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10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
11 **FOR THE COUNTY OF SAN BERNARDINO**

12 ELITIA MATTHEWS, individually, and on
13 behalf of all others similarly situated,

14 Plaintiff,

15
16 vs.

17 CROSSOVER HEALTH MEDICAL GROUP,
18 APC, a professional corporation; and DOES 1
19 through 10, inclusive,

20 Defendants

Case No.: CIVSB2414306

REPRESENTATIVE ACTION

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

[Filed with Plaintiff's Notice of Motion and
Motion for Approval of PAGA Settlement
Agreement, the Declaration of Jodey Lawrence,
[Proposed] PAGA Approval Order, and
[Proposed] Judgment]

PAGA APPROVAL HEARING:

Date: October 13, 2026
Time: 8:30 a.m.
Dept.: S35
Judge: Hon. Michael A. Dauber

Action filed: May 10, 2024
Trial date: Not set

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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 Plaintiff Elitia Matthews (“Plaintiff”). 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 Plaintiff's Motion for Approval of PAGA Settlement Agreement. Plaintiff seeks approval of a PAGA Settlement Agreement (the "Settlement") entered into with Defendant Crossover Health Medical Group, APC ("Defendant") (collectively, Plaintiff and Defendant are 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 Defendant's full settlement funding.

3. The proposed Settlement seeks to resolve all alleged claims for civil penalties pursuant to the California Private Attorneys General Act, Labor Code sections 2698, *et seq.* (“PAGA”). Plaintiff brought this PAGA action on behalf of herself and all persons employed by Defendant in California and classified as a non-exempt employee who worked for Defendant during the PAGA Period. (“Aggrieved Employees”). (Settlement, ¶ 1.4.) For purposes of settlement, the “PAGA Period” is May 5, 2023, to August 5, 2025. (*Id.* at ¶ 1.25.)

CASE BACKGROUND AND PROCEDURAL HISTORY

4. Defendant is a healthcare service provided. Plaintiff worked for Defendant during the statutory period. Throughout her employment, Plaintiff was classified as non-exempt and paid on an hourly basis. Plaintiff contends she and her former co-workers were subjected to the same or similar unlawful labor practices during their employment by Defendant, including failure to pay all wages.

5. Plaintiff's claims for unpaid wages stem from allegations that Defendant failed to pay all wages owed for all hours worked, including overtime, and failed to incorporate all remuneration into employees' regular rate of pay for purposes of calculating overtime, meal period premiums, and sick pay. Plaintiff's meal and rest period claims are based on allegations that due to the nature of their work and

1 Defendant's employment practices, employees regularly experienced missed, untimely, or interrupted
2 breaks, and that Defendant failed to provide any premiums for non-compliant rest breaks or all premiums
3 for non-compliant meals. Plaintiff also alleges that Defendant failed to maintain accurate time and meal
4 period records, failed to reimburse necessary business expenses, including personal cellphone and work
5 from home expenses. Plaintiff further alleges she and other employees did not receive all wages owed at
6 the time of termination nor accurate itemized wage statements due to Defendant's failure to pay all wages
7 and premiums. Accordingly, Plaintiff alleges Defendant is liable for civil penalties under PAGA.

8 6. Because of the foregoing alleged violations of the Labor Code, Plaintiff filed a Class Action
9 Complaint on May 10, 2024, alleging Defendant systematically: (1) failed to pay minimum wages, (2)
10 failed to pay overtime compensation, (3) failed to provide meal periods, (4) failed to authorize and permit
11 rest breaks, (5) failure to indemnify necessary business expenses, (6) failed to timely pay final wages at
12 termination, (7) failed to provide accurate itemized wage statements, and (8) engaged in unfair business
13 practices.

14 7. Pursuant to PAGA, on May 5, 2024, Plaintiff submitted notice of the alleged Labor Code
15 violations to the California Labor and Workforce Development Agency (the "LWDA"), with certified
16 mail service on Defendant, and paid the required filing fee. A true and correct copy of Plaintiff's PAGA
17 Notice is attached hereto as **Exhibit 2**. The administrative exhaustion period under PAGA expired
18 without the LWDA indicating any intent to investigate the allegations. On August 6, 2024, the Court
19 granted the Parties' stipulation for leave to file the First Amended Complaint, and Plaintiff subsequently
20 filed the First Amended Complaint adding a ninth cause of action for civil penalties under PAGA.
21 Accordingly, Plaintiff is duly authorized to act as a private attorney general with respect to the PAGA
22 claims involved in this action.

23 8. In compliance with Labor Code section 2699(s)(1), Plaintiff subsequently submitted to the
24 LWDA a file-stamped copy of the First Amended Complaint containing the Court-assigned case number.
25 To date, the LWDA has not sought to intervene in this action.

26 9. Plaintiff dismissed the class claims without prejudice based on an arbitration agreement with
27 a class action waiver. The Court granted dismissal of the class claims on July 26, 2024, and again on
28 October 4, 2024, after the filing of the First Amended Complaint. The First Amended Complaint, with

1 the remaining representative claims under PAGA, is the operative complaint in the Action (the
2 "Operative Complaint").

3 10. Defendant ardently opposes the merits of this case and denies Plaintiff's factual
4 allegations. Defendant argues all employees were properly paid for all hours worked and that it did not
5 require or permit employees to work off-the-clock. As for the regular rate claim, Defendant argues there
6 was no issue with paying employees the proper regular rate of pay because any additional remuneration
7 was discretionary and thus, not required to be incorporated into the regular rate of pay. Defendant
8 maintains all employees were provided with the opportunity to take all their code-compliant meal and
9 rest breaks and that missed breaks, if any, were solely the result of employees' voluntary choice. As for
10 the unreimbursed business expenses, Defendant maintains it did not require employees to incur any
11 business-related expenses. To the extent employees received wage statements that were allegedly
12 inaccurate, Defendant argues penalties are not warranted because employees suffered no actual damage
13 or harm as a result. (*See, e.g., Angeles v. U.S. Airways, Inc.* (N.D. Cal. Feb. 19, 2013) No. C 12-05860
14 CRB, 2013 WL 622032, at *10 ["A plaintiff must adequately plead an injury arising from an employer's
15 failure to provide full and accurate wage statements, and the omission of the required information alone
16 is not sufficient."].) Additionally, Defendant alleges its good-faith belief that it paid all wages precludes
17 the imposition of waiting time penalties because Plaintiff would be unable to show Defendant's alleged
18 conduct was done willfully or knowingly. (*See, e.g., Pedroza v. PetSmart, Inc.* (C.D. Cal. June 14, 2012)
19 No. ED CV 11-298 GHK (DTBx), 2012 WL 9506073, *5.) For these reasons, Defendant claims it did
20 not engage in any unfair business practices and denies liability under PAGA. Defendant also maintains
21 the claims are not susceptible to proof on a representative basis because of the individualized and varying
22 nature of each employee's experience, making this matter unmanageable.

