1,066 class members); *Amador v. Prime Waterproofing & Roofing, Inc.* (LA No. 19STCV08032) ($107,500 for 157 class members); *Amaya v. Purosil, LLC* (Riverside No. CVRI2202854) ($435,000 for 353 class

members); *Argueta v. ASMB, LLC* (LA No. 22STCV08327) ($135,000 for approx. 506 aggrieved employees); *Arzate v. Coastal Blooms Nursery, LLC* (Santa Barbara No. 22CV00778) ($150,000 for approx. 697 aggrieved employees); *Bonine v. Wachter, Inc.* (LA No. 20STCV31653) ($354,000 for 209 class members); *Bustamante v. Advanced Skilled Nursing, Inc.* (LA No. 19STCV00801) ($525,000 for 530 class members); *Cabello v. Rancho Car Wash, LLC* (Riverside No. CVRI2103709) ($297,500 for 132 class members); *Candys v. Community Psychiatry Management, LLC* (Sacramento No. 34-2022-00314705) ($921,153.39 for 790 class members); *Castillo v. Freedom Painting Inc.* (LA No. 20STCV22365) ($250,000 for 99 class members); *Cervantes v. Wondertreats, Inc.* (Stanislaus No. CV-22-001263) ($295,884.32 for 433 class members); *Cruz v. Knightsbridge Plastics, Inc.* (Alameda No. 23CV028294) ($700,000 for 343 class members); *Del Toro-Ibarra v. West Pico Distributors, LLC* (LA No. 21STCV31247) ($130,000 for 108 class members); *Delgado v. Kings River Farming, Inc.* (Fresno No. 22CECG00736) ($517,500.00 for approx. 760 aggrieved employees); *Duncan v. Infineon Technologies Americas Corp.* (LA No. 21STCV16872) ($2,500,000 for 775 class members); *Duncan v. Roth Staffing Companies, L.P., et al.* (San Bernardino No. CIVSB2421369) ($225,000 for approx. 329 aggrieved employees); *Estrada v. TRC Companies, Inc., et al.* (LA No. 21STCV37078) ($2,200,000 for 698 class members); *Fennix v. Tenderloin Housing Clinic, Inc.* (San Francisco No. CGC-20-584834) ($330,000 for 589 class members); *Ferry v. Cencal Wings II, Inc.* (Fresno No. 21CECG03205) ($630,000 for 588 class members); *Fisher et al. v. Supreme Truck Bodies of California, Inc. et al.* (Riverside No. CVRI2200207) ($3,000,000 for 1,344 class members); *Flores v. Home Delivery Service, LLC* (Alameda No. RG21096517) ($1,200,000 for 3,144 class members); *Garcia v. Meissner Filtration Products, Inc., et al.* (Ventura No. 2021-00555324-CU-OE) ($265,000 for approx. 1,552 aggrieved employees); *Garcia v. San Jose Water Company* (Santa Clara No. 22CV39638) ($1,200,000 for 489 class members); *Garcia v. South Valley Companies* (Kern No. BCV-22-100465) ($182,000 for 151 class members); *Garcia v. Tri-Valley Plastering, Inc*. (Fresno No. 22CECG00591) ($1,250,000 for 858 class members); *Ghusar v. ECMD, Inc.* (Riverside No. CVRI2404116) ($195,000 for approx. 108 aggrieved employees); *Gomez v. Arya Ice Cream Distributing Co., Inc.* (LA No. 21STCV31170) ($588,203.6 for 98 class members); *Gonzalez v. A.M. Castaneda, Inc.* (San Diego

