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SUPERIOR COURT OF CALIFORNIA

COUNTY OF SAN DIEGO

ANTONIO GARIBAY, an individual, on behalf of himself, other aggrieved employees, and the State of California,

Plaintiff,

vs.

HAKES SASH & DOOR, INC.; and DOES 1 through 50, inclusive,

Defendants.

Case No. 24CL012195C

Assigned for All Purposes to:
Hon. Matthew C. Braner, Dept. C-60

MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION FOR APPROVAL OF PAGA SETTLEMENT

[*Filed Concurrently with Notice of Motion and Motion, Proposed Order, Declaration of Daniel J. Hyun, and Declaration of Antonio Garibay*]

Date: May 1, 2026
Time: 9:00 a.m.
Dept.: C-60

Action Filed: September 19, 2024
Trial Date: None Set

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Plaintiff Antonio Garibay ("Plaintiff") seeks this Court's approval of a settlement of claims under the Private Attorneys General Act of 2004, California Labor Code sections 2698 *et seq*. ("PAGA"). Plaintiff's operative complaint alleges Defendant Hakes Sash & Door, Inc. ("Defendant") (Plaintiff and Defendant are collectively referred to as the "Parties") owe civil penalties for violations of Labor Code sections 201, 202, 203, 204, 206, 210, 226, 226.3, 226.7, 246, 246.5, 248.5, 256, 510, 512, 558, 1171, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 2800, and 2802. Specifically, Plaintiff alleges, on behalf of himself and other aggrieved employees, that Defendant failed to pay all wages, failed to provide meal periods, failed to provide rest periods, failed to provide recovery periods, failed to reimburse necessary business expenses, failed to timely pay wages due during and upon separation of employment, and failed to maintain accurate payroll records and issue accurate itemized wage statements. At all times, Defendant has denied the allegations in Plaintiff's operative complaint, and denied any liability for the causes of action and allegations in Plaintiff's operative complaint. Plaintiff's PAGA settlement is on behalf of approximately 323 non-exempt employees who worked for Defendant in California from August 16, 2023 through January 17, 2026 (the "Aggrieved Employees").

Under the Labor Code, the Court must review and approve any proposed PAGA settlement. (Lab. Code, § 2699, subd. (s)(2).) Here, the proposed PAGA Settlement Agreement ("Settlement Agreement" or "Settlement") is sufficient to deter and punish future violations, as well as compensate Aggrieved Employees and the State of California for the alleged violations. The Settlement is attached to the Declaration of Daniel J. Hyun ("Hyun Decl.") as Exhibit ("Ex.") 1, and the proposed Notice of Settlement ("Notice") to be sent to the Aggrieved Employees is attached thereto as Exhibit A. Plaintiff now seeks this Court's approval of the Settlement terms.

II. FACTUAL AND PROCEDURAL BACKGROUND

On August 16, 2024, Plaintiff submitted his PAGA notice to the Labor and Workforce Development Agency ("LWDA") via online filing and by certified mail to Defendant. (Hyun Decl., Ex. 2.) The LWDA did not inform Plaintiff of any intent to investigate the noticed claims within the 65 day statutory deadline and, to this day, have not communicated any intent to investigate the claims. (*Id.* at ¶ 3.)

On September 19, 2024, Plaintiff filed his Complaint alleging civil penalties under PAGA for violations of various sections of the California Labor Code, including but not limited to sections 201, 202, 203, 204, 206, 210, 226, 226.3, 226.7, 246, 246.5, 248.5, 256, 510, 512, 558, 1171, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 2800, and 2802 and the applicable Industrial Welfare Commission Wage Orders ("Action"). (Hyun Decl., ¶ 4.)

Prior to attending mediation, the Parties engaged in substantial informal discovery, including but not limited to policy documents, data regarding the Aggrieved Employees, and producing a 33% sample of employee time and payroll records. (Hyun Decl., ¶ 5.)

On November 17, 2025, the Parties attended a full-day mediation with experienced class action and PAGA mediator, Ernest W. Klatte III, Esq. After a full-day mediation and mediator's proposal, the Parties agreed to settle the Action. (Hyun Decl., ¶ 6.)

The Parties executed the PAGA Settlement Agreement on March 20, 2026. The Settlement was based on the Los Angeles Superior Court's Model PAGA Settlement Agreement. Although cordial, the negotiations were adversarial, non-collusive, and tempered by the efforts of both sides to serve the interests of their clients. (Hyun Decl., ¶ 7.)

The Parties' proposed Settlement has been submitted to the LWDA in compliance with Labor Code section 2699(s)(2). (Hyun Decl., Ex. 3.)