23 DISCOVERY AND INVESTIGATION

24 11. Following the filing of the complaint, the Parties agreed to meet and confer regarding
25 settlement negotiations. Prior to settlement negotiations, the Parties engaged in an informal exchange of
26 information and documents to evaluate the representative PAGA claims. Defendant produced
27 information and records sufficient for PAGA Counsel to investigate Plaintiff's allegations, including
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1 timekeeping and payroll records, and PAGA Counsel retained an expert to review and analyze the
2 available data for settlement evaluation purposes.

3 12. PAGA Counsel reviewed the information produced by Defendant, including the time and
4 payroll records, together with information provided by Plaintiff. PAGA Counsel also retained an expert
5 to analyze the records and prepare a damages and exposure analysis. Plaintiff's expert reviewed the time
6 and payroll records, which represented 25% of the estimated PAGA Pay Periods, which allowed
7 Plaintiff's expert to prepare an analysis with a reasonable degree of certainty. Based on this investigation,
8 the expert's analysis, and PAGA Counsel's review of the applicable law and Defendant's defenses,
9 PAGA Counsel were able to evaluate the strengths and risks of the representative PAGA claims and
10 Defendant's maximum and realistic monetary exposure. Thus, Plaintiff's and PAGA Counsel's
11 familiarity with the facts of the case and the legal issues raised allowed them to negotiate the Settlement
12 on an informed basis.

13 SETTLEMENT NEGOTIATIONS AND NOTICE TO THE LWDA

14 13. The Parties participated in arm's length settlement negotiations. The negotiations were
15 conducted professionally but remained adversarial, with both sides evaluating the strengths and
16 weaknesses of the claims and defenses. The Parties went into the negotiations willing to explore the
17 potential for a settlement of the dispute, but each side was also prepared to litigate their position if a
18 settlement had not been reached. After a full discussion regarding the strengths and weakness of
19 Plaintiff's claims and Defendant's defenses, the Parties reached an agreement, the material terms of
20 which are set forth in the Settlement.

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

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

KEY TERMS OF SETTLEMENT

16. Gross Settlement Amount, Funding, Disbursement, and Uncashed Checks. The Gross Settlement Amount (“GSA”) is a non-reversionary \$115,000.00. (Settlement, ¶¶ 1.12, 3.1.) Defendant shall fully fund the GSA by transmitting the funds to the Administrator no later than fifteen (15) calendar days after the Effective Date. (*Id.* at ¶ 4.1.) Within fourteen (14) calendar days after receipt of the Aggrieved Employee Data per Section 7.3 of the Settlement, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administrator Expenses Payment, the PAGA Counsel Fee Payment, and the PAGA Counsel Litigation Expenses Payment. (*Id.* at ¶ 4.2.) 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 ¶¶ 4.2.1, 4.2.3.)

17. Escalator Clause. The GSA was negotiated based on an estimate that there are 5,337 Pay Periods worked by the Aggrieved Employees. (*Id.* at ¶ 8.) The Settlement includes an Escalator Clause whereby should the actual number of pay periods should exceed 5,337 by more than ten percent (10%) (i.e. greater than 5,871), then the GSA shall be proportionally increased by the percentage that the actual number exceeds 5,871 (i.e. if the actual count is 6,458 pay periods, a ten percent (10%) increase above the threshold, the GSA would increase by ten percent (10%). (*Id.*)

18. PAGA Counsel Fees Payment and Litigation Expenses Payment. The Settlement includes PAGA Counsel Fees Payment of not more than 33 1/3% of the GSA (i.e., \$38,333.33), and a PAGA Counsel Litigation Expenses Payment of not more than \$15,000.00. (*Id.* at ¶ 3.2.1.) My firm has incurred \$9,059.95 in litigation costs. A true and correct copy of a report showing these costs is attached hereto as **Exhibit 4**.

19. Administrator Expenses Payment. The Settlement provides an Administrator Expenses Payment not to exceed \$6,000.00 to the Settlement Administrator, payable from the GSA, except for a

1 showing of good cause and as approved by the Court. (*Id.* at ¶ 3.2.2.) The Parties jointly selected Phoenix
2 Class Action Administration Solutions (“Phoenix”) as the neutral entity to administer this Settlement.
3 (*Id.* at ¶ 1.2.) A true and correct copy of Phoenix’s bid for \$5,250.00 is attached hereto as **Exhibit 5**.

4 20. Net Settlement Amount. The Net Settlement Amount constitutes the amount available from
5 the Gross Settlement Amount to distribute as PAGA Penalties. The Net Settlement Amount is equal to
6 the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA
7 Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses
8 Payment. (*Id.* at ¶ 1.17.) The remainder is to be paid to the LWDA as the LWDA PAGA Payment and to
9 the Aggrieved Employees as Individual PAGA Payments. (*Id.*) Accordingly, the Net Settlement Amount
10 is estimated to be approximately than **\$62,356.72**,¹ which will be distributed 75% (i.e., 75% *
11 \$62,356.72= **\$46,767.54**) to the LWDA and 25% (i.e., 25% * \$62,356.72= **\$15,589.18**) to Aggrieved
12 Employees pursuant to PAGA law governing Plaintiff’s claims.²

13 21. Individual PAGA Payments. Individual PAGA Payment means the Aggrieved Employee’s
14 pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the
15 Aggrieved Employee worked during the PAGA Period. (*Id.* at ¶ 1.13.) This results in an average
16 Individual PAGA Payment of roughly **\$54.32** for each of the estimated 287 Aggrieved Employees
17 (\$15,589.18 / 287), and a PAGA Pay Period value of **\$2.92** for each of the 5,337 estimated PAGA Pay
18 Periods (\$15,589.18 / 5,337). Aggrieved Employees assume full responsibility and liability for any taxes
19 owed on their Individual PAGA Payment. (*See id.* at ¶ 3.2.3.a.)
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23 ¹ The estimated Net Settlement Amount was calculated by deducting the following amounts from the
24 GSA (\$115,000.00): \$38,333.33 for the PAGA Counsel Fees Payment, \$9,059.95 for the PAGA Counsel
Litigation Expenses Payment, \$5,250.00 for the Administrator Expenses Payment. (*See Settlement*, ¶ 1.17.)