No. 37-2021-00017374-CU-OE-CTL) ($488,372.97 for 494 class members); *Gutierrez v. Ratto Bros., Inc.* (Stanislaus, No. CV-23-001816) ($225,000 for approx. 187 aggrieved employees); *Hernandez v. Oakland Paper & Supply, Inc.* (Contra Costa No. MSC21-00363) ($200,000 for approx. 135 aggrieved employees); *Herrera v. Coastal Construction & Lumber Co.* (Santa Clara No. 22CV394683) ($100,000 for approx. 197 aggrieved employees); *Kilgore v. BQ Operations Holdings, LLC, et al.* (LA No. 23STCV10311) ($1,100,000 for 8,254 aggrieved employees); *Lester v. The Super Dentists, Inc.* (San Diego No. 37-2023-00014247-CU-OE-CTL) ($200,000 for approx. 459 aggrieved employees); *Lopez Rivera v. Villagrana Logistics, Inc.* (San Bernardino No. CIVDS2022538) ($400,000 for 1,446 class members); *Martinez v. Canton Food Co., Inc.* (LA No. 21STCV34962) ($665,000 for 414 class members); *Martinez v. Desert Concepts Construction, Inc.* (LA No. 20STCV08933) ($300,000 for 456 class members); *Murillo v. Quanta Computer USA, Inc.* (Alameda, No. 22CV005095) ($2,635,550.17 for 2,466 class members); *Murrieta v. Stanley Black & Decker, Inc.* (San Bernardino No. CIVSB2414301) ($1,250,000 for approx. 942 class members); *Perez v. Torn & Glasser, Inc.* (LA No. 21STCV43614) ($1,127,610 for 629 class members); *Preciado v. Kip Incorporated* (Riverside No. CVRI2103836) ($450,000 for 195 class members); *Quintero et al. v. JC Resorts LLC et al.* (San Bernardino No. CIVSB2115731) ($1,570,000 for approx. 3,200 class members); *Ramirez v. Merrill Gardens, LLC* (Cal. E.D. No. 1:22-cv-00542-SAB) ($825,000 for 4,602 class members); *Rayford v. AbleLight, Inc.* (Sacramento, No. 23CV001488) ($1,480,000 for 819 class members); *Ruiz v. Artistic Entertainment Services, LLC* (LA No. 23STCV07581) ($325,000 for 266 class members); *Sanchez v. Anodizing Indus., Inc.* (LA No. 21STCV30722) ($260,000 for 71 class members); *Sanchez v. M & G Jewelers, Inc.* (San Bernardino No. CIVSB2124508) ($495,000 for 400 class members); *Stanley Black & Decker Wage and Hour Cases* (San Bernardino No. JCCP5218) ($3,500,000 for 1,922 class members) ($3,513,906.42 for 1,922 class members); *Tapia v. Sierra Forest Products* (Tulare No. VCU288833) ($550,000 for 400 class members); *Thong v. Outlook Resources, Inc.* (LA No. 19STCV44400) ($3,250,000 for approx. 1,542 class members; *Valdez v. Heat Make Sense, Inc.* (Sacramento No. 34-2021-00296194) ($120,000 for 13 class members); *Viruete v. Orange Treeidence OPCO, LLC* (Riverside No. CVRI2201128) ($300,000 for 538 class members); *Wallick v. Campbell Soup Supply*

Co., LLC (San Joaquin No. STK-CV-UOE-2021-0000865) ($950,000 for 435 class members); *Williams v. Hodo, Inc.* (Alameda No. 21CV000132) ($550,000 for approx. 617 class members); *Williams v. Precision Tube Bending* (LA No. 21STCV46806) ($175,000 for approx. 135 aggrieved employees); *Williamson v. Strata Skin Sciences, Inc.* (San Diego No. 37-2022-00010879) ($125,000 for 40 class members); *Wilshinsky v. Southern California Health & Rehabilitation Program* (Los Angeles No. 23STCV07577) ($305,549 for approx. 396 class members); *Zaragoza v. The Roman Catholic Bishop of Fresno* (Merced No. 22CV-00282) ($1,500,000 for 962 class members); *Zhou v. Cisco Systems, Inc.* (Santa Clara No. 22CV396821) ($1,925,000 for 5,840 class members); and *Zubia et al. v. Procter & Gamble Distributing LLC* (LA No. 20STCV44506) ($4,090,388.51 for 1,326 class members).

