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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN BERNARDINO

RAY LOPEZ, an individual on behalf of himself and all others similarly situated, Plaintiff, vs. SUNLAND LOGISTICS SOLUTIONS, INC., a business entity of unknown form; SUNLAND DISTRIBUTION, a business entity of unknown form; MELISSA SALAZAR, an individual and DOES 1 through 50, inclusive, Defendants.	Case No.: CIVSB2420743 <u>CLASS ACTION</u> <u>Assigned for All Purposes To:</u> Hon. Thomas Garza Dept.: S27 **NOTICE OF MOTION AND PLAINTIFF'S MOTION FOR APPROVAL OF PAGA SETTLEMENT UNDER CALIFORNIA LABOR CODE §§ 2698 et seq.; MEMORANDUM OF POINTS AND AUTHORITIES** *[Filed concurrently with Declaration of Natalie Haritoonian; and [Proposed] Order]* Hearing Date: April 30, 2026 Time: 8:30 a.m.

TO THE COURT AND DEFENDANTS AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on April 30, 2026, at 8:30 a.m., in Department S27 of the above Court, located at 247 W. Third Street, San Bernardino, CA 92415, Plaintiff Ray Lopez ("Plaintiff" or "PAGA Representative"), on behalf of himself, the State of California, and all aggrieved employees (the "Aggrieved Employees"), will and hereby does move this Court pursuant to California Labor Code § 2698 *et seq*. for an order approving the settlement agreement between Plaintiff and Defendants SUNLAND LOGISTICS SOLUTIONS, INC.; SUNLAND DISTRIBUTION; and MELISSA SALAZAR ("Defendants") which will accomplish the following: approve the representative action settlement embodied in the PAGA Settlement Agreement; approve PAGA Counsel's application for attorney's fees and litigation costs and costs for the Administrator; and enter judgment approving the PAGA Settlement Agreement (the "Motion").

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

Defendants do not oppose this Motion. Plaintiff bases this Motion on this Notice and the accompanying Memorandum of Points and Authorities, the Declaration of Natalie Haritoonian ("Haritoonian Decl."), the complete pleadings, records and files in the case, and such other further oral and documentary evidence which may be submitted at or before the hearing on this Motion.

DATED: April 3, 2026

D.LAW, INC.

By: ______________________

Natalie Haritoonian
Matthew Carraher
Attorneys for Ray Lopez on behalf of himself and Aggrieved Employees

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Through this Motion, Plaintiff Ray Lopez ("Plaintiff") requests that the Court grant approval of the PAGA Settlement Agreement ("Settlement" or "Settlement Agreement") reached between the parties to resolve claims brought exclusively under the Private Attorneys General Act of 2004, Labor Code § 2698, *et seq*. ("PAGA") seeking civil penalties for various violations of the California Labor Code and Industrial Wage Commission's Wage Orders. Pursuant to the Settlement, Defendants SUNLAND LOGISTICS SOLUTIONS, INC., a business entity of unknown form; SUNLAND DISTRIBUTION, a business entity of unknown form; MELISSA SALAZAR, an individual ("Defendants") will pay the Gross Settlement Amount of $135,500.00. (Declaration of Natalie Haritoonian ("Haritoonian Decl."), Exhibit 1, "Settlement," ¶ 1.11.)

For purposes of the Settlement, the group of aggrieved employees included in the Settlement is defined as all current and former hourly-paid, non-exempt employees employed by Defendant throughout California any time during the PAGA Period, which is June 20, 2023, through April 27, 2025 ("Aggrieved Employees"). (Haritoonian Decl., Exhibit 1, ¶¶ 1.4 and 1.20.) Based on its records, Defendants estimate that there are approximately 65 Aggrieved Employees who collectively worked a total of 4,287 pay periods as of February 17, 2025. (Haritoonian Decl., ¶ 12.)

As further explained below, Plaintiff and his counsel believe that the Settlement is fair, reasonable, and in the best interests of the Aggrieved Employees and the State. Accordingly, Plaintiff requests that the Court "review and approve" the Settlement pursuant to Labor Code § 2699(*l*)(2). If the Court deems the Settlement fair and acceptable, Plaintiff requests that the Court enter an order approving the Settlement in the form lodged herewith ordering the parties and Administrator to carry out the terms of the Settlement Agreement and enter a Final Judgment thereon.[1]

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[1] Plaintiff has submitted the Settlement Agreement and this Motion to the LWDA by uploading it on the LWDA's website concurrently with the filing of this Motion as required by Labor Code § 2699(*1*)(2). (Declaration of Natalie Haritoonian ("Haritoonian Decl.") ¶ 41, Exhibit 4.)