25 ² On July 1, 2024, new legislation was enacted to amend PAGA in several respects, including as to
26 the recovery split for civil penalties. (Stats. 2024, ch. 44 (Assem. Bill No. 2288), § 1, eff. Jul. 1, 2024).
27 As amended, PAGA now provides for a 65%-LWDA/35%-aggrieved employee split. (Lab. Code § 2699(m).)
28 However, this provision does not apply retroactively prior to June 19, 2024. (*Id.* at § 2699(v)(1).) In other
words, because Plaintiffs’ PAGA Notices were 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).

1 22. Releases of Claims. Effective on the date when Defendant fully funds the entire GSA,
2 Plaintiff, the State of California, and the Aggrieved Employees will release claims against all Released
3 Parties as follows: (*Id.* at ¶ 5.)

4 Release by Plaintiff, the State of California, and Aggrieved Employees: Upon approval by the
5 Court of the Settlement and as of the Effective Date, Plaintiff, the State of California and all
6 Aggrieved Employees are deemed to release, on behalf of themselves and their respective former
7 and present representatives, agents, attorneys, administrators, successors, and assigns, the
8 Released Parties from all claims, rights, demands, liabilities, causes of action, and theories of
9 liability for PAGA penalties that were pled or could have been pled based on the factual
10 allegations contained in the PAGA Notice and Operative Complaint during the PAGA Period,
11 including any alleged violations of California Labor Code §§ 201-203, 204, 210, 218.5, 218.6,
12 226, 226.3, 226.7, 227.3, 246, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198,
13 2698 et seq., 2699 et seq., 2699(a), 2699(f), 2699.3, 2699.5, and 2802, and the specific factual
14 theories alleged in the Operative Complaint: failure to pay minimum wages, failure to pay
15 overtime, failure to provide meal periods, failure to authorize and permit rest breaks, failure to
16 indemnify business expenses, failure to timely pay final wages including vacation, failure to
17 maintain accurate records of the hours that employees worked, and failure to provide accurate
18 wage statements. This release applies only to PAGA claims under Labor Code § 2698 et seq.
19 Aggrieved Employees are not releasing any individual non-PAGA claims. Plaintiff's individual
20 claims, whether pled or not, are excluded from this release and specifically preserved. (*Id.* at ¶
21 5.1.)

22 The "Released Parties" means Defendant and its present and future subsidiaries, parents, affiliated
23 and related companies, divisions, successors, predecessors or assigns; and its past, present, and
24 future officers, directors, attorneys, shareholders, partners, agents, insurers, employees, advisors,
25 accountants, representatives, trustees, heirs, executors, administrators, predecessors, successors
26 or assigns. (*Id.* at ¶ 1.29.)

27 23. No Related Cases. To the best of my knowledge, there is no other pending litigation
28 involving similar claims against Defendant that may be impacted by approval of the Settlement at issue,

1 nor has Defendant pointed to any. I have come to this conclusion after a reasonable inquiry and review
2 of the LWDA's PAGA Case Search website, this Court's case search website, and other information
3 reasonably available online.

4 THE PROPOSED SETTLEMENT IS FAIR AND REASONABLE

5 24. There can be no doubt that this Settlement is the result of vigorous, adversarial, non-
6 collusive, and arm's-length negotiations between the Parties. Based on PAGA Counsel's analysis of the
7 arguments and information provided by Defendant, on an expert analysis of the time and pay records,
8 and on information from Plaintiff, PAGA Counsel evaluated Defendant's both maximum and risk-
9 adjusted potential exposure in preparation for negotiations. Although the expert's analysis revealed that
10 the time and pay records supported several violations by Defendant, those identifiable violations were
11 primarily limited to the regular rate and meal period claims. The records themselves did not provide
12 strong support for the off-the-clock work, rest period, and expense reimbursement claims, and derivative
13 penalties for those claims, as these claims are predominantly testimony based. In other words, Plaintiff's
14 analysis revealed that certain claims were not as strong as originally believed.

15 25. Because Defendant did not require employees to record rest periods, nor is Defendant
16 required to record rest periods under California law, there are no records to establish the rest period claim
17 on the merits. Additionally, there are no records to establish the off-the-clock work claim on the merits.
18 Rather, proof of these claims would need to be supported by declarations from Aggrieved Employees
19 regarding missed rest periods and off-the-clock work as the records themselves cannot demonstrate what
20 breaks were missed, when, and why and they cannot demonstrate the time, if any, Aggrieved Employees
21 spent working off the clock.

22 26. Indeed, the exposure figures that were calculated for negotiations were based on assumed
23 high violation rates that would not likely be demonstrated at trial, as they assume either the participation
24 of all Aggrieved Employees, or alternatively, the use of surveys or statistical data as a surrogate (which
25 would still require the participation of a majority of Aggrieved Employees to establish a sound
26 representation of all non-exempt employees). The reality is that many employees would be unwilling to
27 participate due to fear of retaliation. However, even assuming those employees would be willing to
28 participate, obtaining such declarations would potentially reveal that each Aggrieved Employee had a

1 different experience. The individualized nature of their employment experience and the numerosity of
2 employees affected present significant risk with manageability and proof on the merits.

3 27. Even as to the regular rate and meal period claims, our analysis found that Defendant's
4 exposure is less than initially believed. As to meal periods, a review of the time/pay records shows 15.1%
5 violation rate for Defendant. However, approximately 1.9% of the violations were accompanied by a
6 meal waiver, and Defendant made meal premium payments for 12.5% of the violations. After considering
7 the meal waivers and the meal premium payments, the meal period violation rate is reduced to 0.7%. As
8 to the regular rate issue, Plaintiffs' expert identified 167 total payments that were not factored into the
9 regular rate of pay for purposes of paying sick pay, meal break premiums, and overtime, resulting in a
10 36.9% violation rate for unpaid overtime, 5.0% violation rate for unpaid meal break premiums, and 6.6%
11 violation rate for unpaid sick pay. However, these violation rates assume Plaintiffs would be able to show
12 the bonus payments were non-discretionary payments that should have been factored into the regular
13 rate. Indeed, Defendant contends that it complied with all of its compensation obligations and that it did
14 not fail to incorporate any non-discretionary bonuses into the regular rate of pay.