PAGA COUNSEL'S EXPERIENCE AND QUALIFICATIONS

56. As demonstrated by the foregoing, my office is qualified to handle this litigation because we are experienced in litigating Labor Code and Wage Order violations in individual, class, and representative actions. The attorneys at my office have been appointed as lead or co-lead counsel in numerous wage-and-hour class and/or PAGA actions in state and federal courts by way of motion for settlement approval. Including myself, Moon Law Group, PC is currently comprised of roughly 30 attorneys, all of whom are actively and continuously practicing employment litigation, representing almost entirely employee-plaintiffs, in both individual and class and/or PAGA actions, in this Superior Court and other Superior Courts throughout the State, in the Courts of Appeal, and in various federal courts. The attorneys at my firm have a high level of skill, knowledge, and experience in areas of wage-and-hour class and PAGA actions, and labor and employment law generally, the substantiative (state and federal) and procedural law of which is frequently evolving.

57. Moon Law Group, PC has been engaged in the practice of employment and labor law for over a decade and presently focuses exclusively on plaintiffs' employment law. The firm and its lawyers have tried both bench and jury trials (representing both plaintiffs and defendants) in employment-related matters. As noted above, my firm has been appointed lead or co-lead class counsel in federal and state courts in California. Also, the firm and its lawyers have successfully settled hundreds of cases during that time, including wage and hour class and/or PAGA actions.

58. The foregoing experience of myself and other attorneys of Moon Law Group, PC is helpful in assessing the reasonableness of settlements, such as the one at issue here, and from this experience we concluded that this litigation could not have been settled on better terms than provided under the proposed Settlement.

59. I do not believe that I or any other attorneys of my firm have any conflicts of interest with or are related to Plaintiffs, other Aggrieved Employees, or the proposed Administrator. I respectfully submit that we are competent and well suited to act as PAGA Counsel in this action, and we have and will continue to vigorously represent the PAGA interests.

REQUEST FOR ATTORNEYS' FEES AND COSTS

60. In line with the Settlement, my firm requests an award of attorneys' fees in an amount of one-third of the GSA (i.e., at least $100,000 and subject to increase if the Escalator Clause is triggered), plus reimbursement for actual litigation costs up to a maximum of $21,000. (Settlement, ¶ III.4a.)

61. The requested PAGA Counsel Fees Payment can be justified under either the common fund or lodestar method, although we base the requested award on the common fund method. Nonetheless, the lodestar method can be used to cross-check the reasonableness of the award calculated under the common fund method.

62. The total current lodestar for Moon Law Group, PC is *not less than* the following:

Attorney	**Rate**	**Hours**	**Lodestar**
Kane Moon	$950.00	35.8	$34,010
Allen Feghali	$900.00	17.1	$15,390
Charlotte Mikat-Stevens	$675.00	83.4	$56,295
	Total:	**136.3**	**$105,695**

63. There are additional hours devoted to this litigation by the attorneys and legal assistants in my office that are not reflected in the foregoing lodestar, including additional attorney time that will be spent to obtain and monitor approval of the Settlement and requested awards, oversee the settlement administration process and distribution of funds, respond to inquiries, and communicate with Plaintiffs regarding the case. I

estimate that my office will commit *no less than* 10 hours, although likely more time, to these additional tasks, which are hours not included in the foregoing lodestar total. At my $950 hourly rate, these additional 10 hours results in a lodestar of **$9,500.00**. My office also bears the risk of taking whatever actions are necessary if Defendant fails to pay.

64. "California case law permits fee awards in the absence of detailed time sheets." (*Wershba v. Apple Comp., Inc.* (2001) 91 Cal.App.4th 224, 255.) 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.) We can provide complete, detailed billing records in the event the Court requests them but would request the opportunity to redact attorney-client privileged information and any other privileged information. As discussed below, application of a positive multiplier is warranted ***but not requested*** in this case.