Plaintiff now moves for this Court's approval of the Parties' settlement of the Action.

III. PAGA REQUIREMENTS

Based on the California Supreme Court's opinions in *Arias v. Superior Court* (2009) 46 Cal.4th 969 and *Iskanian v. CLS Transportation Los Angeles* (2014) *LLC*, 59 Cal.4th 348, plaintiffs can seek appropriate civil penalties as called for under PAGA on behalf of the State of California and other similarly aggrieved employees without seeking class certification or meeting the requirements of class certification (i.e. numerosity, typicality, commonality and adequacy). As such, the usual two-step preliminary and final approval process is not required.

PAGA was enacted to allow enforcement of the Labor Code and recovery of penalties by the State and by private individuals who have been aggrieved by their employers. The statute calls for 65% of any penalties recovered to be paid to California's LWDA and the remaining 35% to the aggrieved employees. (Lab. Code, § 2699(m).)

In order to enforce and seek penalties under PAGA in a civil action, an aggrieved employee must first provide written notice to the LWDA and the employer of the particular Labor Code violations the aggrieved employee alleges the employer has violated. (Lab. Code, § 2699.3, subd. (a)(l)(A).) Once the LWDA notifies the aggrieved employee that it does not intend to investigate the alleged violations, or if the LWDA does not respond within a certain time period, the aggrieved employee is then allowed to proceed in a civil action against the employer on behalf of the LWDA and all other similarly aggrieved employees. (Lab. Code, § 2699.3, subd. (a)(2)(A).)

In 2009, the California Supreme Court considered the issue of whether an aggrieved employee who brings a PAGA representative claim needs to meet class certification requirements. (*Arias, supra,* 46 Cal.4th at 976.) After a substantial review of the legislative history of PAGA, the Court held that an aggrieved employee's representative action brought on behalf of other aggrieved employees against an employer for PAGA violations does not need to meet the requirements for class certification. (*Id*. at 975, 980-88.) As the Court held, a plaintiff bringing suit under PAGA does so as the proxy or agent of California's labor law enforcement agencies. (*Id.* at 986.) Because the employee's PAGA action functions as a substitute for an action brought by the government itself, a judgment in the PAGA action binds all those who would be bound by a judgment in an action brought by the government. (*Id*.)

Finally, in a settlement of a PAGA action brought by an aggrieved employee, the court need only "review and approve" the settlement. (Lab. Code, § 2699, subd. (s)(2).) The Parties to this PAGA action have reached such an agreement and now seek this Court's approval of the proposed Settlement.

IV. THE SETTLEMENT TERMS AND DISTRIBUTION OF PENALTIES

The Parties have agreed that Defendant will pay a total settlement amount of $222,950.00, (the "Gross Settlement Amount"). (See Hyun Decl., Ex. 1, § 1.12.) From this amount, $89,180.00 is allocated to attorneys' fees. (See *id.* at § 3.2.1.) Additionally, Plaintiff's Counsel has incurred at least \$8,694.65 in actual litigation costs, the sum of which shall be paid to Plaintiff's Counsel from the Gross Settlement Amount. (Hyun Decl., ¶¶ 17-18, Ex. 6.) The requested costs of \$8,694.65 is less than the amount permitted under the Settlement Agreement. (Hyun Decl., Ex. 1, § 3.2.1.) The Settlement allocates \$5,000.00 in payment for the Settlement Administrator, Phoenix Class Action Settlement Solution's ("Settlement Administrator") costs associated with administration of the Settlement. (*Id.* at § 3.2.4.) In exchange for a general release of his individual claims, \$15,000 is allocated to Plaintiff Antonio Garibay. (*Id.* at § 1.11.) This amount is fair and reasonable, considering that Plaintiff's individual claims likely exceed this amount, the outcome achieved, and Plaintiff's participation in this action for approximately the past one and a half years. (See generally, Declaration of Antonio Garibay ("Garibay Decl.").)

After deducting the attorneys' fees and costs, Settlement Administrator's costs, and Plaintiff's general release fee, the remaining funds ("Net Settlement Amount") will be paid 65% to the LWDA ("LWDA Payment") and 35% to the Aggrieved Employees ("Individual PAGA Payment"). (Hyun Decl., Ex. 1, § 3.2.5.) The Aggrieved Employees are defined as "all non-exempt employees who were employed by Defendant in California during the PAGA Period," *i.e.*, from August 16, 2023 through January 17, 2026. (See *id*. at §§ 1.4, 1.21.)