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

19 29. Further, a claim-by-claim penalty calculation is overly optimistic as it presumes Plaintiff
20 would be able to stack the penalties, although penalty stacking is not expressly permitted by PAGA.
21 Rather, without either (i) a prior finding by the LWDA or a court within the past five years that the
22 employer violated PAGA or (ii) evidence that the employer's conduct was malicious, fraudulent, or
23 oppressive, PAGA only provides for a maximum \$100.00 penalty for each pay period. (Lab. Code §
24 2699(f)(2)(A)–(B).) Moreover, PAGA Counsel believe it would be unrealistic to expect the Court to
25 award the full (penalty-stacked) exposure given the discretionary nature of awarding penalties and given
26 Defendant's defenses, including that any failure to pay premiums, regular rate wages, or for off-the-clock
27 work was not knowingly or willfully done, and additionally, to the extent employees received wage
28 statements that were allegedly inaccurate, employees suffered no actual resulting damage or harm.

Moreover, awarding the full penalties amount would likely raise Due Process concerns.

30. For the foregoing reasons, the *realistic* exposure is thus far below the *optimistic* claim by claim estimate.

31. Based on the foregoing, PAGA Counsel believe it is more reasonable to assess penalties on a \$100.00 civil penalty per pay period basis pursuant to Labor Code § 2699(f)(2)(A) for each of the estimated 5,337 pay periods at issue, as opposed to a claim-by-claim approach. Accordingly, PAGA Counsel estimate Defendant's maximum PAGA exposure to be **\$533,700.00** (\$100.00 x 5,337). However, based on the discovery, settlement negotiations, 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 in at most one-fourth of all pay periods, which results in a realistic (*risk-adjusted*) exposure of **\$133,425.00** (\$533,700.00 / 4). As a result, the GSA of \$115,000.00 represents approximately **86%** of the realistic exposure (\$115,000.00 / \$133,425.00).

32. The proposed Settlement therefore represents a substantial recovery when compared to the reasonably forecasted recovery. When considering 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 \$115,000.00 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 \$115,000.00 GSA amounts to "genuine and meaningful" relief. 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. As a result of this litigation, Defendant has had to hire legal

1 counsel and engage in employee-wide discovery. Assuming approval is granted, Defendant will also
2 have to pay civil penalties pursuant to PAGA. Not including its own attorneys' fees and costs, Defendant
3 will pay at least \$115,000.00 to resolve this matter—of which at least \$62,356.72 is allocated toward
4 PAGA Penalties and will be distributed as 75% to the LWDA and 25% to Aggrieved Employees, in
5 compliance with PAGA law governing the claims in this Action. (*See* Settlement, ¶ 3.2.3.) This amount
6 represents roughly 47% of the realistic exposure for the claims (\$62,356.72 / \$133,425.00), as discussed
7 above. Additionally, the release obtained under the Settlement does not preclude Aggrieved Employees
8 from pursuing any individual (non-PAGA) claims they may have against Defendant or the other Released
9 Parties. (*See id.* at ¶ 5.1.)

10 35. PAGA Counsel have conducted a thorough investigation into the facts of the allegations.
11 Based on discovery and on their own independent investigation and evaluation, PAGA Counsel are of
12 the opinion that the proposed Settlement is fair, reasonable, and adequate. Furthermore, considering all
13 known facts and circumstances, the risk of significant delay, trial risk, appellate risk, the defenses that
14 could be asserted by Defendant on the merits, PAGA Counsel respectfully submit that the Settlement is
15 in the best interests of the Aggrieved Employees and the State of California.

16 36. Although PAGA Counsel believe there is merit to Plaintiff's allegations, they also
17 acknowledge a legitimate controversy exists as to each allegation. PAGA Counsel also recognize that
18 proving the amounts of penalties owed to each Aggrieved Employee would be an expensive, time-
19 consuming, and uncertain proposition.

20 37. Moreover, PAGA Counsel are also of the opinion that because the issues here are fairly
21 contested, there is a possibility of the Court not awarding PAGA penalties even if Plaintiff prevailed on
22 the merits due to the largely discretionary nature of awarding PAGA penalties. In other words, were this
23 matter to go to trial, any award granted would be at the discretion of the Court and subject to a substantial
24 reduction.

25 38. While PAGA Counsel believe there would be no persuasive grounds to reduce penalties,
26 they recognize that the Court could determine otherwise and significantly reduce any award of penalties.
27 This wide range of potential recovery and additional delays and risks of trial provide justification to settle
28 for a reasonable amount of recovery at this point in the litigation. In all, based on the investigation and

1 analysis of the claims, the maximum exposure did not comport with the realistic exposure that Defendant
2 faced, as discussed above.

3 39. PAGA Counsel took into account the risk of not being able to proceed on a representative
4 basis at all due to the potential manageability issues, the risk of not prevailing at trial, and the risk that
5 even if Plaintiff prevailed at trial, the penalties would be limited due to the largely discretionary nature
6 of awarding PAGA penalties. The provisions of the Labor Code triggering PAGA penalties in this case
7 include Labor Code sections 203, 210, 226, 1197.1, and 2802. However, PAGA penalties are not
8 mandatory, but rather, permissive. (Lab. Code § 2699(e)(2).) Accordingly, it is entirely possible that even
9 if Plaintiff would be successful at trial, assuming she is first able to win on the merits regarding her
10 individual claims at arbitration and then defeat the manageability issues presented at litigation by the
11 large number of Aggrieved Employees in this action, Plaintiff may still be awarded substantially less
12 than what was obtained through the Settlement.

13 40. The Settlement avoids the significant risks, burdens, and the accompanying expense of
14 further litigation. Though the Parties have engaged in a significant amount of investigation, informal
15 discovery, and employee data analysis, they have not participated in extensive formal discovery
16 procedures. Moreover, Plaintiff would have to proceed with arbitration of her individual claims and win
17 on the merits before proceeding with litigation of the representative PAGA claims. Preparation for trial
18 and the prospect of appeals in the wake of any summary judgment ruling would remain for the Parties.
19 As a result, the Parties would incur considerably more attorneys' fees and costs through trial, a lengthy
20 and uncertain process that could result in recovering less than was settled for.

21 MY EXPERIENCE AND QUALIFICATIONS

22 41. I received a B.A. in History in 1998 from UCLA, and my J.D. from Loyola Marymount Law
23 School in 2006. I became an Active Member of the State Bar of California in June 2007 and have been
24 an Active Member in good standing continuously since then. I have been selected to Super Lawyers each
25 year from 2019 to 2025.