65. The lodestar method requires the Court to determine a "touchstone" or lodestar figure based on a compilation of time spent and reasonable hourly compensation for each attorney. (*Graham v. DaimlerChrysler Corp.* (2004) 34 Cal.4th 553, 579.) Generally, hours are reasonable if they were "reasonably expended in pursuit of the ultimate result achieved in the same manner that an attorney traditionally is compensated by a fee-paying client." (*Hensley v. Eckerhart* (1983) 461 U.S. 424, 431.)

(a) <u>Number of Hours Expended by My Office is Reasonable</u>: As set forth in this declaration, my office expended a significant amount of time litigating the case to achieve an excellent result on behalf of the Aggrieved Employees. To date, my office has spent no less than **136.3 hours** litigating this case. In the event the Court grants settlement approval, my office will spend additional time related to this litigation, including to monitor administration of the settlement after approval, committing no less, although likely more, than **10** hours to those additional tasks. The number of hours that my office has and will devote to this case is reasonable. (*See, e.g.*, *Ketchum III v. Moses* (2001) 24 Cal.4th 1122, 1133 [fee award should be fully compensatory and, "absent circumstances rendering the award unjust, an attorney fee award should ordinarily include compensation for *all* the hours *reasonably spent*"] [emphasis in original]; *Serrano v. Unruh* (1982) 32 Cal. 3d 621, 624 [counsel are entitled to compensation for all hours reasonably expended]; *Hensley*, *supra*, 461 U.S. at pp. 435–36;

Caudle v. Bristow Optical Co. (9th Cir. 2000) 224 F.3d 1014, 1028; *Cabrales v. Cty. of L.A.* (9th Cir. 1991) 935 F.2d 1050, 1052–53.) As discussed above, my office was required to expend considerable time and resources to investigate, litigate, and successfully settle these claims for the benefit of the Aggrieved Employees and LWDA.

(b) The Attorneys' Hourly Rates are Reasonable: "[T]he established standard when determining a reasonable hourly rate is the 'rate prevailing in the community for similar work performed by attorneys of comparable skill, experience, and reputation.'" (*Camacho v. Bridgeport Fin., Inc.* (9th Cir. 2008) 523 F.3d 973, 979 [quoting *Barjon v. Dalton* (9th Cir. 1997) 132 F.3d 496, 502].) This rule applies even when, as here, the attorneys representing a named plaintiff perform the work on a contingent fee basis. (*See, e.g.*, *Robertson v. Fleetwood Travel Trailers of Cal., Inc.* (2006) 144 Cal.App.4th 785, 818; *Blanchard v. Bergeron* (1989) 489 U.S. 87, 96.) These hourly rates are reasonable in light of the significant experience, expertise, and skill my firm brought to this action. Rates are reasonable if they are "within the range of reasonable rates charged by and judicially awarded comparable attorneys for comparable work." (*Children's Hosp. & Med. Ctr. v. Bonta* (2002) 97 Cal.App.4th 740, 783.) The trial court may "find hourly rates reasonable based on evidence of other courts approving similar rates." (*Parkinson v. Hyundai Motor Am.* (C.D. Cal. 2010) 796 F.Supp.2d 1160, 1172.) The attorneys at Moon Law Group, PC are experienced litigators who specialize in employment law, with a substantial wage-and-hour class and/or PAGA action practice. The hourly rates of each attorney are also reasonable as compared to their respective Laffey Matrix rates, as explained *supra*. Moreover, these rates are not opposed or challenged and have been approved by other courts.