The individual payments for each Aggrieved Employee shall be determined on a pro rata basis, based on each Aggrieved Employee's respective number of pay periods worked for Defendant during the PAGA Period. (Hyun Decl., Ex. 1, § 3.2.5.1.) Each Aggrieved Employee will be sent a pro rata share of the Net Settlement Amount. (See *id*.)

The Settlement Administrator will disburse Individual PAGA Payments and Notices to each Aggrieved Employee to the last known physical address on file with Defendant in its regularly maintained business records. (Hyun Decl., Ex. 1, §§ 1.5, 4.4, 4.4.1.) Prior to mailing any notice and disbursement, the Settlement Administrator shall check the addresses provided using the National Change of Address database. (See *id*. at § 4.4.1.) If the Notice and disbursement are returned as undeliverable, the Settlement Administrator will search for a more current address for the Aggrieved Employee (via a skip trace or other reasonable method) and re-mail them to the traced address. (*Id*. at §§ 1.6, 4.4.2.) All funds not claimed within 180 days of mailing of payment will be sent to the California State Controller's Office Unclaimed Property Fund with an identification of the Aggrieved Employee. (*Id*. at § 4.4.3.)

In exchange for the settlement payment, Plaintiff individually will release claims as follows:

> Plaintiff and his former and present spouses, representatives, agents, heirs, administrators, successors and assigns generally, release and discharge Released Parties from all claims, transactions or occurrences that occurred during his employment with Defendant, including, but not limited to: all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and the PAGA Notice and ascertained in the course of the Action ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time or based on occurrences during his employment with Defendant. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

(See Hyun Decl., Ex. 1, § 5.1.) In addition, Plaintiff waives his rights under California Civil code Section 1542 as follows:

> For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:
>
> A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

(See Hyun Decl., Ex. 1, § 5.1.1.)

Further, in exchange for the settlement payment, Plaintiff and all Aggrieved Employees will release claims for civil penalties under PAGA as alleged in the Operative Complaint as follows:

> All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, the Released Parties from all claims for PAGA penalties arising during the PAGA Period that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice and ascertained in the course of the Action.

(See Hyun Decl., Ex. 1, § 5.2.)

As noted above, only Plaintiff (not all Aggrieved Employees) agrees to a general release of all known and unknown claims against the Released Parties. (See Hyun Decl., Ex. 1, §§ 5.1.1-5.2.)

V. THE SETTLEMENT IS FAIR, REASONABLE, AND ADEQUATE

A. Standard for Approval

In *Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, 76, the Court of Appeal held that a standard requiring the trial court to determine independently whether a PAGA settlement is fair and reasonable is appropriate. As such, "the trial court must 'review and approve' a PAGA settlement (Lab. Code, § 2699, subd. (l)(2)), and the Supreme Court has in dictum referred to this review as a 'safeguard[].'" (*Id*., citing *Kim v. Reins Int'l Cal., Inc.* (2020) 9 Cal.5th 73, 88.) The California Supreme Court has also observed that trial court approval "ensur[es] that any negotiated resolution is fair to those affected." (*Williams v. Superior Court* (2017) 3 Cal.5th 531, 549; see also *Amaro v. Anaheim Arena Management, LLC* (2021) 69 Cal.App.5th 521, 542–543 [reviewing PAGA portion of class action settlement to determine its fairness].) The *Moniz* Court explained that a PAGA action is similar to a qui tam action, and that "[w]hen trial court approval is required for certain settlements in other qui tam actions in this state, the statutory standard is whether the settlement is 'fair, adequate, and reasonable under all the circumstances.'" (*Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, 76-77, citing Gov. Code, § 12652, subd. (e)(2)(B) [standard for approval of government settlement over qui tam plaintiff's objection]; see also Ins. Code, § 1871.7, subd. (f)(2)(B) [same under Insurance Fraud Prevention Act].) Thus, while PAGA does not require the trial court to act as a fiduciary for aggrieved employees, adoption of a standard of review for settlements that prevents "fraud, collusion or unfairness", and protects the interests of the public and the LWDA in the enforcement of state labor laws is warranted. (*Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, 77, citing *Dunk v. Ford Motor Co.* (1996) 48 Cal. App. 4th 1794, 1800.) "Because many of the factors used to evaluate class action settlements bear on a settlement's fairness—including the strength of the plaintiff's case, the risk, the stage of the proceeding, the complexity and likely duration of further litigation, and the settlement amount—these factors can be useful in evaluating the fairness of a PAGA settlement." (*Id*. at 77.)

Thus, the *Moniz* Court held that a trial court should evaluate a PAGA settlement to determine whether it is fair, reasonable, and adequate in view of PAGA's purposes to remediate present labor law violations, deter future ones, and to maximize enforcement of state labor laws. (*Moniz, supra,* 72 Cal.App.5th at 77.)

