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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

MARIA MARTINA ALEMAN, individually, and
on behalf of other similarly situated employees,

Plaintiff,

vs.

HOLDING HANDS OPCO LLC dba HOLDING
HANDS, INC.; and DOES 1 through 25, inclusive,

Defendants.

Case No. 24STCV25240

Honorable Joseph Lipner
Department 72

**NOTICE OF MOTION AND MOTION FOR
APPROVAL OF PAGA SETTLEMENT,
ATTORNEYS' FEES AND COSTS,
SERVICE AWARD, AND SETTLEMENT
ADMINISTRATION COSTS**

Date: December 11, 2025

Time: 8:30 a.m.

Department: 72

Complaint Filed: September 30, 2024

Trial Date: Not Set

1 **TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:**

2 **PLEASE TAKE NOTICE THAT** on December 11, 2025 at 8:30 a.m. in Department 72 of
3 the above-captioned Court located at the Stanley Mosk Courthouse, 111 North Hill Street, Los
4 Angeles, California 90012, Plaintiff Maria Martina Aleman (“Plaintiff”) will and hereby does move
5 the Court for an Order granting approval of the California Labor Code Private Attorneys General Act
6 of 2004, California Labor Code sections 2698, *et seq.* (“PAGA”) settlement. Specifically, Plaintiff
7 requests that the Court enter an Order:

- 8 1. Granting approval pursuant to California Labor Code section 2699(l)(2) of the PAGA
9 Settlement Agreement (“Settlement,” “Agreement,” or “Settlement Agreement”) attached
10 as **Exhibit 3** to the Declaration of Annabel Blanchard in Support of Plaintiff’s Motion for
11 Approval of PAGA Settlement, Attorneys’ Fees and Costs, Service Award, and
12 Settlement Administration Costs (“Blanchard Decl.”);
- 13 2. Directing the distribution of the Gross Settlement Amount of Five Hundred Ninety-Five
14 Thousand Dollars (\$595,000.00) pursuant to the terms of the Agreement;
- 15 3. Approving the Net Settlement Amount, estimated to be Three Hundred Thirty-Six
16 Thousand Seven Hundred Fifty-Eight Dollars and Eight Cents (\$336,758.58), of which
17 sixty-five percent (65%) will be distributed to the California Labor and Workforce
18 Development Agency (“LWDA”), and thirty-five percent (35%) will be distributed to the
19 PAGA Group Members;
- 20 4. Approving an award of reasonable Attorneys’ Fees of thirty-five percent (35%) of the
21 Gross Settlement Amount (i.e., \$208,250.00 if the Gross Settlement Amount is
22 \$595,000.00) to PAGA Counsel;
- 23 5. Approving the amount of Thirty-Three Thousand Four Hundred Ninety-One Dollars and
24 Forty-Two Cents (\$33,491.42) to PAGA Counsel for reimbursement of actual litigation
25 expenses payment pursuant to California Labor Code section 2699(g)(1);
- 26 6. Approving the award of Seven Thousand Five Hundred Dollars and Zero Cents
27 (\$7,500.00) to Plaintiff as a Service Award;
- 28 7. Appointing ILYM Group, Inc. as the Settlement Administrator; and

8. Approving an award of up to Nine Thousand Dollars and Zero Cents (\$9,000.00) in anticipated costs to ILYM Group, Inc. for its settlement administration services.

In accordance with California Labor Code sections 2699 *et. seq.*, on September 18, 2025, a copy of the proposed Settlement Agreement was submitted to the LWDA via online submission through the LWDA's website. (Blanchard Decl., ¶ 14 & Exh. 4).

This Motion is based upon this Notice, the attached Memorandum of Points and Authorities, the Declarations of Annabel Blanchard, Plaintiff Maria Martina Aleman, and the Settlement Administrator (Lisa Mullins of ILYM Group, Inc.), the pleadings and other records on file with the Court in this matter, and any other further evidence or argument that the Court may properly receive at or before the hearing.

Respectfully submitted,

Dated: September 18, 2025

BLACKSTONE LAW, APC

By: _____
Annabel Blanchard
Attorneys for Plaintiff Maria Martina Aleman

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1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 Pursuant to the California Labor Code Private Attorneys General Act, California Labor Code
4 sections 2698, *et seq.* (“PAGA”), Plaintiff Maria Martina Aleman (“Plaintiff”) seeks approval of the
5 PAGA Settlement Agreement (“Settlement,” “Agreement,” or “Settlement Agreement”) entered into
6 with Defendant Holding Hands OPCO, LLC d/b/a Holding Hands, Inc. (“Defendant”) (together, with
7 Plaintiff, the “Parties”), which is attached as Exhibit 3 to the Declaration of Annabel Blanchard in
8 Support of Plaintiff’s Motion for Approval of PAGA Settlement, Attorneys’ Fees and Costs, Service
9 Award, and Settlement Administration Costs (“Blanchard Decl.”). The Agreement terms are outlined
10 as follows:

- 11 • Gross Settlement Amount: Five Hundred Ninety-Five Thousand Dollars and Zero Cents
12 (\$595,000.00).
- 13 • Attorneys’ Fees: Thirty-five percent (35%) of the Gross Settlement Amount (i.e.,
14 \$208,250.00 if the Gross Settlement Amount is \$595,000.00), to be paid from the Gross
15 Settlement Amount.
- 16 • Attorneys’ Litigation Costs: Thirty-Three Thousand Four Hundred Ninety-One Dollars
17 and Forty-Two Cents (\$33,491.42), to be paid from the Gross Settlement Amount.
- 18 • Service Award: Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) to
19 Plaintiff, to be paid from the Gross Settlement Amount.
- 20 • Settlement Administration Costs: Up to Nine Thousand Dollars and Zero Cents
21 (\$9,000.00), to be paid from the Gross Settlement Amount.
- 22 • Estimated Net Settlement Amount: Three Hundred Thirty-Six Thousand Seven Hundred
23 Fifty-Eight Dollars and Eight Cents (\$336,758.58), of which 65% (\$218,893.08) will be
24 paid to the California Labor and Workforce Development Agency (“LWDA”) and the
25 remaining 35% (\$117,865.50) will be paid to the PAGA Group Members.

26 As set forth herein, the Settlement Agreement is the product of informed discovery, arms-
27 length negotiations, and provides a fair, adequate, and reasonable recovery for the State of California
28 and PAGA Group Members. Plaintiff therefore respectfully requests that the Court grant approval of
the proposed Settlement Agreement, among other requested relief.

II. FACTUAL AND PROCEDURAL BACKGROUND

Defendant is a pediatric and adult therapy services provider serving children and adults with cognitive developmental disabilities. (Blanchard Decl., ¶ 2). Defendant employed Plaintiff as an hourly-paid, non-exempt Developmental Interventionist from approximately October 2023 to approximately February 2024. (Blanchard Decl., ¶ 2; Declaration of Plaintiff Maria Martina Aleman in Support of Motion for Approval of PAGA Settlement [“Aleman Decl.”], ¶ 2).