(c) Application of a Multiplier is Warranted (But Not Requested): Once this lodestar figure has been determined, the Court may take into account other "enhancement" factors to adjust the lodestar award. As the California Supreme Court has held, contingency fees should be higher than fees for the same legal services paid concurrently with the provision of the services. (*Ketchum III*, *supra*, 24 Cal.4th at pp. 1132–33; *see also Fischel v. Equitable Life Assurance Soc'y of the U.S.* (9th Cir. 2002) 307 F.3d 997, 1008.) "A lawyer who both bears the risk of not being paid and provides legal services is not receiving the fair market value of his work if he is paid only for the second of these functions. If he is paid no more, competent counsel will be reluctant to accept fee award cases." (*Ketchum,* 24 Cal.4th at p. 1133.) Application of that rule is particularly appropriate where the case is brought to redress important rights of vulnerable persons. (*Id.*) A risk enhancement is "earned compensation; unlike a windfall, it is neither unexpected nor fortuitous. Rather, it is intended to approximate market-level compensation for such services, which typically includes a premium for the risk of nonpayment or delay in payment of attorney fees." (*Id.* at p. 1138.) **Multipliers normally range from two to four or higher.** (*Wershba*, *supra*, 91 Cal.App.4th at p. 255; *see also Vizcaino v. Microsoft Corp.* (9th Cir. 2002) 290 F.3d 1043, 1051, n.6 ["most" common fund cases apply a multiplier of 1.0–4.0]; *Been v. O.K. Indus., Inc.* (E.D. Okla. 2011, No. CIV–02–285–RAW) 2011 WL 4478766, *11 [citing a study "reporting [an] average multiplier of 3.89 in survey of 1,120 class action cases" and finding that a multiplier of 1.22 would be "per se reasonable"].) Factors considered in determining whether a lodestar multiplier is appropriate generally include: (1) the risks presented by the contingent nature of the case; (2) the novelty and difficulty of the questions involved and the skill requisite to perform the legal service properly; (3) the nature of the opposition; (4) the preclusion of other employment by the attorney due to acceptance of the case; and (5) the result obtained and the importance of the lawsuit to the public. (*Serrano v. Ivy Baker Priest* (1977) 20 Cal. 3d 25, 48–49 [hereinafter "*Serrano III*"].) All these factors favor approval of a multiplier along the lines of those approved in the cases above. To date, my office has incurred no less than **$105,695** in attorneys' lodestar fees, anticipates incurred at least another $9,500 in lodestar fees, and has advanced at least $18,422.05 in actual litigation costs. After reimbursement of our out-of-pocket expenses, the fee request of **$100,000** represents a **negative** multiplier of the lodestar fees incurred to-date in prosecuting this case. In other words, we are requesting an amount that is *less* than what we would be entitled to under the lodestar method.

1) *Risks presented by the contingent nature of the case*: The major consideration in determining the necessity of a multiplier is the contingent nature of the award. (*Ketchum*

III, *supra*, 24 Cal.4th at pp. 1132–33; *see also Fischel*, *supra*, 307 F.3d at p. 1008.) In determining what multiplier to award, the probability of success must be assessed *ex ante*, that is, as viewed from the outset of the case. (*See, e.g.*, *Harman v. Lyphomed, Inc.* (7th Cir. 1991) 945 F.2d 969, 976.) Further, the possibility of no recovery is only one of the uncertainties involved in taking on such a case. Other uncertainties are the amount that will be recovered, uncertainty as to the cost, both in effort and expenses, and uncertainty about how much time will pass before the recovery is obtained. (*See, e.g.*, *Ketchum*, 24 Ca1.4th at pp. 1132–1133, 1138.) My office's outlay of time and money in this case has been significant. In all, my office has spent *no less than* 136.3 hours to date investigating, analyzing, researching, litigating, and negotiating a favorable resolution of this case, in addition to *a minimum of* 10 hours that will be spent following settlement approval, including to monitor settlement administration and distribution of funds, and has incurred *a minimum of* $18,422.05 in necessary litigation costs. Unsettled legal issues also presented risks to the claims in this case. My office bore the substantial risk of an uncertain outcome in agreeing to prosecute this class action case on a contingency fee basis, as well as the difficulties and delay inherent in such litigation. There was the prospect of the enormous cost inherent in representative PAGA action litigation, as well as extensive negotiations with a corporate Defendant who vigorously opposed Plaintiffs' claims from the outset. My office risked significant time and expense to ensure a successful settlement. As detailed *supra*, the risks presented in this case were significant and Defendant's defenses posed serious risks to the success of this PAGA matter on the merits. These risks illustrate the recognition by the California Supreme Court in *Ketchum III* that, if multipliers are not awarded to PAGA counsel in the cases that are successfully settled, counsel's fees are essentially being cut because the lodestar in and of itself would not account for contingent risk.