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

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

5 44. My current billing rate is \$950.00 per hour, which is my usual hourly rate for wage and hour
6 litigations. A \$950 per hour rate is reasonable considering my years of experience practicing in the highly
7 specialized area of employment and labor law and my Laffey Matrix rate (The Laffey Matrix,
8 <http://www.laffeymatrix.com/see.html>, [last visited July 6, 2026].) The Laffey Matrix is a “well-
9 established objective source for rates that vary by experience” used by the District of Columbia. (*In re*
10 *HPL Tech., Inc. Sec. Litig.* (N.D. Cal. 2005) 366 F. Supp 2d 912, 921.) A true and correct copy of the
11 Laffey Matrix is attached hereto as **Exhibit 6**. California Courts have adjusted the Laffey Matrix rate
12 upwards based on “locality pay differentials” and the location of counsel’s office in California to
13 determine whether counsel’s rates are reasonable. (*See, e.g., id.* [applying a 9% upward adjustment to the
14 Laffey Matrix rate based on an approximate difference of 9% between the locality pay differential of the
15 District of Columbia and San Francisco, California, where counsel’s office was located].) To determine
16 the locality pay differential, the Court in *In re HPL Technologies, Inc.* utilized the locality pay
17 differentials within the federal courts. (*Id.* at pp. 921–22.) Using the same method here and based on
18 firm’s location in Los Angeles, California, the current locality pay differential of the Los Angeles-Long
19 Beach area is 36.47% and of the Washington-Baltimore-Arlington area is 33.94%, which results in a
20 difference of approximately 2.53%. (*Compare* Judiciary Salary Plan of Los Angeles-Long Beach, CA,
21 Effective January 12, 2026 *with* Judiciary Salary Plan of Washington-Baltimore-Arlington, Effective
22 January 12, 2026.) True and correct copies of the Los Angeles-Long Beach and Washington-Baltimore-
23 Arlington salary plans are attached hereto as **Exhibit 7** and **Exhibit 8**, respectively. Based on my 17+
24 years of experience, my Laffey Matrix rate with a 2.53% adjustment is \$1,044.78 per hour (\$1,019 Laffey
25 Matrix rate + (2.53% x \$1,019)). (*See* Exh. 6.) Accordingly, my current billing rate of \$950 per hour is
26 reasonable.

27 45. I am experienced in prosecuting and defending employment matters, particularly class
28 actions and PAGA representative actions. My firm has focused a substantial percentage of its practice on

wage, hour, and working conditions violations. I am also class counsel for other wage and hour class action lawsuits pending in various California counties, 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 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 Senior Partner at Moon Law Group, PC. He received his B.A. in Global

1 and International Studies in 2011 from UC Santa Barbara, and his J.D. from University of La Verne
2 College of Law in 2014. Mr. Feghali became an Active Member of the State Bar of California in
3 December 2014 and has been an Active Member in good standing continuously since then. He was
4 selected by Super Lawyers as a “Southern California Rising Star” in 2020–2023.

5 47. Mr. Feghali began working at Moon Law Group, PC in May 2015, and his practice focuses
6 on advocating for the rights of employees at the trial-court and appellate level. Prior to approximately
7 June 2018, with the exception of a handful of cases, his practice focused on individual FEHA and
8 wrongful termination claims, as well as individual wage-and-hour claims. In June 2018, Mr. Feghali
9 became heavily involved in the firm’s class action practice.

10 48. Mr. Feghali’s current billing rate is \$900.00 per hour, which is his usual hourly rate in wage
11 and hour litigations. Based on Mr. Feghali’s 11+ years of experience out of law school, his Laffey Matrix
12 rate with a 2.53% adjustment is \$1,044.78 per hour (\$1,019 Laffey Matrix rate + (2.53% x \$1,019)). (See
13 Ex. 6.) As compared to the Laffey Matrix rate and when considering his experience, Mr. Feghali’s billing
14 rate of \$900.00 per hour is reasonable.

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

- 18 (a) In March 2021, Mr. Feghali prepared the briefing in the matter of *Rivera, et al. v.*
19 *Clearpath Federal Credit Union* (LASC No. 19STCV33504), which resulted in a
20 certification order on all causes of action following contested briefing in a wage-and-hour
21 class action.
- 22 (b) Mr. Feghali prepared the briefing in a contested class certification motion in the matter
23 of *Dawson, et al. v. GoHealth, LLC, et al.* (No. CGC-19-577790), which was argued and
24 taken under submission by the Court on February 3, 2022.
- 25 (c) Mr. Feghali prepared the briefing in a contested class certification motion in the matter
26 of *Brown v. NTI-CA, Inc., et al.* (No. 21STCV04397).
- 27
28

- 1 (d) Mr. Feghali was part of a team that prepared the briefing in a contested class certification
2 motion in the matter of *Thong, et al. v. Outlook Resources, Inc., et al.* (No.
3 19STCV44400), which was granted in part and denied in part in October 2022.
- 4 (e) Mr. Feghali prepared the briefing which resulted in a remand order in the matter of
5 *Andrade v. Rehrig Pacific Corp.* (C.D. Cal. April 22, 2020, No. CV 20-1448 FMP
6 (RAOx)) 2020 WL 1934954, where defendant removed a wage-and-hour class alleging
7 that Plaintiffs' claims were pre-empted by the Labor Management Relations Act.
- 8 (f) Mr. Feghali briefed, argued, and won the matter of *Lee, et al. v. The Christian Herald,*
9 *U.S.A., Inc.* (Cal. Ct. App. Dec. 12, 2017, No. B266853) 2017 WL 6333905, at *1. There,
10 the Court of Appeal reversed a dismissal of an individual defendant following the trial
11 court's granting of a demurrer without leave to amend relating to alter ego allegations.
- 12 (g) Mr. Feghali prepared the briefing which resulted in a remand order in the matter of *Sotelo*
13 *v. Belfor USA Group, Inc.* (C.D. Cal. March 13, 2018, No. 2:17-cv-09056-RSWL-
14 MRWx) 2018 WL 1352910. Defendants there sought to remove the case based on the
15 inclusion of a "sham defendant," but the court agreed with Mr. Feghali's briefing which
16 argued that the individual defendant, who was alleged to have harassed the Plaintiffs
17 under FEHA, was a proper defendant.
- 18 (h) Mr. Feghali has been the lead counsel, or co-lead counsel, in individual cases that settled
19 for \$850,000.00, \$375,000.00, and \$250,000.00. In addition to the foregoing, Mr. Feghali
20 has resolved or assisted in the resolution of approximately 100 cases which has resulted
21 in millions of dollars of unpaid wages being returned to low-wage employees.
- 22 (i) Mr. Feghali was part of a team that prepared the briefing in a contested class certification
23 motion in the matter of *Hernandez v. CR Laurence, Inc., et al.* (No. 20STCV32372), which
24 was granted, in part, and denied, in part, in February 2024.