On July 25, 2024, Plaintiff provided written notice by electronic submission to the LWDA and by U.S. Certified Mail to Defendant, pursuant to California Labor Code § 2699.3, of the specific provisions of the California Labor Code alleged to have been violated by Defendant (“PAGA Notice”). (Blanchard Decl., ¶ 3 & Exh. 1).

On July 26, 2024, Plaintiff’s Counsel submitted an amended letter on behalf of Plaintiff to the LWDA and Defendant pursuant to PAGA (“Amended PAGA Notice”). (Blanchard Decl., ¶ 4 & Exh. 2).

On July 26, 2024, Plaintiff filed a Class Action Complaint for Damages in the action entitled *Maria Martina Aleman v. Holding Hands OPCO LLC dba Holding Hands, Inc.*, Los Angeles County Superior Court Case No. 24STCV18659 (the “Class Action”), thereby commencing a putative class action against Defendant. (*Id.*, ¶ 5).

On September 30, 2024, Plaintiff filed a Complaint for Enforcement Action Under the Private Attorneys General Act, Cal. Labor Code §§ 2698 Et Seq. (“Operative Complaint”), commencing a representative action under PAGA against Defendant, entitled *Maria Martina Aleman v. Holding Hands OPCO LLC dba Holding Hands, Inc.*, Los Angeles County Superior Court Case No. 24STCV25240 (“Action”). The Operative Complaint asserts a single cause of action for civil penalties under PAGA for violations of multiple provisions of the California Labor Code and the applicable Industrial Welfare Commission Wage Orders. (*Id.*, ¶ 6).

On October 2, 2024, the Court, pursuant to the Parties’ Stipulation, entered an order dismissing Plaintiff’s class claims from the Class Action. (*Id.*, ¶ 7).

On April 29, 2025, the Parties participated in a formal mediation conducted by Tripper Ortman, a neutral and respected mediator with extensive experience in complex wage and hour matters, during

1 which the Parties were able to reach an agreement to resolve the Action in its entirety. (Blanchard
2 Decl., ¶ 8).

3 On August 6, 2025, the Parties executed the Settlement Agreement. (*Id.*, ¶ 9 & Exh. 3).

4 During the course of informal discovery in the Action, PAGA Counsel conducted an intensive
5 investigation into the facts of the Action. (*Id.*, ¶ 10). This included obtaining data, information, and
6 documents relating to the underlying alleged violations, including, but not limited to, Plaintiff's
7 employee file, a sampling of PAGA Group Members' time and payroll records, multiple iterations of
8 Defendant's Employee Handbook, and Defendant's relevant wage and hour policies and forms
9 (including Defendant's Meal Period Waiver form, Meal Period Coaching form, Weekly Timekeeping
10 Review & Acknowledgment form, and Timesheet Correction form). Defendant also produced
11 information regarding the total number of putative PAGA Members, the number of current versus
12 former employees, the total pay periods worked by the putative PAGA Members, and the average rate
13 of pay for the putative PAGA Members, so that Plaintiff could assess the number of alleged potential
14 violations and value of the recoverable penalties, as well as evaluate the strengths and weaknesses of
15 her claims. (*Ibid.*).

16 Based on the data, information, and documents received, as well as thorough discussions with
17 Defendant's counsel, PAGA Counsel was able to (i) determine the total number of distinct individuals
18 falling within the definition of "Aggrieved Employees" for the relevant statutory period, (ii) the
19 number of affected pay periods at issue among them, and (iii) construct a damages model that
20 calculated the maximum realistic amount of PAGA penalties that could be levied against Defendant
21 within the relevant statutory period. (*Id.*, ¶ 11). Defendant, however, disputed Plaintiff's claims and
22 disputed both the existence of and extent of liability as alleged by Plaintiff, which allowed PAGA
23 Counsel to further assess the strength of Plaintiff's claims. (*Ibid.*). PAGA Counsel's experience in
24 litigating similar representative wage and hour claims, the degree of investigation that was conducted
25 here, and the amount of data, information, and documents that was obtained, was sufficient to
26 determine the potential value of the PAGA claims, and to evaluate the strength of these claims for
27 purposes of settlement. (*Ibid.*).

28 The Parties believe the Settlement Agreement is fair, reasonable, and adequate. (*Id.*, ¶ 12).

1 The Parties understand, acknowledge, and agree that the Settlement Agreement constitutes a
2 compromise of Plaintiff's PAGA claims, and that it is the desire and intention of the Parties to affect
3 a final and complete resolution of the Action. (Blanchard Decl., ¶ 12).

4 Defendant denies all of the claims in the Action, and does not waive, but rather expressly
5 reserves, all rights to challenge all such claims and allegations upon all legal, procedural, and factual
6 grounds should the Settlement Agreement not become final. (*Id.*, ¶ 13). The Settlement Agreement
7 reflects a compromise reached to end litigation in the Action. (*Ibid.*). Following significant
8 investigation and extensive settlement negotiations, Plaintiff now seeks approval of the proposed
9 Settlement Agreement, which will resolve all representative claims alleged in the Action. (*Ibid.*).

10 **III. THE SETTLEMENT TERMS**

11 **A. Definition of the Aggrieved Employees**

12 For purposes of settlement only, the Parties have agreed that the "PAGA Group" or "PAGA
13 Group Members" shall be defined as "all current and former non-exempt employees who worked for
14 Defendant within the State of California at any time during the PAGA Period." (Blanchard Decl., ¶
15 15; Settlement Agreement, ¶ 3(a)(5)). The "PAGA Period" is the period from July 26, 2023 to June
16 28, 2025. (Blanchard Decl., ¶ 15; Settlement Agreement, ¶ 3(a)(5)). There are approximately one
17 thousand one hundred forty-five (1,145) PAGA Group Members. (Blanchard Decl., ¶ 15).

18 **B. Amount of Settlement**

19 The Parties have agreed to settle the PAGA claims at issue in the Action for a non-reversionary
20 Gross Settlement Amount of Five Hundred Ninety-Five Thousand Dollars (\$595,000.00). (Blanchard
21 Decl., ¶ 16; Settlement Agreement, ¶ 3(a)).