2) *Difficulty of the questions involved and the skill required*: My office is comprised of skilled attorneys who have had success in wage-and-hour class and/or PAGA actions. This case required experienced and competent lawyers, as well as expertise in the issues

presented herein. To obtain such an attorney on the free market, a client must pay the market rate. While most class/PAGA actions are complex and involve some risk, my office had to overcome several major obstacles in prosecuting this case, as explained *supra*. Defendant's contentions underscore the risk of prevailing at trial, and any of these obstacles could have prevented recovery completely.

3) *Vigorous opposition by Defendant*: Counsel who skillfully overcome difficult issues or uncompromising opposition in the litigation are entitled to a fee enhancement. (*Serrano III*, *supra*, 20 Cal.3d at 49.) Here, before eventually agreeing to a settlement, Defendant asserted a vigorous defense. The settlement effort was protracted, with extended discussions and instances in which it appeared the Parties would not reach a resolution. Further, trial would have added years to the resolution of this case because of the difficult legal and factual issues raised and the likelihood of appeals. Indeed, even if Plaintiffs prevailed on the representative PAGA claims at trial, Defendant would likely have mounted an appeal.

4) *The extent to which litigation precluded other employment would justify an enhancement*: There are only so many cases that my office can take at any one time. Consequently, there were other meritorious cases presented to my office that would have generated substantial fees, but were declined, during the pendency of this action in order to devote the attention necessary to achieve favorable results.

5) *The result obtained would justify an enhancement*: The results obtained in litigation can properly be used to enhance a lodestar calculation where an exceptional effort produced excellent results. (*Graham*, *supra*, 34 Cal.4th at p. 582.) Here, the GSA is $300,000, which represents roughly **85%** of the total realistic recovery, and which is subject to potential increase under the Escalator Clause. Considered against the numbers of Aggrieved Employees involved, the risks posed by continued litigation, and the importance of the employment rights and a speedy recovery, the relief provided under the Settlement represents a very strong result for the Aggrieved Employees and LWDA.

6) *The use of a multiplier is permitted in PAGA actions*: PAGA 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(k)(1).) Although, PAGA does not provide a specific standard for evaluating attorneys' fees in connection with a settlement of PAGA claims, California Courts have employed a lodestar analysis and use of multipliers for this purpose. "Where a settlement produces a common fund for the benefit of the entire class, courts have discretion to employ either the lodestar method or the percentage-of-recovery method. . . . To guard against an unreasonable result, the Ninth Circuit encourages district courts to "cross-check[] their calculations against a second method. . . . Accordingly, the Court calculates attorneys' fees in the instant case using the percentage-of-recovery method and then cross-checks its calculations against the lodestar method." (*Hermosillo v. Davey Tree Surgery Co.* (N.D. Cal. July 7, 2021) No. 18-CV-00393-LHK, 2021 WL 2826697, at *1 [quoting *In re Bluetooth Headset Prods. Liab. Litig.* (9th Cir. 2011) 654 F.3d 935, 942, 944–45].)

66. I am informed and believe that the fees and costs provision under the Settlement is reasonable. The fee percentage requested is less than that charged by my office for most employment cases. My office invested significant time and resources into the case, with payment deferred to the end of the case, and then, of course, contingent on the outcome.

67. The risk to my office has been very significant, particularly if we would not be successful in pursuing this action. In that case, we would have been left with no compensation for all the time taken in litigating this case. Indeed, I have taken on a number of class and/or PAGA action cases that have resulted in thousands of attorney hours being expended and ultimately having the defendant company going bankrupt. The contingent risk in these cases is very real and occurs regularly. Furthermore, we were precluded from focusing on or taking on other cases which could have resulted in a larger, and less risky, monetary gain.