25 50. Since June 2018, Mr. Feghali's practice has shifted to almost exclusively representing
26 employees in wage-and-hour class and representative actions. His fee has been approved by Courts
27 throughout the state. He has participated as lead, or co-lead counsel, in the litigation and resolution of
28 over 100 wage-and-hour class actions, including obtaining preliminary and final approval of settlements.

1 A selection of settled cases wherein Mr. Feghali served as lead or co-lead class counsel includes the
2 following: *Barahona v. Methodist Hosp. of Cal.* (No. 20STCV09876) (\$5,000,000); *Stanley Black &*
3 *Decker Wage and Hour Cases* (No. JCCP5218) (\$3,500,000); *Vazquez v. St. Mar 2.0 Inc.* (No. 37-2021-
4 00042702-CU-OE-CTL) (\$2,250,000); *Duncan v. Infineon Technologies Americas Corp.* (No.
5 21STCV16872) (\$2,500,000); *Aquino v. Coast King Packing, LLC* (No. 21CV002448) (\$2,300,000);
6 *Martinez, et al. v. Curative LLC* (No. 21STCV20778) (\$1,500,000); *Calderon v. Installed Building*
7 *Products* (No. 37-2021-00035844-CU-OE-CTL) (\$1,500,000); *Majdoub v. Argent Hotel Mgmt.* (No.
8 CGC-20-582921) (\$1,800,000); *Fuentes v. Covid Clinic, Inc.* (No. CIVSB2106806) (\$1,526,317.57);
9 *Rahman, et al. v. Gate Gourmet, Inc.* (No. 3:20-cv-03047) (\$3,850,000); *Pagoulatos v. Coast Hills Credit*
10 *Union* (No. 20CV02801) (\$1,100,000); *Hammers v. Redwood Oil Co., Inc.* (No. SCV-269625)
11 (\$1,180,000); *Cuadras v. R.C. Wendt Painting, Inc.* (No. BC705964) (\$1,400,000); *Zaragoza v. The*
12 *Roman Catholic Bishop of Fresno* (No. 22CV-00282) (\$1,500,000); *Garcia v. San Jose Water Co.*
13 (22CV396328) (\$1,200,000); *Garcia v. Tri-Valley Plastering, Inc.* (No. 22CECG00591) (\$1,250,000);
14 *Garcia v. Tapia Enter., Inc.* (\$2,137,651 for 507 class members); *Cha v. Center Point, Inc.* (No.
15 CIV2102081) (\$1,000,000); *Sison v. Cha Hollywood Med. Ctr., L.P.* (No. BC644129) (2,137 class
16 members); *Lagos v. ThyssenKrupp Elevator Corp.* (No. BC682972) (\$750,000 for 79 class members);
17 and *Montoya v. Golden 1 Credit Union* (No. 34-2018-00228252) (\$1,250,000).

18 MARIAM GHAZARYAN'S EXPERIENCE AND QUALIFICATIONS

19 51. Mariam Ghazaryan received a Bachelor of Arts in Political Science and a minor in
20 International Studies from the University of California, Irvine in 2017, and a Juris Doctorate from
21 Southwestern Law School in 2021. In law school, Ms. Ghazaryan served as a Judicial Extern for the
22 Honorable Michael R. Amerian of the Los Angeles County Superior Court and Articles Editor of the
23 Southwestern Journal of International Law. Ms. Ghazaryan was published in the Southwestern Journal
24 of International Law, Volume 21, No.1, 2021.

25 52. Ms. Ghazaryan became an Active Member of the State Bar of California in November 2021
26 and has been an Active Member in good standing continuously since. Ms. Ghazaryan is also a member
27 in good standing with the United States District Court for the Central, Eastern, Southern, and Northern
28 Districts and was selected by Super Lawyers as a "Southern California Rising Star" in 2024.

1 53. Ms. Ghazaryan is an attorney at Moon Law Group, P.C. and represents employees in all
2 aspects of employment litigation, including wage-and-hour class and representative actions involving
3 claims related to overtime and minimum wages, meal and rest break violations, improper wage
4 statements, the California Private Attorneys General Act, and unfair business practices.

5 54. Ms. Ghazaryan's current billing rate is \$725.00 per hour, which is her usual hourly rate in
6 wage and hour litigations. Based on Ms. Ghazaryan's nearly 5 years of experience, her Laffey Matrix
7 rate with a 2.53% adjustment is \$640.81 per hour (\$625 Laffey Matrix rate + (2.53% x \$625)). (See Ex.
8 6.) As compared to the Laffey Matrix rate and when considering her experience, Ms. Ghazaryan's billing
9 rate of \$725.00 per hour is reasonable.

10 55. During her tenure with Moon Law Group, P.C., Ms. Ghazaryan has played a critical role in
11 obtaining outstanding results for employees who have been wronged by their employers. Ms. Ghazaryan
12 has been involved in all aspects of complex litigation, including assisting in class certification motions
13 in the following cases:

14 (a) *Duran v. Sun Valley Group* [certification was granted on multiple wage and hour
15 claims against Sun Valley Group];

16 (b) *Beard v. SMS Transportation* [certification was granted for a rest break claim
17 against SMS Transportation. Rest break claims are notably difficult to certify];

18 (c) *Evans v. Downtown Women's Center* [certification was granted for a regular rate claim
19 against Downtown Women's Center].

20 56. From November 2021 to the present, Ms. Ghazaryan has participated in the litigation and/or
21 resolution of approximately ninety wage-and-hour class and/or representative actions, including
22 successfully moving the Court for preliminary and final approval of settlements on the first attempt.

23 MITCHELL H. MILLET'S EXPERIENCE AND QUALIFICATIONS

24 57. Mitchell H. Millet received a Bachelor of Arts in Philosophy and a minor in Business Law
25 from the University of Southern California in 2018, and a Juris Doctorate from Loyola Law School, Los
26 Angeles, in 2022.

27 58. Mr. Millet has been an active member in good standing of the State Bar of California since
28 October 2024. Mr. Millet is also a member in good standing with the United States District Court for the

1 Southern, Central, and Eastern Districts of California.

2 59. Mr. Millet is an associate attorney at Moon Law Group, P.C., and he represents employees
3 in employment litigation, including wage-and-hour class and representative actions involving claims
4 related to violations of the California Labor Code and pursuant to the California Private Attorneys
5 General Act.