22 **C. Allocation and Funding of the Gross Settlement Amount**

23 The Gross Settlement Amount is a common fund and therefore includes all requested costs,
24 fees, and other allocations. (Blanchard Decl., ¶ 16). The Gross Settlement Amount includes: (1)
25 Attorneys' Fees in the amount of thirty-five percent (35%) of the Gross Settlement Amount (i.e.,
26 \$208,250.00 if the Gross Settlement Amount is \$595,000.00); (2) Attorneys' Litigation Costs and
27 Expenses in the amount of Thirty-Three Thousand Four Hundred Ninety-One Dollars and Forty-Two
28 Cents (\$33,491.42); (3) Service Award in the amount of Seven Thousand Five Hundred Dollars and

1 Zero Cents (\$7,500.00) to Plaintiff; and (4) Settlement Administration Costs, not to exceed Nine
2 Thousand Dollars and Zero Cents (\$9,000.00). (Blanchard Decl., ¶ 16; Settlement Agreement, ¶¶
3 3(a)(1) – 3(a)(3)).

4 After the above-estimated amounts are deducted from the Gross Settlement Amount, the Net
5 Settlement Amount will amount to approximately Three Hundred Thirty-Six Thousand Seven
6 Hundred Fifty-Eight Dollars and Fifty-Eight Cents (\$336,758.58), of which sixty-five percent (65%),
7 or Two Hundred Eighteen Thousand Eight Hundred Ninety-Three Dollars and Eight Cents
8 (\$218,893.08), will be paid to the LWDA (“LWDA Payment”), and thirty-five percent (35%), or One
9 Hundred Seventeen Thousand Eight Hundred Sixty-Five Dollars and Fifty Cents (\$117,865.50)
10 (“Employees’ Portion”), will be distributed and paid to PAGA Group Members on a *pro rata* basis
11 based on based on the number of pay periods they each worked during the PAGA Period (“Pay
12 Periods”). Pay Periods will be determined based on Defendant’s payroll records, and measured by
13 actual hours worked, not dates of employment during the PAGA Period. (Blanchard Decl., ¶ 17;
14 Settlement Agreement ¶¶ 3(a)(5) and 5(b)). The average *pro rata* share of the Employees’ Portion of
15 the Net Settlement Amount (“Individual PAGA Payment”) is estimated to be approximately One
16 Hundred and Two Dollars and Ninety-Four Cents (\$102.94). (Blanchard Decl., ¶ 17).

17 No later than fourteen (14) calendar days after the Court’s order granting approval of the
18 Settlement, Defendant will deliver the PAGA Group List to the Administrator in the form of a
19 Microsoft Excel spreadsheet, containing each PAGA Member’s first and last name, last-known
20 address, last known telephone number, Social Security number, start and end dates of employment,
21 and number of Pay Periods (collectively, “PAGA Group List”). (Blanchard Decl., ¶ 18; Settlement
22 Agreement, ¶ 5(c)(1)).

23 Within thirty (30) calendar days after the entry of an Order granting approval of the settlement,
24 Defendant will fully fund the Gross Settlement Amount by transmitting the funds to a qualified
25 settlement account established by the Administrator. If the date by which payment by Defendant is
26 due falls on a Saturday, Sunday, or legal holiday in the State of California, then the due date shall be
27 extended to the next following day which is not a Saturday, Sunday, or legal holiday in the State of
28 California. (Blanchard Decl., ¶ 19; Settlement Agreement, ¶¶ 5(a))

1 No later than seven (7) calendar days after Defendant funds the Gross Settlement Amount, the
2 Administrator will distribute Individual PAGA Payments to the PAGA Group Members, the LWDA
3 Payment to the LWDA, the Service Award to Plaintiff, the Settlement Administration Costs to itself,
4 and the Attorneys' Fees and Costs to Plaintiff's Counsel. (Blanchard Decl., ¶ 20; Settlement
5 Agreement, ¶ 5(c)(5) – (8)).

6 Each Individual PAGA Payment check will be valid and negotiable for one hundred
7 and eighty (180) calendar days from the date the checks are issued, and thereafter, will be canceled.
8 (Blanchard Decl., ¶ 21; Settlement Agreement, ¶ 5(c)(4)). Any funds associated with such canceled
9 checks will be distributed by the Administrator to the State Controller's Office Unclaimed Property
10 Division in the name of the PAGA Group Member(s) at issue and in the amount of their respective
11 Individual PAGA Payment(s). (Blanchard Decl., ¶ 21; Settlement Agreement, ¶ 5(c)(4)).

12 The PAGA Group is estimated to consist of approximately 1,145 individuals who worked
13 approximately 21,455 pay periods during the PAGA period. (Blanchard Decl., ¶ 22; Settlement
14 Agreement, ¶ 3(a)(6)). If the actual number of Pay Periods is more than ten percent (10%) above
15 21,455, Defendant shall have the option to either: (a) increase the Gross Settlement Amount
16 proportionally for each Pay Period above the 10% threshold; or (b) amend the PAGA Period to end
17 on the calendar day before the actual number of Pay Periods during the PAGA Period exceeds 21,455.
18 (For instance, if the Pay Periods exceed 21,455 by 11%, Defendant shall have the option of increasing
19 the GSA 1%, or, cutting off the PAGA Period as of the calendar day before the number of Pay Periods
20 worked by PAGA Group Members exceeds 21,455). (Blanchard Decl., ¶ 22; Settlement Agreement,
21 ¶ 3(a)(6)).

22 **IV. STANDARD FOR APPROVAL OF PAGA SETTLEMENT**

23 The settlement of a PAGA claim requires court approval. (California Labor Code ("Lab.
24 Code") § 2699(l)). The Court must be mindful that a "[s]ettlement is a compromise, which balances
25 the possible recovery against the risks inherent in litigating further." (*In re TD Ameritrade Account*
26 *Holder Litig.*, 2011 U.S. Dist. LEXIS 103222 at *24 (N.D. Cal. Sep. 12, 2011)). "[T]he very essence
27 of a settlement is ... 'a yielding of absolutes and an abandoning of highest hopes,'" as "it is the very
28 uncertainty of outcome in litigation and avoidance of wasteful and expensive litigation that induce

1 consensual settlements.” (*Officers for Justice v. Civil Service Com.*, 688 F.2d 615, 624-26 (9th Cir.
2 1982)). As such, “the settlement or fairness hearing is not to be turned into a trial or rehearsal for trial
3 on the merits,” or “judged against a hypothetical or speculative measure of what might have been
4 achieved.” (Ibid).

5 Although the California Labor Code does not set forth the criteria by which a PAGA settlement
6 is to be evaluated, it is presumed that a reviewing court may take into consideration some of the factors
7 that courts use when reviewing a class action settlement. However, “a PAGA claim asserted on a non-
8 class representative basis...is not considered a class action but a law enforcement action, and therefore
9 does not have to meet the requirements of [a class action].” (*Casida v. Sears Holdings Corp.*, 2012
10 U.S. Dist. LEXIS 9302 at *8 (E.D. Cal. Jan. 25, 2012)).