B. <u>The Settlement Meets the Standard for Approval</u>

The $222,950 Gross Settlement Amount is fair, reasonable, and adequate. Indeed, the Parties' Settlement Agreement does not undercut PAGA's dual purpose of punishment and deterrence. A penalty of $222,950 is large enough to punish Defendant for its alleged violations against approximately 323 Aggrieved Employees. At the same time, the penalty amount is not so large as to be unjust, oppressive or confiscatory, considering the company's potential exposure explained below. (Hyun Decl., ¶ 8.)

The Gross Settlement Fund is also fair, reasonable, and adequate in light of the facts of this Action, the real risk that no PAGA penalties would be paid, and inherent risks and uncertainties associated with PAGA claims. (Hyun Decl., ¶ 9.) For example, Plaintiff alleged that Defendant did the following: failed to pay all wages, failed to provide meal periods, failed to provide rest periods, failed to provide recovery periods, failed to reimburse necessary business expenses, failed to timely pay wages due upon separation of employment, and failed to maintain accurate payroll records and issue accurate itemized wage statements. However, Plaintiff believes that the strongest claims were primarily based on (1) failure to include bonuses and other incentive pay in the regular rate of pay for the purpose of calculating overtime wages, (2) missed, late and short meal periods found in employee time records, and (3) consolidated 30-minute rest breaks. However, the regular rate of pay claim only accounted for a small portion of the potential damages, Defendant utilized a bell system to signal the beginning and end of meal periods and rest breaks, and Defendant paid meal period premiums. Further, Plaintiff's claims and allegations presented individualized inquiries that presented potential manageability issues. Moreover, Defendant could argue that it followed the compliant policies in its employee handbook. Additionally, Plaintiff's claims such as failure to provide rest periods and expense reimbursements were entirely based on anecdotal evidence from witness testimony that could be refuted by Defendant's declarants. For example, for the reimbursement and rest break allegations, Defendant could produce declarations stating that no violations occurred and there would be no readily available documents to support the alleged violations. Further, Aggrieved Employees' work experience and work demands varied greatly depending on their job titles, departments, and supervisors, as such rest break violations or the need for business expenses varied greatly and did not apply to all employees. The derivative claims depended completely upon proving liability for the underlying claims, and also presented their own unique risks. Specifically, *Naranjo v. Spectrum Sec. Servs., Inc.*, 15 Cal. 5th 1056 (2024) provides for a good faith defense against derivative claims such as claims under Labor Code Sections 203 (waiting time penalties) and 226 (inaccurate wage statement penalties). (Hyun Decl., ¶ 10; see also *Viking River Cruises, Inc. v. Moriana* (2022) 596 U.S. 639, 639.)

Although the amount of the Aggrieved Employees' potential damages based on the available evidence and violation rates – if proven – totaled approximately $464,215 at the initial penalty rates without stacking penalties, the legitimate and serious risks above compelled a considerable discount for settlement. (Hyun Decl., ¶ 11.) For example, Defendant could have argued that the subsequent violations under PAGA only start to accrue after employers receive notice through a citation from the Labor Commissioner, which would have significantly decreased Defendant's exposure. (See *Amaral v. Cintas Corp. No. 2* (2008) 163 Cal.App.4th 1157, 1209 [holding "[u]ntil the employer has been notified that it is violating a Labor Code provision ... the employer cannot be presumed to be aware that its continuing underpayment of employees is a 'violation' subject to penalties."].)

Another crucial factor in evaluating the value of a PAGA-only case is that all PAGA awards are discretionary and can be reduced by the Court. Under Labor Code § 2699, subd. (e)(2), the Court can reduce the PAGA penalties "if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." In other words, were this matter to go to trial, any award granted would be at the discretion of the Court. For example, in *Carrington v. Starbucks Corp.* (2018) 30 Cal.App.5th 504, 507–08, the court awarded PAGA penalties of only 21% of the maximum amount. A similar reduction here would have resulted in an award of only $46,819.50 (i.e., $222,950 x 0.21 = $46,819.50) in which Aggrieved Employees would only be entitled to 25% or $11,704.88 of the

PAGA award.

Since Defendant's policies and records reflect minimal violations of the Labor Code, reaching a compromise at this stage for $222,950.00 or approximately $13.48 per pay period is well within the range of reasonableness, and will allow Aggrieved Employees to obtain compensation for their claims without having to file and litigate their own cases. (Hyun Decl., ¶ 12.)