6 60. Mr. Millet's current billing rate is \$550.00 per hour, which is his usual hourly rate in wage
7 and hour litigation matters. Based on Mr. Millet's 2 years of experience as a practicing attorney, his
8 Laffey Matrix rate with a 2.53% adjustment is \$520.85 per hour (\$508 Laffey Matrix rate + (2.53% x
9 \$508)). As compared to the Laffey Matrix rate and when considering his experience, Mr. Millet's billing
10 rate of \$550.00 per hour is reasonable.

11 PAGA COUNSEL’S EXPERIENCE AND QUALIFICATIONS

12 61. As demonstrated by the foregoing, my office is qualified to handle this litigation because
13 we are experienced in litigating Labor Code and Wage Order violations in individual, class, and
14 representative actions. The attorneys at my office have been appointed as lead or co-lead counsel in
15 numerous wage-and-hour class and/or PAGA actions in state and federal courts by way of motion for
16 settlement approval. Including myself, Moon Law Group, PC is currently comprised of roughly 35
17 attorneys, all of whom are actively and continuously practicing employment litigation, representing
18 almost entirely employee-plaintiffs, in both individual and class and/or PAGA actions, in this Superior
19 Court and other Superior Courts throughout the State, in the Courts of Appeal, and in various federal
20 courts. The attorneys at my firm have a high level of skill, knowledge, and experience in areas of wage-
21 and-hour class and PAGA actions, and labor and employment law generally, the substantive (state and
22 federal) and procedural law of which is frequently evolving.

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

63. 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.

64. I do not believe that I or any other attorneys of my firm have any conflicts of interest with the named Plaintiff, Aggrieved Employees, or the proposed Administrator. I am not related to Plaintiff. I respectfully submit that Moon Law Group, PC is competent and well suited to act as PAGA Counsel in this action, and we have and will continue to vigorously represent the interests of the Aggrieved Employees.

REQUEST FOR ATTORNEYS' FEES AND COSTS

65. In line with the Settlement, my firm requests an award of attorneys' fees in an amount of one-third of the GSA (i.e., \$38,333.33), plus reimbursement for actual litigation costs in the amount of \$9,059.95. (*See* Settlement, ¶ 3.2.1.)

66. The requested PAGA Counsel Fees Payment can be justified under either the common fund or lodestar method. However, 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.

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

Attorney	Rate	Hours	Lodestar
Kane Moon	\$950.00	15.7	\$14,915.00
Allen Feghali	\$900.00	18.5	\$16,650.00
Mariam Ghazaryan	\$725.00	24.9	\$18,052.50
Mitchell H. Millet	\$550.00	22.1	\$12,155.00
	Total:	59.1	\$49,617.50

68. 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 monitor approval of the Settlement and requested awards, oversee the settlement administration

1 process and distribution of funds, respond to inquiries, and communicate with Plaintiff regarding the
2 case. I estimate that my office will commit *no less than* 10 hours, although likely more time, to these
3 additional tasks, which are hours not included in the foregoing lodestar total. My office also bears the
4 risk of taking whatever actions are necessary if Defendant fails to pay. At my \$950.00 hourly rate, these
5 additional 10 hours results in a lodestar of **\$9,500.00**.

6 69. “California case law permits fee awards in the absence of detailed time sheets.” (*Wershba v.*
7 *Apple Comp., Inc.* (2001) 91 Cal.App.4th 224, 255.) The Court “should defer to the winning lawyer’s
8 professional judgment as to how much time he was required to spend on the case.” (*Moreno v. City of*
9 *Sacramento* (9th Cir. 2008) 534 F.3d 1106, 1112.) We can provide complete, detailed billing records in
10 the event the Court requests them but would request the opportunity to redact attorney-client privileged
11 information and any other privileged information. As discussed below, application of a positive
12 multiplier is warranted—***but not requested***—in this case.

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

18 (a) Number of Hours Expended by My Office is Reasonable: As set forth in this declaration,
19 my office expended a significant amount of time litigating the case to achieve an excellent result
20 on behalf of the Aggrieved Employees. To date, my office has spent no less than **59.1 hours**
21 litigating this case. In the event the Court grants settlement approval, my office will spend
22 additional time related to this litigation, including to monitor administration of the settlement
23 after approval, committing no less, although likely more, than **10** hours to those additional tasks.
24 The number of hours that my office has and will devote to this case is reasonable. (*See, e.g.,*
25 *Ketchum III v. Moses* (2001) 24 Cal.4th 1122, 1133 [fee award should be fully compensatory
26 and, “absent circumstances rendering the award unjust, an attorney fee award should ordinarily
27 include compensation for *all* the hours *reasonably spent*”] [emphasis in original]; *Serrano v.*
28 *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.

(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 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, as explained *supra*.

(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 **\$49,617.50** in attorneys’ lodestar fees, anticipates incurring at least another \$9,500.00 in lodestar fees, and has advanced **\$9,059.95** in actual litigation costs. Thus, after reimbursement of our out-of-pocket expenses, the fee request of \$38,333.33 represents a **0.77 multiplier** of 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 a lodestar check.

- 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 Cal.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 59.1* 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 final settlement approval, including to monitor settlement administration and distribution of funds, and has incurred \$9,059.95 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 PAGA action 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 PAGA representative action litigation, as well as extensive negotiations with a corporate Defendant who vigorously opposed Plaintiff’s claims and right to pursue her individual or class action claims in state court. 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, assuming we were first successful at proving the merits of Plaintiff’s individual claims at arbitration. 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.

1 2) *Difficulty of the questions involved and the skill required:* My office is
2 comprised of skilled attorneys who have had success in wage-and-hour class and PAGA
3 actions. This case required experienced and competent lawyers, as well as expertise in
4 the issues presented herein. To obtain such an attorney on the free market, a client must
5 pay the market rate. While most class/PAGA actions are complex and involve some risk,
6 my office had to overcome several major obstacles in prosecuting this case, as explained
7 *supra*. Defendant's contentions underscore the risk of prevailing at trial, and any of these
8 obstacles could have prevented recovery completely.

9 3) *Vigorous opposition by Defendant:* Counsel who skillfully overcome
10 difficult issues or uncompromising opposition in the litigation are entitled to a fee
11 enhancement. (*Serrano III, supra*, 20 Cal.3d at 49.) Here, before eventually agreeing to
12 a settlement, Defendant asserted a vigorous defense and challenged Plaintiff's ability to
13 litigate her individual and class action claims. The settlement effort was protracted, with
14 extended discussions and instances in which it appeared the Parties would not reach a
15 settlement. Further, proceeding to arbitration, and if successful, then trial would have
16 added years to the resolution of this case because of the difficult legal and factual issues
17 raised and the likelihood of appeals. Indeed, even if Plaintiff prevailed on the
18 representative PAGA claims at trial, assuming she was first successful at arbitration,
19 Defendant would likely have mounted an appeal.