11 A court’s review of a PAGA settlement necessarily implicates the following unique features
12 that render the approval process distinct from approval of a class action settlement under Code of Civil
13 Procedure Section 382 and California Rules of Court Rule 3.769. First, in evaluating the adequacy of
14 the settlement amount, the Court’s focus is not concerned with the amount aggrieved employees are
15 to receive, but rather, must focus on the total settlement amount in achieving PAGA’s objective.
16 Indeed, “[t]he remedy sought in a PAGA suit consists of civil penalties, not individual or class
17 damages,” and while a “[PAGA] action is ... designed to protect the public and penalize the employer
18 for past illegal conduct,” a reviewing court must be mindful of the fact that settlement of a PAGA
19 claim involves a compromise. (*Mendez v. Tween Brands, Inc.*, 2010 U.S. Dist. LEXIS 66454 at *11
20 (E.D. Cal. June 30, 2010)). “Unlike class actions, these civil penalties are not meant to compensate
21 unnamed employees because the action is fundamentally a law enforcement action.” (*Ochoa-
22 Hernandez v. Cjaders Foods, Inc.*, 2010 U.S. Dist. LEXIS 32774 at *12 (Apr. 2, 2010)). The Court
23 should not lose sight of the fact that, “[u]nlike a class action seeking damages or injunctive relief for
24 injured employees, the purpose of PAGA is to incentivize private parties to recover civil penalties for
25 the government that otherwise may not have been assessed and collected by overburdened state
26 enforcement agencies.” (Ibid).

27 Second, consistent with the fact that unnamed employees have no property interest in a PAGA
28 claim, “[u]nnamed employees need not be given notice of the PAGA claim, nor do they have the

ability to opt-out of the representative PAGA claim.” (*Ochoa-Hernandez*, 2010 U.S. Dist. LEXIS 32774 at *13). Indeed, “[PAGA] does not create property rights or any other substantive rights” as “[i]t is simply a procedural statute allowing an aggrieved employees to recover civil penalties – for Labor Code violations – that otherwise would be sought by state labor law enforcement agencies.” (*Amalgamated Transit Union, Local 1756, AFL-CIO v. Sup. Ct.*, 46 Cal.4th 993, 1003 (2009)). This renders the approval process of a PAGA settlement distinct from a class action settlement, as there is no need for the Court to employ the “two-step approval process” required under California Rules of Court Rule 3.769.

Finally, unlike class action settlements, the scope of release permitted in a PAGA settlement is limited. While “judgment in [a PAGA] action is binding not only on the named employee plaintiff but also on government agencies and any aggrieved employee not a party to the proceeding...the nonparty employees, because they were not given notice of the action or afforded any opportunity to be heard, would not be bound by the judgment as to remedies other than civil penalties.” (*Arias v. Sup. Ct.*, 46 Cal.4th 969, 985-87 (2009)). Thus, the scope of a release in a PAGA settlement is confined to the PAGA penalties alleged in the complaint and/or the plaintiff’s notice to the LWDA and to the claims that were, or could have been, alleged pursuant to PAGA based on the factual allegations in the complaint and/or the plaintiff’s notice to the LWDA. In the case at hand, as the only claims at issue are PAGA claims, those will be the only claims extinguished through the Settlement.

V. THE AGREEMENT IS FAIR AND SHOULD BE APPROVED

A. The Agreement is Presumed to Be Fair

California courts recognize that “a presumption of fairness exists where . . . [a] settlement is reached through arm’s-length bargaining.” (*Wershba v. Apple Computer, Inc.*, 91 Cal.App.4th 224, 245 (2001); *see also Clark v. Am. Residential Servs. LLC*, 175 Cal. App. 4th 785, 799 (2009)). Here, the Agreement is presumptively fair because: (1) it occurred after counsel for the Parties engaged in significant investigation to evaluate the strength and potential value of the PAGA claims, and the risks of litigating these claims through trial; and (2) it was negotiated at great length and effort by counsel with significant experience in similar complex labor and employment matters. (Blanchard Decl., ¶ 23).

1 **B. The Agreement is Fair, Adequate, and Reasonable in Light of the Parties’ Respective**
2 **Legal Positions and Recovery Risks**

3 In deciding whether to approve a proposed settlement, a trial court has broad powers to
4 determine if it is fair given the circumstances of the case. (*Mallick v. Sup. Ct.*, 89 Cal.App.3d 434,
5 438 (1979)). In exercising these powers, the overriding concern is to ensure that a proposed settlement
6 is “fair, adequate, and reasonable.” (*Dunk*, 48 Cal.App.4th at 1801 (internal quotations omitted)). A
7 settlement is not judged against what might have been recovered had a plaintiff prevailed at trial, nor
8 does the settlement have to obtain one hundred percent of the damages sought to be fair and reasonable.
9 (*Wershba*, 91 Cal.App.4th at 246, 250). In evaluating the reasonableness of a settlement, a trial court
10 must consider “the strength of plaintiffs’ case, the risk, expense, complexity and likely duration of
11 further litigation, the risk of maintaining class action status through trial, the amount offered in
12 settlement, the extent of discovery completed and the stage of the proceedings, the experience and
13 views of counsel, the presence of a governmental participant, and the reaction of the class members to
14 the proposed settlement.”¹ (*Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 128 (2008)).
15 Even though a *Kullar* analysis is not required for approval of a PAGA settlement, a brief analysis is
16 included to support approval of the Settlement Agreement. (*See Blanchard Decl.*, ¶¶ 30-40).

17 These factors require balancing and are non-exhaustive. Trial courts should therefore tailor
18 the factors to each case and give due regard to “what is otherwise a private consensual agreement
19 between the parties.” (*Dunk, supra*, 48 Cal. App. 4th at 1801).

20 1. Strength of Plaintiff’s Cases

21 In order to prevail at trial, Plaintiff would have to prove violations of the California Labor
22 Code underlying his PAGA claims, demonstrate that Aggrieved Employees suffered, and demonstrate
23 that Defendant’s conduct gives rise to penalties. (*See Elliot v. Spherion Pac. Work, LLC*, 572
24 F.Supp.2d 1169, 1181-82 (C.D. Cal. 2008) [“Plaintiff’s claim under [PAGA] is wholly dependent
25 upon her other claims. Because all of Plaintiff’s other claims fail as a matter of law, so does her PAGA
26 claim.”]).

27 _____
28 ¹ As this is not a class action, the *Kullar* factors pertaining to the risk of maintaining class action status through trial and the reaction of class members to the proposed settlement are inapplicable.

1 Here, Plaintiff's core allegations are that Defendant systematically violated the California
2 Labor Code by, *inter alia*, failing to properly pay wages for all hours worked, failing to pay overtime
3 at the correct rate, failing to provide compliant meal and rest periods, failing to pay premiums at the
4 correct rate of pay, failing to timely pay wages during employment and upon termination, failing to
5 maintain accurate payroll records, and failing to provide accurate wage statements. (Blanchard Decl.,
6 ¶ 24).