II. <u>RELEVANT BACKGROUND AND PROCEDURAL HISTORY</u>

A. Litigation Overview and Procedural History

On June 20, 2024, Plaintiff filed a class-action complaint in the San Bernardino County Superior Court, Case No. BCV-24-102892, against Defendants alleging claims under the California Labor Code (the "Labor Code") for (1) Failure to Pay Minimum Wages; (2) Failure to Pay Wages and Overtime Under Labor Code § 510; (3) Meal Period Liability Under Labor Code § 226.7; (4) Rest Break Liability Under Labor Code § 226.7; (5) Violation of Labor Code § 226(a); (6) Violation of Labor Code § 203; (7) Violation of Labor Code §204; (8) Failure to Keep Required Payroll Records Under Labor Code §§ 1174 and 1174.5; (9) Failure to Reimburse Necessary Business Expenses § 2802; (10) Failure to Produce Requested Employment Records Under Labor Code §§ 226(b), 1198.5; and (11) Violation of Business & Professions Code § 17200 *et seq*. (the "Action"). (Haritoonian Decl., ¶ 4.)

On or about June 20, 2024, Plaintiff submitted his notice letter to the California Labor & Workforce Development Agency ("LWDA") and Defendants, alleging that Defendants committed various wage and hour violations under the California Labor Code and were entitled to civil penalties under PAGA. (*Id*. at ¶ 5.)

On or about January 22, 2025, the Parties stipulated that Plaintiff be granted leave to file a First Amended Complaint to add a cause of action for civil penalties under PAGA against Defendants. The court granted this stipulation and Plaintiff filed his first amended complaint adding a cause of action for civil penlties under PAGA against Defendants on March 19, 2025 (*Id*. at ¶ 6.)

Defendants presented Plaintiff with Plaintiff's signed arbitration agreement containing a class-action waiver. Due to this, the parties agreed to attend mediation on the basis of Plaintiff's representative PAGA claims only in lieu of forcing Defendants to move to compel arbitration. (*Id*. at ¶ 7.)

On February 26, 2025, the Parties attended an all-day mediation with experienced mediator Brandon McKelvey, Esq. and subsequently settled the Action. (*Id*. at ¶ 8.) The Settlement Agreement reached between the parties does not constitute, is not intended to constitute, and will not be deemed to constitute, an admission of liability by Defendants as to the merits, validity, or accuracy of any of the allegations or claims made against Defendants in the Action. (Haritoonian Decl., Exhibit 1, ¶ 10.1.) Defendants deny all liability in the Action. (*Id*. at ¶ 10.1.)

B. Mediation and Settlement

Prior to mediation, Plaintiff conducted extensive informal discovery and Defendants provided data, numbers, and documents, including electronic payroll and timekeeping data for a sampling of Aggrieved Employees, information and documentation regarding Defendants' wage and hour policies, expense report data and information, and meal period information. (Haritoonian Decl., ¶ 9.) The information and data exchanged by Plaintiff and Defendants prior to and during mediation and settlement negotiations were sufficient to reliably assess the merits of the parties' respective positions, to compromise the issues on a fair and equitable basis, and to devise a formula for distribution of civil penalties among the Aggrieved Employees that took into consideration the strength of the PAGA claims. (*Id*.)

With the assistance of a highly respected wage and hour mediator, the parties agreed to a global settlement of the Action. (Haritoonian Decl., ¶ 10.) The general terms for settling this Action were memorialized in the long-form Settlement Agreement now before the Court for approval, which was fully executed on October 29, 2025. (*Id*.)

The parties believe and agree that the Settlement provides for a fair, adequate, and reasonable resolution of the Action and have arrived at the Settlement in extensive, arm's length negotiations, considering all relevant factors, present and potential. (Haritoonian Decl., ¶ 11.) PAGA Counsel believes that the Settlement confers real benefits upon Plaintiff and the Aggrieved Employees and that an independent review of the Settlement by the Court in the approval process will confirm this conclusion. (*Id*.)