68. Because most individuals cannot afford to pay for legal representation on an hourly basis, Moon Law Group, PC represents virtually all its employment law clients on a contingency fee basis, including Plaintiffs in this action. Pursuant to this arrangement, we are not compensated for our time unless we prevail at trial or our clients' cases are successfully settled. Because Moon Law Group, PC is taking the risk that we

will not be reimbursed for our time unless our client settles or wins his or her case, we cannot afford to represent a client on a contingency basis if, at the end of our representation, all we are to receive is our regular hourly rate for services. It is essential that we recover more than our regular hourly rate when we win if we are to remain in practice so as to be able to continue representing other individual employees in civil rights employment disputes.

69. My office invested significant time and resources into the case, with payment deferred to the end of the case, and then, of course, contingent on the outcome. My office's efforts have included, and will include following an approval order, without limitation, the following:

a. Numerous interviews with Plaintiffs and review of documents provided by them;

b. Legal research and investigation regarding the Defendant's practices at numerous points in the litigation;

c. Preparation and submission of Plaintiffs' respective PAGA Notices;

d. Preparation of multiple drafts of the original class action complaint and subsequent amended complaints, as well as finalization and filing of said complaints;

e. Extensive meet-and-confer discussions with Defendant's counsel regarding the arbitration agreement and the impact on Plaintiffs' individual and class action claims;

f. Extensive meet-and-confer discussions with Defendant's counsel regarding mediator selection and production of relevant documents and information in preparation of mediation through informal discovery;

g. Analysis of Defendant's informal discovery production and preparation of a damages model with the aid of a statistics expert;

h. Contacting and interviewing witnesses;

i. Research and preparation of Plaintiffs' mediation brief;

j. Attendance and active participation at a full day of mediation and in-depth discussions regarding the strengths and weaknesses of the claims;

k. Drafting, negotiating, and reviewing multiple drafts of the Settlement;

l. Preparation, finalization, and submission of the instant motion for settlement approval and accompanying filings;

m. Anticipated preparation for and attendance at the hearing on the motion for approval, monitoring approval of the Settlement and requested awards, and overseeing the administration process and distribution of funds; and

n. Communications with Plaintiffs throughout the case.

70. As of the drafting of this motion, my office has incurred **$18,422.05** in expenses litigating this action without any reimbursement. These expenses were reasonably necessary to the litigation and were actually incurred by my office. A true and correct copy of a report showing these costs is attached hereto as **Exhibit 4**. These to-date expenses are summarized as follows:

(a) "LWDA fee": costs for submitting Plaintiffs' respective PAGA Notice to the LWDA;

(b) "One Legal - Complaint": a one-time, initial case filing fee for initiating the action;

(c) "Berger Consulting Group": costs for expert analysis of discovery prior to mediation;

(d) "JAMS": a one-time cost for mediation;

(e) "One Legal" and "ACE": costs for filing and/or serving various documents during the action.

71. We anticipate incurring additional costs up to and after Settlement approval, including filing costs for the approval motion and any notice of entry of approval order and judgment. Specifically, we estimate we will incur roughly $90 in out-of-pocket costs to file the approval motion and accompanying papers. We do not anticipate reaching, let alone exceeding, the maximum allocation for litigation costs ($21,000) that is provided for under the Settlement. Moreover, pursuant to the terms of Settlement, the difference between the maximum allocation and our actual costs will revert to the Net Settlement Amount as PAGA Penalties. (Settlement, ¶ III.4a.) Thus, I respectfully submit that our reimbursement request for only actual costs not to exceed $21,000 is fair and reasonable.

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72. Through the efforts of my office and Plaintiffs in this case, a fair and reasonable resolution has been reached that includes a non-reversionary payment by Defendant of at least $300,000 to compensate Aggrieved Employees and benefit the LWDA for Defendant's alleged unlawful employment practices. I am informed and believe that, without the efforts of my office or Plaintiffs, the Labor Code and Wage Order violations alleged in this action would have gone completely unremedied.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on August 21, 2025, at Los Angeles, California.

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Kane Moon