7 Defendant maintained several defenses to Plaintiff's theories of liability, which, if successfully
8 argued and proven, had the potential to eliminate or substantially reduce recovery. (*Id.*, ¶ 25).
9 Throughout this litigation, Defendant maintained, and continues to maintain, that it had, and continues
10 to have, compliant employment policies and practices throughout the time period at issue. (*Ibid*).
11 Defendant denies that it ever violated any provision of the California Labor Code, including, but not
12 limited to, those sections for which Plaintiff seeks penalties under PAGA. (*Ibid*). Defendant further
13 denied, and continues to deny, that the lawsuit is appropriate for representative treatment for any
14 purpose other than settlement. (*Ibid*). Defendant also challenged Plaintiff's standing as an aggrieved
15 employee and denied that any of Defendant's other employees whom Plaintiff seeks to represent are
16 aggrieved. (*Ibid*).

17 Defendant also argued that an important feature of PAGA is that the Court retains discretion
18 to lower the penalties if, based on the facts and circumstances of the particular case, to do otherwise
19 would result in an award that is "unjust, arbitrary and oppressive, or confiscatory." (*Ibid*; Lab. Code
20 § 2699(e)(2); *see also Thurman v. Bayshore Transit Management, Inc.*, 203 Cal.App.4th 1112, 1136
21 (2012) [holding that a court may reduce the amount of PAGA penalties awarded to an employee based
22 upon discretionary factors]).

23 Even if violations of the California Labor Code occurred, which Defendant denies, Defendant
24 contended that said violations would only be considered "initial violations" and thus heightened
25 "subsequent violation" penalties were not warranted. (Blanchard Decl., ¶ 26; Lab. Code § 2699(f)(2);
26 *see also Amaral v. Cintas Corp. No. 2*, 163 Cal.App.4th 1157, 1208-09 (2008) ["Until the employer
27 has been notified that it is violating a Labor Code provision [...], the employer cannot be presumed
28 to be aware that its continuing underpayment of employees is a 'violation' subject to penalties."]).

1 Defendant also contended that, with respect to PAGA claims, the Court was unlikely to assess
2 cumulative penalties for the maximum number of possible, separate California Labor Code violations,
3 because it would be unjust, arbitrary, oppressive, and/or confiscatory, especially where certain conduct
4 may be regulated by multiple provisions of the California Labor Code that are interrelated and work
5 in tandem. (Blanchard Decl., ¶ 27). While the PAGA does provide the potential for a heightened
6 penalty for subsequent violations, courts are often hesitant to award a heightened penalty where there
7 is no prior citation by the Labor Commissioner, as is the case here. (See *Bernstein v. Virgin Am., Inc.*,
8 3 F.4th 1127, 1144 (9th Cir. 2021) (holding no heightened penalty where defendant was not notified
9 by Labor Commissioner or any court that it was subject to the California Labor Code)). The Ninth
10 Circuit’s holding in *Bernstein* also supports that a settlement valuation that does not “stack” penalties.
11 (Ibid).

12 While Plaintiff maintains that her PAGA claims have merit, in reaching the Agreement,
13 Plaintiff and her counsel took into account the strengths and weaknesses of each side’s position, and
14 the uncertainty of how the case might have concluded as litigation continued, at trial, and/or upon
15 appeal. (Blanchard Decl., ¶ 28). Based on these disputes, which had the potential to completely
16 eliminate Plaintiff’s recovery, the range of realistic “litigation outcomes” on Plaintiff’s PAGA claims
17 was defined by a “maximum possible liability” amount of approximately \$2,145,500 and a “risk-
18 adjusted realistic value” amount of approximately \$590,012.50. (*Id.*, ¶ 40). In light thereof, the Gross
19 Settlement Amount of \$595,000 is a significant settlement. (Ibid).

20 2. Risk, Expense, Complexity, and Likely Duration of Further Litigation

21 Approval of the Settlement Agreement is also appropriate in light of the risk, expense, and
22 complexity of further litigation. As discussed above, the Settlement Agreement takes into
23 consideration the specific factual and legal hurdles faced by Plaintiff in establishing Defendant’s
24 penalty-liability in this case, which may have resulted in a net-zero recovery. Any recovery on these
25 claims is not certain. And even when liability is found, PAGA claims are discretionary, such that the
26 Court could decline to award their full value. Some of Plaintiff’s claims are also derivative, and as
27 such, Plaintiff must prevail on her underlying California Labor Code claims in order to prevail on the
28 derivative claims. These risks – when balanced with the fact that the Agreement achieved a very

significant recovery (as demonstrated below), and that further litigation posed a risk of diminishing such recovery by increasing litigation expenses – weigh strongly in favor of settlement approval.

3. The Benefits Conferred by the Agreement Balance in Favor of Approval

The Settlement Agreement provides a *significant* monetary benefit that falls well within the range of an acceptable settlement under the circumstances, which is the standard on which the instant Agreement must be judged. As held by the Ninth Circuit: “The proposed settlement is not to be judged against a hypothetical or speculative measure of what might have been achieved by the negotiators.” (*Officers for Justice v. Civil Serv. Comm’n*, 688 F.2d at 625 (emphasis in original)). As the Second Circuit has pointed out: “The fact that a proposed settlement may only amount to a fraction of the potential recovery does not, in and of itself, mean that the proposed settlement is grossly inadequate and should be disapproved.” (*City of Detroit v. Grinnell Corp.*, 495 F.2d 448, 455 & n.2 (2nd Cir. 1974)).

The Net Settlement Amount is currently estimated to be Three Hundred Thirty-Six Thousand Seven Hundred Fifty-Eight Dollars and Eight Cents (\$336,758.58). After all deductions are made from the Gross Settlement Amount for the Attorneys’ Fees and Costs, Service Award, and Settlement Administration Costs, Two Hundred Eighteen Thousand Eight Hundred Ninety-Three Dollars and Eight Cents (\$218,893.08) (i.e. 65% of the Net Settlement Amount) will go to the LWDA, and One Hundred Seventeen Thousand Eight Hundred Sixty-Five Dollars and Fifty Cents (\$117,865.50) (i.e. 35% of the Net Settlement Amount) will go to the PAGA Group Members, as required by California Labor Code § 2699(i) (“civil penalties recovered by aggrieved employees shall be distributed as follows: 75 percent to the Labor and Workforce Development Agency . . . and 25 percent to the aggrieved employees.”). (Blanchard Decl., ¶ 41). There is no reason to doubt the fairness of the proposed plan of allocation of the Net Settlement Amount as it fully complies with California Labor Code section 2699(i). (Ibid).