III. PAGA ACTIONS AND THE REQUIREMENTS

A. The PAGA Statutory Scheme

PAGA creates a means of "deputizing" citizens as private attorney generals to enforce the Labor Code on behalf of the LWDA. *Brown v. Ralphs Grocery Co*. (2011) 197 Cal. App. 4th 489, 501, *review den.* (Oct. 19, 2011, No. S195850), *cert. denied* 132 S.Ct. 1910 (Apr. 16, 2012). A plaintiff may not — and Plaintiff here does not — bring a PAGA claim simply on his or her own behalf as an individual claim, but "as the proxy or agent of the state's labor law enforcement agencies." *Id*., at 986; *see also Reyes v. Macy's, Inc*. (2011) 202 Cal. App. 4th 1119, 1123-1124; *Iskanian v. CLS Transp. Los Angeles, LLC* (2014) 59 Cal.4th 348, 380. When an aggrieved employee brings a PAGA claim, "the government is always the real party in interest." *Securitas Sec. Servs. USA, Inc. v. Sup. Ct. of San Diego Cnty*. (2015) 234 Cal. App. 4th 1109, 1119; *Montano v. The Wet Seal Retail, Inc*. (2015) 232 Cal. App. 4th 1214, 1222 ("[A] PAGA action is a dispute between an employer and the State agency."). Accordingly, a plaintiff that brings a PAGA claim represents "the same legal right and interest as state labor law enforcement agencies," in that the plaintiff seeks to recover those civil penalties that the LWDA otherwise would assess and collect. *Arias v. Super. Ct*. (2009) 46 Cal.4th 969, 986; Labor Code § 2699(a) & (f); *Securitas, supra*, 234 Cal. App. 4th at 1119; *see also Medina v. Vander Poel* (E.D. Cal. 2015) 523 B.R. 820, 825 (holding "PAGA plaintiffs do not have property rights in their cases."), and *Amalgamated Transit Union, Local 1756, AFL-CIO v. Superior Court* (2009) 46 Cal.4th 993, 1003.

Therefore, when a plaintiff brings a PAGA claim, he or she is properly viewed as a private attorney general prosecuting violations of California's labor laws on behalf of the state. An employee may commence a PAGA action by fulfilling the requirements of California Labor Code § 2699.3(a)(1), which simply states: "The aggrieved employee or representative shall give written notice by certified mail to the Labor and Workforce Development Agency and the employer of the specific provisions of this code alleged to have been violated, including the facts and theories to support the alleged violation." Labor Code § 2699.3(a)(1). As explained above, Plaintiff complied with the notice requirements and properly pled a PAGA claim. (Haritoonian Decl. ¶¶ 5-6.)

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

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

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

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

IV. THE SETTLEMENT

Pursuant to the Settlement Agreement, Defendants will pay the Gross Settlement Amount of $135,500.00 in full and final settlement of the PAGA claim alleged in the Action. (Haritoonian Decl., Exhibit 1, ¶ 3.1).

Pending Court approval, the Gross Settlement Amount will be allocated as follows: (1) attorneys' fees of 35% of the Gross Settlement Amount which is **$47,425.00** ("PAGA Counsel Fees Payment") (Haritoonian Decl., ¶ 13.); (2) actual litigation costs incurred in this matter in the amount of **$27,326.93** ("PAGA Counsel Costs Payment") (*Id.*); (3) settlement administration costs of up to **$4,000.00** to be paid to the Settlement Administrator, Apex Class Actions, for sending notices and for calculating settlement shares and preparing all checks and mailings ("Administration Expenses Payment") (*Id.*); and (5) PAGA Penalties in the amount of **$56,748.07**, with 65% ($36,886.25) allocated to the LWDA ("LWDA PAGA Payment") and 35% ($19,861.82) allocated to the Aggrieved Employees ("Individual PAGA Payments"). (*Id.*) The Individual PAGA Payments will be calculated based on the number of pay periods the Aggrieved Employee worked during the PAGA Period of June 20, 2023, through April 27, 2025 ("PAGA Pay Periods"). (Haritoonian Decl., Exhibit 1, ¶¶ 1.20, 3.1-3.2.3.)

Based on its records, Defendants estimate that there are approximately 65 Aggrieved Employees who collectively worked 4,287 PAGA Pay Periods as of February 17, 2025. (*Id*. at ¶ 12.) If the actual number of PAGA Pay Periods in the PAGA Period increases by more than 10% (i.e., an increase of 429 or more), then Defendants will increase the Gross Settlement Amount in the amount of $31.61 for each PAGA Pay Period in excess of 10%. (Haritoonian Decl., Exhibit 1, ¶ 8.)

Based on this information, and using a straight average, Plaintiff estimates that on average Aggrieved Employees will receive a payment of approximately $305 ($19,861.82 divided by 65 Aggrieved Employees). (Haritoonian Decl., ¶¶ 12, 13.)