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

25 5) *The result obtained would justify an enhancement:* The results obtained
26 in litigation can properly be used to enhance a lodestar calculation where an exceptional
27 effort produced excellent results. (*Graham, supra*, 34 Cal.4th at p. 582.) Here, the final
28 maximum settlement figure is **\$115,000.00**, which represents roughly **86%** of the total

1 realistic recovery. Considered against the size of the Aggrieved Employees, the risks
2 posed by continued litigation, and the importance of the employment rights and a speedy
3 recovery, the relief provided under the Settlement represents a very strong result for the
4 Aggrieved Employees and LWDA.

5 6) *The use of a multiplier is permitted in PAGA actions:* PAGA provides
6 that “[a]ny employee who prevails in any action shall be entitled to an award of
7 reasonable attorney’s fees and costs.” (Lab. Code § 2699(k)(1).) Although, PAGA does
8 not provide a specific standard for evaluating attorneys’ fees in connection with a
9 settlement of PAGA claims, California Courts have employed a lodestar analysis and
10 use of multipliers for this purpose. “Where a settlement produces a common fund for the
11 benefit of the entire class, courts have discretion to employ either the lodestar method or
12 the percentage-of-recovery method. . . . To guard against an unreasonable result, the
13 Ninth Circuit encourages district courts to “cross-check[] their calculations against a
14 second method. . . . Accordingly, the Court calculates attorneys’ fees in the instant case
15 using the percentage-of-recovery method and then cross-checks its calculations against
16 the lodestar method.” (*Hermosillo v. Davey Tree Surgery Co.* (N.D. Cal. July 7, 2021)
17 No. 18-CV-00393-LHK, 2021 WL 2826697, at *1 [quoting *In re Bluetooth Headset*
18 *Prods. Liab. Litig.* (9th Cir. 2011) 654 F.3d 935, 942, 944–45].)

19 71. I am informed and believe that the fees and costs provision under the Settlement is
20 reasonable. My office invested significant time and resources into the case, with payment deferred to the
21 end of the case, and then, of course, contingent on the outcome.

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

1 73. Because most individuals cannot afford to pay for legal representation on an hourly basis,
2 Moon Law Group, PC represents virtually all its employment law clients on a contingency fee basis,
3 including Plaintiff in this action. Pursuant to this arrangement, we are not compensated for our time
4 unless we prevail at trial or our clients' cases are successfully settled. Because Moon Law Group, PC is
5 taking the risk that we will not be reimbursed for our time unless our client settles or wins his or her case,
6 we cannot afford to represent an individual employee on a contingency basis if, at the end of our
7 representation, all we are to receive is our regular hourly rate for services. It is essential that we recover
8 more than our regular hourly rate when we win if we are to remain in practice so as to be able to continue
9 representing other individuals in civil rights employment disputes.

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

- 13 a. Numerous interviews with Plaintiff and review of documents provided by her;
- 14 b. Legal research and investigation regarding the Defendant's practices at numerous points
15 in the litigation;
- 16 c. Preparation and submission of Plaintiff's PAGA Notice;
- 17 d. Preparation of multiple drafts of the original class action complaint and subsequent
18 amended complaint, as well as finalization and filing of said complaints;
- 19 e. Extensive meet-and-confer discussions with Defendant's counsel regarding the
20 arbitration agreement and the impact on Plaintiff's class action claims;
- 21 f. Informal discovery activity;
- 22 g. Extensive meet-and-confer discussions with Defendant's counsel regarding production
23 of relevant documents and information in preparation for settlement negotiations;
- 24 h. Analysis of Defendant's informal discovery production and preparation of a damages
25 model with the aid of a statistics expert;
- 26 i. Contacting witnesses;
- 27 j. Attendance and active participation in settlement negotiations;
- 28 k. Drafting, negotiating, and reviewing multiple drafts of the Settlement and its attachment;

- 1 l. Preparation and submission of the instant motion for settlement approval and
- 2 accompanying filings;
- 3 m. Anticipated preparation for and attendance at the hearing on the motion for approval,
- 4 monitoring approval of the Settlement and requested awards, and overseeing the
- 5 administration process and distribution of funds; and
- 6 n. Communications with Plaintiff throughout the case.

7 75. As of the drafting of this motion, my office has incurred **\$9,059.95** in expenses litigating this
8 action without any reimbursement. These expenses were reasonably necessary to the litigation and were
9 actually incurred by my office. These to-date expenses are summarized as follows:

- 10 (a) “LWDA Fee” of \$75.00: a one-time cost for submitting Plaintiff’s PAGA Notice to the
- 11 LWDA;
- 12 (b) “ACE - Complaint Packet” and “ACE - Complaint” of \$3,194.00: costs relating to the
- 13 filing and processing of Plaintiff’s initial complaint materials;
- 14 (c) “Berger Consulting Group” of \$4,725.00: costs for expert review and analysis of records
- 15 for settlement evaluation;
- 16 (d) “AAA Fee” of \$359.10: a one-time arbitration filing or administrative fee; and
- 17 (e) “ACE,” “One Legal,” and “EfileCA” of \$706.85: costs for filing, serving, and processing
- 18 notices, applications, declarations, stipulations, proposed orders, amended complaints,
- 19 courtesy copies, case management documents, notices of ruling, and related documents
- 20 during this Action..

21 76. We anticipate incurring additional costs up to and after Settlement approval, including filing
22 costs for the approval motion and any notice of entry of approval order and judgment. However, at this
23 time, we are only requesting reimbursement of our to-date costs (\$9,059.95). Moreover, because our
24 costs are below the maximum allocation (\$15,000.00) under the Settlement, the difference (\$15,000.00 -
25 \$9,059.95 = \$5,940.05) will revert to PAGA Penalties. (Settlement, ¶ 3.2.1.) I respectfully submit that
26 our reimbursement request is fair and reasonable.

27 77. Through the efforts of my office and Plaintiff in this case, a fair and reasonable resolution
28 has been reached that includes a non-reversionary payment by Defendant of at least \$115,000.00 to

1 compensate Aggrieved Employees for Defendant's alleged employment practices. I am informed and
2 believe that, without the efforts of my office or Plaintiff, the Labor Code and Wage Order violations
3 alleged in this action would have gone completely unremedied.

4 I declare under penalty of perjury under the laws of the State of California that the foregoing is
5 true and correct. Executed on July 9, 2026, at Los Angeles, California.

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8 _____
Kane Moon
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