The Settlement Agreement is a compromise of highly disputed claims. (*Id.*, ¶ 42). Plaintiff and her counsel recognize the expense and length of continued proceedings necessary to litigate the matter through trial and any possible appeals. (Ibid). Plaintiff and her counsel have also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays

1 inherent in such litigation. (Ibid). Plaintiff and her counsel are also aware of the burdens of proof
2 necessary to establish liability, both generally and in response to Defendant’s defenses thereto, and
3 the difficulties in establishing Defendant’s liability for, and the right to recover, penalties on behalf of
4 Plaintiff, the State of California, and other PAGA Group Members. (Blanchard Decl., ¶ 42). Plaintiff
5 and her counsel have also taken into account Defendant’s agreement to enter into a settlement that
6 confers significant relief upon the Aggrieved Employees and the State of California. (Ibid).
7 Considering all of the facts in this case, Plaintiff and her counsel have determined that the Agreement
8 represents a fair, adequate, and reasonable resolution of the PAGA claims, and that it is in the best
9 interests of the PAGA Group Members and the State of California. (Ibid).

10 The results achieved in this case are well within the range of what is considered an acceptable
11 settlement under the circumstances, especially when compared to the settlement of PAGA claims in
12 other cases. (*Id.*, ¶ 43). (*See, e.g., DCH Auto Wage and Hour Cases*, Los Angeles Superior Court,
13 Case No. JCCP4833 (May 2017) [approving \$15,000 out of \$4 million toward settlement of PAGA
14 claims]; *Garcia v. Gordon Trucking, Inc.*, 2012 U.S. Dist. LEXIS 160052, at *9 (E.D. Cal. Oct. 29,
15 2012) [approving \$10,000 out of \$3.7 million toward settlement of PAGA claims]; *Schiller v. David’s*
16 *Bridal, Inc.*, 2012 U.S. Dist. LEXIS 80776, at *40 (E.D. Cal. June 11, 2012) [approving \$7,500 out of
17 \$518,245 toward settlement of PAGA claims]; *Chu v. Wells Fargo Investments, LLC*, 2011 U.S. Dist.
18 LEXIS 15821, at *4 (N.D. Cal. Feb. 15, 2011) (approving \$10,000 out of \$6.9 million toward
19 settlement of PAGA claims]; *Franco v. Ruiz Food Prods.*, 2012 U.S. Dist. LEXIS 169057, at *14
20 (E.D. Cal. Nov. 27, 2021) [approving \$10,000 out of \$2.5 million toward settlement of PAGA
21 claims]). Here, the value obtained for settlement of the PAGA claims is significant, and it will be
22 distributed in accordance with and in fulfillment of the objectives of the PAGA statute.

23 4. The Scope of the Release is Narrowly Tailored

24 As discussed above, the California Supreme Court has concluded that in the context of PAGA
25 “the nonparty employees, because they were not given notice of the action or afforded any opportunity
26 to be heard, would not be bound by the judgment as to remedies other than civil penalties.” (*See Arias*,
27 46 Cal. 4th, at 987). Thus, the scope of the limited release provided in exchange for the foregoing
28 consideration is limited to the civil penalties asserted in the Operative Complaint and the PAGA

1 Notice, under California Labor Code §§ 2698 *et seq.* (See Settlement Agreement, at ¶ 6(a)).

2 As such, this factor balances strongly in favor of approval of the Agreement.

3 5. Experience and Views of Counsel Favor Approval

4 PAGA Counsel is experienced in complex representative and class action wage-and-hour
5 litigation. (Blanchard Decl., ¶ 49). In the view of PAGA Counsel, the benefits conferred by the
6 Agreement are eminently fair and reasonable, and in the best interests of the State of California and
7 the Aggrieved Employees in light of the risk, delay, and uncertainty of continued litigation and the
8 substantial monetary benefits provided for by the Agreement. (*Id.*, ¶ 44). Furthermore, courts have
9 acknowledged that “the interests of a plaintiff, counsel, and other potentially aggrieved employees are
10 largely aligned. All stand to gain from proving as convincingly as possible as many Labor Code
11 violations as the evidence will sustain[.]” (*Williams v. Superior Court*, 3 Cal. 5th 531, 548 (2017)
12 [citing Labor Code § 2699(g)(1)(i)]).

13 6. The Extent of Discovery and Stage of Proceedings Favor Approval

14 In evaluating this element, the Court should be mindful that “‘formal discovery is not a
15 necessary ticket to the bargaining table’” [*Linney v. Cellular Alaska P’ship*, 151 F.3d 1234, 1239], as
16 the relevant consideration is “whether ‘the parties have sufficient information to make an informed
17 decision about settlement.’” (See *Sandoval v. Roadlink United States Pac., Inc.*, 2011 U.S. Dist.
18 LEXIS 130378, at 26 (C.D. Cal. Nov. 9, 2011)).

19 Here, the extent of informal discovery conducted was sufficient to enable PAGA Counsel to
20 evaluate the strength and value of the PAGA claims for purposes of settlement. (Blanchard Decl., ¶
21 45). Prior to mediation, Defendant provided Plaintiff with data, information, and documents relating
22 to the underlying alleged violations, including, but not limited to, Plaintiff’s employee file, a sampling
23 of PAGA Members’ time and payroll records, multiple iterations of Defendant’s Employee Handbook,
24 and Defendant’s relevant wage and hour policies and forms (including Defendant’s Meal Period
25 Waiver form, Meal Period Coaching form, Weekly Timekeeping Review & Acknowledgment form,
26 and Timesheet Correction form). (*Id.*, ¶ 10). Defendant also produced information regarding the total
27 number of putative PAGA Members, the number of current versus former employees, the total pay
28 periods worked by the putative PAGA Members, and the average rate of pay for the putative PAGA

Members. (Blanchard Decl., ¶ 10). As discussed above, PAGA Counsel’s investigation was sufficient to, among other things, tabulate with precision the total number of alleged California Labor Code violations at issue during the relevant statutory period and identify the total number of individuals falling within the definition of “PAGA Group Members” for the relevant statutory period. (*Id.*, ¶ 11).

Based on PAGA Counsel’s experience litigating wage and hour claims, such investigation was sufficient to determine the potential value of the PAGA claims, and to evaluate the strength of these claims for purposes of settlement. (*Ibid.*).

VI. THE REQUESTED PAGA COUNSEL FEES PAYMENT IS FAIR AND REASONABLE

As the prevailing party in settlement, Plaintiff is entitled to recover attorneys’ fees for bringing her PAGA claims. (Lab. Code § 2699(k) [“Any employee who prevails in any action shall be entitled to an award of reasonable attorney’s fees and costs.”]). PAGA Counsel is also entitled to attorneys’ fees pursuant to Code of Civil Procedure section 1021.5(a), as the instant action has resulted in the enforcement of important rights benefitting the public and secures monetary recovery for the State of California as well as the PAGA Group Members. A fee award is justified where the legal action has produced its benefits by way of a voluntary settlement. (*See, e.g., Maria P. v. Riles*, 43 Cal.3d 1281, 1290-91 (1987); *Westside Community for Independent Living, Inc. v. Obledo*, 33 Cal.3d 348, 352-53 (1983); *Serrano v. Priest*, 20 Cal.3d 25, 34 (1977) [“when a number of persons are entitled in common to a specific fund, and an action brought by a plaintiff ... for the benefit of all results in the creation or preservation of that fund, such plaintiff ... may be awarded attorney’s fees out of the fund.”]).