V. <u>ARGUMENT</u>

A. The Court Should Approve the Settlement Agreement.

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

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

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

Plaintiff estimated that the maximum potential exposure on the PAGA claim is $428,700, calculated by multiplying the total number of PAGA Pay Periods 4,287) by $100 per violation. (Haritoonian Decl., ¶ 19.) Plaintiff's calculation of the total potential exposure on the PAGA claim was based on one PAGA penalty per Pay Period (i.e., Plaintiff did not stack the PAGA penalties in his damages calculation). (*Id*.) Case law supports the notion that it is inappropriate to "stack" penalties for multiple violations, particularly when those violations all stem from the same alleged "injury."

(*Id*. at ¶ 18.)

The Gross Settlement Amount of $135,500.00 is approximately 31.6% of the maximum potential exposure of $428,700.00. (*Id*. at ¶ 22.) The Gross Settlement Amount therefore represents a strong value at approximately $31.61 per Pay Period. (*Id*.) From PAGA Counsel's review of the facts, strengths, and weaknesses of the case, the risks and delays posed by further litigation, PAGA Counsel believes that the recovery for each Aggrieved Employee is fair and reasonable. (*Id*.)

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

Defendants denied and continue to deny all of the claims made by Plaintiff in this Action and contend that it acted at all relevant times in conformance with the law. (*Id*. at ¶ 16-17.) Defendants contend that Plaintiff and the Aggrieved Employees were paid for all hours worked, that Defendants prohibited Plaintiff and the Aggrieved Employees from working beyond their scheduled shifts, and that any "off-the-clock" work was performed without Defendants' knowledge and de minimis; that Defendants provided lawfully compliant meal and rest periods (and in fact provided longer breaks than required by law) and that any deviations were at the voluntary election of Plaintiff and/or the Aggrieved Employees and not at the request of Defendants or due to work requirements; that Defendants paid all requisite meal and rest period premiums; that Defendants paid all wages due on a timely basis and using Labor Code compliant instruments; that Defendants' wage statements complied with the law; and that neither Plaintiff nor any Aggrieved Employees incurred reasonable business related expenses for which they were not reimbursed. (*Id*.) As a result, PAGA Counsel had to appropriately discount the amount recoverable from Defendants in a settlement. (*Id*.)

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

"PAGA penalties…are mandatory, not discretionary" and the Court must award penalties upon a showing that Defendants violated the Labor Code. *Amaral v. Cintas Corp. No. 2* (2008) 163 Cal. App. 4th 1157, 1213; *Moreno v. Autozone, Inc*. (N.D. Cal. June 5, 2007) No. C05-04432 MJJ, 2007 WL 1650942, at *3. However, PAGA does provide the Court with discretion when it awards these penalties. In departing from the $100/pay period calculation to arrive at the $135,500.00 Gross Settlement Amount in this case, Plaintiff considered various reasons why the Court may reduce any eventual recovery at its discretion and considered that PAGA penalties are not mandatory but permissive. (Haritoonian Decl., at ¶ 21.) Labor Code § 2699(e)(2) states that "a court may award a lesser amount than the maximum civil penalty amount specified by this part if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." (*See also Thurman v. Bayshore* (2012) 203 Cal. App. 4th 1112 (reducing PAGA penalties by 30% under this provision).

VI. <u>THE REQUEST FOR ATTORNEYS' FEES AND COSTS</u>

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

Pursuant to the Settlement Agreement, PAGA Counsel is requesting an award of attorneys' fees in the amount of **$47,425.00** and an award of litigation costs to PAGA Counsel of **$27,326.93.** (Haritoonian Decl., at ¶ 23.)

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

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

As previously indicated, this is *not* a class action. However, like a class action, it is a representative action where instead of a class, the Plaintiff represents the State and the public. As a matter of law and substance, counsel's client is the public at large and the State of California. The Plaintiff is simply a "proxy" for the State. On August 11, 2016, the California Supreme Court decided *Laffitte v. Robert Half International*, which addressed, in a class action context, the correct methodology for awarding fees in a representative action settlement. *Laffitte v. Robert Half Intern. Inc*. (2016) 205 Cal.Rptr.3d 555, 573. The *Laffitte* Court approved awarding fees as a percentage of the settlement fund:

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

Id. at p. 573. Here, the $135,500.00 common fund created for the benefit of the public is, with Plaintiff as a proxy for the State, not unlike the fund created in class action settlements, with the public the equivalent of the class referenced in *Laffitte*.

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

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

Id. at 573.