In *Laffitte v. Robert Half Int’l, Inc.*, 1 Cal.5th 480, 506 (2016), the California Supreme Court confirmed that “[t]he percentage of fund method survives in California class action cases.” Specifically, the *Laffitte* Court held:

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-convince us the percentage method is a valuable tool that should not be denied our trial courts.

1 (*Id.*, at 503 [internal citation omitted]).

2 While trial courts have discretion to apply either a lodestar method or percentage-of-the-fund
3 method, the California Supreme Court has taken the position that trial courts also “retain the discretion
4 to forgo a lodestar cross-check and use other means to evaluate the reasonableness of a requested
5 percentage fee.” (*Laffitte*, 1 Cal.5th at 506; *see also Wershba*, 91 Cal.App. 4th at 253). Courts award
6 fees to serve as an economic incentive for lawyers to undertake litigation, and thereby enhance and
7 facilitate access to the judicial system for adjudication of meritorious claims, and to deter wrongdoing.
8 This is especially true in situations where multiple similar alleged wrongs would not be economically
9 feasible to pursue individually, such as here. Trial courts have “wide latitude” in assessing the value
10 of attorneys’ fees and their decisions will “not be disturbed on appeal absent a manifest abuse of
11 discretion.” (*Lealao v. Beneficial Cal., Inc.*, 82 Cal.App.4th 19, 41 (2000); *see also Laffitte*, 1 Cal.5th
12 at 506 [holding that “trial court did not abuse its discretion in using [the percentage of fund method],
13 in part to approve the fee request”]). Indeed, it is long settled that the “experienced trial judge is the
14 best judge of the value of professional services rendered in his court.” (*Ketchum v. Moses*, 24 Cal.4th
15 1122, 1132 (2001)).

16 The percentage method is particularly appropriate where a monetary settlement has been
17 recovered and “the benefit [recovered can be] easily quantified.” (*In re Bluetooth Headset Prods.*
18 *Liab. Litig.*, 654 F.3d 935, 942 (9th Cir. 2011)). Where the amount of a settlement is a “certain or
19 easily calculable sum of money,” California courts may calculate attorneys’ fees as a reasonable
20 percentage of the settlement created. (Weil and Brown, California Practice Guide, *Civil Procedure*
21 *Before Trial*, Chapter 14, section 14:145; *Dunk, supra*, 48 Cal. App. 4th at 1808). The percentage fee
22 method is preferred in representative actions because “it better approximates the workings of the
23 marketplace than the lodestar approach.” (*Lealao, supra*, 82 Cal.App.4th at 49). California law
24 provides that the award for attorneys’ fees should be equivalent to fees freely negotiated in the legal
25 marketplace and paid in comparable litigation based on the result achieved and risk incurred. (*See*
26 *Lealao*, 82 Cal.App.4th at 47-50; *Laffitte*, 1 Cal.5th 480 at 503). In cases where the settlement
27 agreement provides that the defendant will pay the plaintiffs’ attorneys a percentage of the fund created
28 by the settlement, use of that percentage method is appropriate. (*Lealao*, 82 Cal.App.4th at 32). Fee

1 awards that are too small will “chill the private enforcement essential to the vindication of many legal
2 rights and obstruct the representative actions that often relieve the courts of the need to separately
3 adjudicate numerous claims.” (*Id.* at 53). Therefore, fees in representative actions should approximate
4 the probable terms of a contingent fee contract negotiated by a sophisticated attorney and client in
5 comparable litigation. (*Id.* at 48). “The ultimate goal ... is the award of a ‘reasonable’ fee to
6 compensate counsel for their efforts, irrespective of the method of calculation.” (*Consumer Privacy*
7 *Cases*, 175 Cal.App.4th 545, 557-58 (2009) [quoting *Apple Computer, Inc. v. Superior Court*, *supra*,
8 126 Cal.App.4th at 1270]).

9 PAGA Counsel’s application for attorneys’ fees in light of the facts and circumstances
10 surrounding the case is within the range of reasonableness. Historically, courts have awarded fees as
11 high as fifty percent (50%) of the settlement in complex actions, depending on the circumstances of
12 the case. (*See In re Ampicillin Antitrust Litig.*, 526 F.Supp. 494 (D.D.C. 1981) [awarding attorneys’
13 fees in the amount of 45% of the \$7.3 million total settlement amount]; *Beech Cinema, Inc. v.*
14 *Twentieth-Century Fox Film Corp.* 480 F.Supp. 1195 (S.D.N.Y. 1979) [awarding approximately 53%
15 of the settlement as attorneys’ fees]).

16 Here, PAGA Counsel’s request of thirty-five percent (35%) of the Gross Settlement Amount
17 (i.e., \$208,250.00 if the Gross Settlement Amount is \$595,000.00) is fair and reasonable based on the
18 percentage of the recovery method. PAGA Counsel has vigorously litigated this case since it was
19 commenced, with the very real possibility of an unsuccessful outcome and no fee recovery of any
20 kind. (Blanchard Decl., ¶ 46). Counsel for Plaintiff undertook significant investigation and invested
21 a significant amount of time analyzing relevant documents and data to evaluate the nature and extent
22 of the alleged underlying California Labor Code violations and calculation of the potential monetary
23 recovery as they relate to Plaintiff’s PAGA claims under PAGA. (Blanchard Decl., ¶ 50). PAGA
24 Counsel possesses combined extensive experience litigating wage and hour and other complex
25 litigation matters, and the attorneys who worked on this matter have been approved as class counsel
26 and/or have had their billable rates approved in the settlement of other class and PAGA actions,
27 numerous times. (*Id.*, ¶ 49).

28 Even when courts have opted to award fees in settlement fund cases based on time reasonably

1 expended on the action, courts frequently apply multipliers to enhance the lodestar to reflect the risks
2 involved, the complexity of the litigation, and the other relevant facts. (*Vizcaino v. Microsoft* (9th Cir.
3 2002) 290 F.3d 1043, 1051; *Graham v. DaimlerChrysler Corp.* (2004) 34 Cal.4th 553, 579 (“One of
4 the most common fee enhancers [...] is for contingency risk.”). Such an enhancement “mirrors the
5 established practice in the private legal market of rewarding attorneys for taking the risk of
6 nonpayment by paying them a premium over their normal hourly rates for winning contingency cases.”
7 (*Vizcaino*, 290 F.3d at 1051). A risk multiplier also serves to bring the financial incentives for
8 enforcing important rights “into line with incentives [attorneys] have to undertake claims for which
9 they are paid on a fee-for-services basis.” (*Ketchum* at 1132).

10 In determining whether or not to enhance the lodestar, California courts take into account
11 multiple factors. (*Cates v. Chiang* (2013) 213 Cal.App.4th 791, 822-823). Multiple factors warrant
12 enhancement in this case, including the following: the time and labor required; the skill requisite to
13 perform the legal services properly; the preclusion of other employment by the attorneys due to the
14 acceptance of the case; the contingent nature of the fee; the amount involved and results obtained; the
15 experience, reputation, and ability of the attorneys; and awards in similar cases. (*Ketchum* at 1134).

16 Based on the reasonable hourly rates of PAGA Counsel, the total lodestar fees are projected
17 to be \$209,208.00. PAGA Counsel seeks an attorneys’ fee award of \$208,250.00 (35% of the Gross
18 Settlement Amount). The total amount of fees sought by PAGA Counsel is also reasonable compared
19 to fees awarded in similar cases. Courts routinely enhance lodestar amounts based on multipliers that
20 “range from 2 to 4 or even higher.” (*Wershba* 91 Cal.App.4th at 224, 255; see also, e.g., *Chavez v.*
21 *Netflix, Inc.* (2008) 162 Cal.App.4th 43, 66 (approving multiplier of 2.5); *Vizcaino*, 290 F.3d at 1051
22 (approving multiplier of 3.65); *Wal-Mart Stores, Inc. v. Visa U.S.A., Inc.* (2d Cir. 2005) 396 F.3d 96,
23 123 (approving multiplier of 3.5); *Craft v. County of San Bernardino* (C.D. Cal. 2006) 624 F.Supp.2d
24 1113, 1125 (awarding multiplier of 5.2 and referring to other cases with cross-check multipliers
25 ranging from 4.5 to 19.6)).

26 Therefore, application of the lodestar as a cross-check to the percentage figure sought herein,
27 strongly supports the reasonableness of the requested attorneys’ fees award.

28 In the present case, PAGA Counsel has borne all of the risks and costs of litigation and will

1 not receive any compensation until recovery is obtained. (Blanchard Decl., ¶ 47). PAGA Counsel is
2 experienced in complex wage-and-hour litigation and used that experience to obtain a favorable result
3 for Plaintiff, the PAGA Group Members, and the State of California. (Ibid). Considering the amount
4 of fees requested, work performed, risks incurred, and experience of PAGA Counsel in handling
5 similar matters, Plaintiff maintains that the requested attorneys' fees of thirty-five percent (35%) of
6 the Gross Settlement Amount (i.e., \$208,250.00) are reasonable and should be awarded. (Blanchard
7 Decl., ¶ 47).

8 **VII. THE REQUESTED PAGA COUNSEL LITIGATION COSTS AND EXPENSES**
9 **PAYMENT IS FAIR AND REASONABLE**

10 The Agreement provides for reimbursement of the PAGA Counsel Litigation Costs and
11 Expenses up to the amount of Thirty-Five Thousand Dollars (\$35,000.00). (Blanchard Decl., ¶ 52;
12 Settlement Agreement, ¶ 3(a)(1)). However, PAGA Counsel only seeks reimbursement of a total of
13 Thirty-Three Thousand Four Hundred Ninety-One Dollars and Forty-Two Cents (\$33,491.42) in
14 litigation costs and expenses. (Blanchard Decl., ¶ 52 & Exh. 6). Accordingly, PAGA Counsel
15 respectfully requests that the Court reimburse it for actual litigation costs and expenses in the amount
16 of Thirty-Three Thousand Four Hundred Ninety-One Dollars and Forty-Two Cents (\$33,491.42).

17 **VIII. THE SETTLEMENT ADMINISTRATION COSTS PAYMENT IS FAIR AND**
18 **REASONABLE**

19 As set forth in the Settlement Agreement, the Parties have agreed to retain, subject to approval
20 by the Court, ILYM Group, Inc., to handle the administration of the Agreement. (Blanchard Decl., ¶
21 53; Settlement Agreement, ¶ 3(a)(3)). The fees and expenses of the Administrator are estimated not
22 to exceed Nine Thousand Dollars and Zero Cents (\$9,000.00). (Blanchard Decl., ¶ 53; Settlement
23 Agreement, ¶ 3(a)(3)). These costs include, but are not limited to, expenses for preparing, printing,
24 and mailing the Cover Letter and Individual PAGA Payment checks to the PAGA Group Members,
25 re-mailing the returned Individual PAGA Payment checks to any new addresses obtained, and
26 handling inquiries from PAGA Group Members regarding the Agreement, among other things.
27 (Blanchard Decl., ¶ 53). Accordingly, the Court should grant approval of the Settlement
28 Administration Costs in the amount of *up to* Nine Thousand Dollars and Zero Cents (\$9,000.00) to

1 ILYM Group, Inc., a necessary third-party for handling the settlement process. (Ibid).

2 **IX. THE REQUESTED SERVICE AWARD IS FAIR AND REASONABLE**

3 The purpose of an enhancement award is to incentivize aggrieved employees to step into the
4 shoes of the state labor agency and undertake the responsibilities associated with initiating a lawsuit
5 and serving in a representative capacity. (*See, e.g., Bell v. Farmers Ins. Exch.*, 115 Cal.App.4th 715,
6 726 (2004) (upholding “service payments” to named plaintiffs for their efforts in bringing the action);
7 *Clark v. Am. Residential Servs., LLC*, 175 Cal.App.4th 785, 804 (2009) (“an incentive award is
8 appropriate ‘if it is necessary to induce an individual to participate in the suit’”). Plaintiff initiated
9 this litigation on behalf of the State of California and her former co-workers who will now be entitled
10 to receive payment from the Agreement. By initiating and pursuing the Action, Plaintiff stepped into
11 the shoes of the State of California and undertook the responsibilities of serving in a representative
12 capacity. (Blanchard Decl., ¶ 55; *See generally* Aleman Decl.). Plaintiff was available whenever
13 PAGA Counsel needed her and actively tried to obtain information that would benefit the prosecution
14 of the Action. (Blanchard Decl., ¶ 55; Aleman Decl., ¶¶ 4-5). The Service Award for Plaintiff is
15 eminently reasonable given the time and effort Plaintiff spent on this matter, her services on behalf of
16 the State of California and the PAGA Group Members, and her broader, general release of claims.
17 (Blanchard Decl., ¶ 56).

18 Accordingly, Plaintiff respectfully submits that it is appropriate and just for Plaintiff to receive
19 a Service Award in the amount of Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00)
20 in addition to the Individual PAGA Payment she will receive as a PAGA Group Member, for her
21 services on behalf of the State of California and the other PAGA Group Members, as well as for the
22 broader, general release of claims. (*Id.*, ¶ 56).

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