An award of thirty-five percent (35%) of the civil penalties realized in the Settlement is appropriate here under the "substantial benefit" theory. *Dunk v. Ford Motor Co*. (1996) 48 Cal. App. 4th 1794, 1810; *Wershba v. Apple Computer, Inc.* (2001) 91 Cal. App. 4th 224, 254. That theory permits a litigant who has sued in a representative capacity to recover fees from the beneficiaries of that representation. Courts exercise their inherent equitable powers to assess attorneys' fees against the entire fund, thereby spreading the cost of those fees among the public who benefits from PAGA actions. *Serrano v. Priest* (1977) 20 Cal.3d 25, 35 (*Serrano III).* As this approach "better approximates the workings of the marketplace than the lodestar approach," there is "a greater judicial willingness to evaluate a fee award as a percentage of the recovery." *Lealao v. Beneficial Calif., Inc*. (2000) 82 Cal. App. 4th 19, 31, 48.

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2) <u>The Attorneys' Fees Request Is Within the Range of Reasonable Fees</u>

PAGA Counsel at D.Law, Inc. are experienced employment attorneys with expertise in wage and hour class and representative actions. (Haritoonian Decl., ¶¶ 32-39). Throughout this case, PAGA Counsel have borne, and continue to bear, the entire risk and cost of litigation associated with this Action on a purely contingency basis. (Haritoonian Decl., ¶ 25.) As a result, PAGA Counsel have yet to receive any compensation for the amount of time and money invested in the case to date. (*Id.*) Moreover, courts in this county and others have approved attorneys' fees awards in other PAGA settlements on a common fund basis at higher percentages than the 35% Plaintiff is requesting here. (*Id*. at ¶¶ 26-27.)

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

3) <u>PAGA Counsel's Fee Request Is Reasonable Under the Lodestar Crosscheck.</u>

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

Here, the lodestar cross check establishes that the fees requested are <u>significantly less</u> than the amount warranted by lodestar analysis; therefore, the factors warranting positive multipliers do not come into play, even though they were apparent in this case.

PAGA Counsel worked at least 99.5 hours on this matter at rates reflecting those currently earned in the marketplace. Attorney Natalie Haritoonian's records indicate at least 41 hours on this matter with an hourly rate of $925. (Haritoonian Decl. ¶¶ 29-30.) Attorney Matthew Carraher's records indicate at least 58.5 hours on this matter with an hourly rate of $475. (*Id.*) The lodestar for

PAGA Counsel is $65,712.50 ($37,925.00 for Natalie Haritoonian's time and $27,787.50 for Matthew Carraher's time.) This calculation does not account for the time of other attorneys spent on this matter.

Thus, consideration of the lodestar method as a cross-check to the percentage figure sought strongly supports the reasonableness of the requested fee award. The number of hours under the loadstar outstrip the amount requested for the court's approval. The court would have to apply a negative multiplier in order to reach the requested amount of **$47,425**. (Haritoonian Decl., ¶ 30.).

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

The litigation expenses incurred by PAGA Counsel in this Action are also to be reimbursed under the Settlement Agreement. PAGA Counsel seek $**27,326.93** in reimbursement for litigation costs (Haritoonian Decl., ¶ 23.) The lion's share of these costs were incurred in connection with mediation, and the others listed were all reasonably incurred and necessary to the prosecution of this Action. Thus, PAGA Counsel respectfully request the Court approve their request for reimbursement in the amount of $**27,326.93.**

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

The parties agreed to use Apex Class Actions ("Apex") as the third-party settlement administrator in this case. (Haritoonian Decl., ¶ 14.) Apex will be responsible for updating the addresses for the Aggrieved Employees, mailing the Notice of Settlement (which is attached as Exhibit A to the Settlement Agreement) and calculating and distributing the settlement checks, among other duties. (*Id*., Exhibit 2.) Apex capped its fees at $**4,000.00** for administering the Settlement, and based on PAGA Counsel's experience in other class and PAGA settlements, Apex's costs for administering this Settlement are fair and reasonable. (Haritoonian Decl., ¶ 14, Exhibit 2.)

VIII. <u>CONCLUSION</u>

Plaintiff and PAGA Counsel submit that the proposed Settlement as documented in the Settlement Agreement is fair, adequate, reasonable, and in the best interest of Plaintiff, Defendants, the Aggrieved Employees, and the State of California. Plaintiff respectfully requests that the Court approve the Settlement and order the Parties to carry out the Settlement according to the terms of the

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Settlement Agreement and enter the concurrently filed [Proposed] Order Granting Approval and Judgment to that end.

DATED: April 3, 2026

D.LAW, INC

By: ______________________

Natalie Haritoonian
Matthew Carraher
Attorney for Plaintiff Ray Lopez on behalf of himself and Aggrieved Employees