In settling this case, Plaintiff recognizes that the Court could determine otherwise and significantly reduce the PAGA penalties or dismiss this case entirely. The wide range of potential recovery and the additional delays and risks of trial (including a potential appeal) justified reaching a settlement at this stage in the case for a reasonable amount of recovery for the LWDA and each aggrieved employee. In addition, the Settlement was a product of over three (3) months of arms-length negotiations with the assistance of an experienced class action and PAGA mediator and is devoid of fraud and collusion. (Hyun Decl., ¶ 13.)

C. <u>The Requested Attorneys' Fees and Costs Should Be Approved</u>

Both California and federal courts have recognized that an appropriate method for awarding attorneys' fees in class actions is to award a percentage of the "common fund" created as a result of the settlement. (*Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 254.) The common fund theory is grounded on the historic power of equity to permit the trustee of a fund for the benefit of others in addition to himself, to recover his costs, including his attorneys' fees, from the fund or property itself or directly from the other parties enjoying the benefit. (*Serrano v. Priest* (1977) 20 Cal.3d 25, 35.) In *Laffitte*, the California Supreme Court held that it is not an abuse of discretion for a trial court to utilize the percentage method for calculating an attorneys' fee award in a common fund case. (See *Laffitte v. Robert Half Internat. Inc.* (2016) 1 Cal.5th 480, 503; see also *Serrano*, *supra*, 20 Cal.3d at 35-40; *City and County of San Francisco v. Sweet* (1995) 12 Cal.4th 105, 110.) In so doing, the Court rejected the appellant's arguments against use of the percentage method, pointing out that the method has widespread acceptance in courts throughout the country. (*Laffitte*, *supra*, 1 Cal. 5th at 485-486.) The Court held "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 503.) Explaining that the percentage method "is a valuable tool" for trial courts to calculate attorneys' fees, the Court extolled "[t]he recognized advantages" of the method, such as "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." (*Id*., citations omitted.)

In applying the common fund doctrine, California courts have discretion in awarding attorneys' fees and the Los Angeles County Superior Court has regularly awarded up to 40 percent of the settlement fund in PAGA actions. (*Bryant Ocon v. Old Master Products, Inc., et al.,* Los Angeles County Superior Court Case No. 22SMCV00935 [40% attorneys' fees award]; *Montoya v. Commercial Coating Company, et al.*, Los Angeles County Superior Court Case No. 22STCV21908 [40% attorneys' fees award]; *Venegas v. Newport Diversified, Inc.,* Los Angeles County Superior Court Case No. 23NWCV00945 [40% attorneys' fees award]; *Castillo v. L'Agence, Inc., et al.*, Los Angeles County Superior Court Case No. 23STCV08488 [40% attorneys' fees award].) Indeed, Courts have awarded more than the standard 33 1/3% attorneys' fees award when the lodestar exceeds the requested awards, resulting in a negative multiplier. For example, in *Roos v. Honeywell Internat., Inc.* (2015) 241 Cal.App.4th 1472, 1488-96, the Court of Appeal upheld the trial court's use of its discretion to award 37.5 percent of the settlement funds since class counsel's lodestar exceeded the award. Here, as explained in detail in the following section of this brief, Plaintiff's Counsel requests 40% of the attorneys' fees, and similar to *Roos*, Plaintiff's Counsel's lodestar exceeds the requested 40% requested fee award (i.e., the requested award results in a negative lodestar) and provides substantial recovery on behalf of the Aggrieved Employees and the State of California.

In short, the percentage of fees sought by Plaintiff's Counsel is in conformity with awards in similar cases in California and is reasonable for the benefit obtained for the Aggrieved Employees and the State of California in this case.

/ / /

D. <u>A Lodestar Cross-check Shows the Requested Fee is Fair and Reasonable</u>

Despite the widely recognized limitations of the so-called lodestar method[1], California and federal courts acknowledge the utility of a lodestar "cross-check" for common fund awards. (*Lealao v. Beneficial California, Inc. (2000)* 82 Cal.App.4th 19, 46-47.) In *Laffitte*, the Court permitted use of a "lodestar cross check," by which the trial court would first select a percentage of the common fund for the fee award, and then verify that the percentage chosen is fair and reasonable in light of the hours attorneys spent working on the case. (*Laffitte*, *supra*, 1 Cal.5th at 504.) While some "multiplier" would be expected, the multiplier should be "evaluated for reasonableness," "rough parity" between the lodestar and the percentage based recovery would make sense. (*Id*. at 496.) The Court explained that use of the lodestar cross-check represents "a blending of the two fee calculation methods" (percentage and lodestar), where "one method is used to confirm or question the reasonableness of the other's result." (*Id*. at 497.) The Court in *Laffitte*, however, did not require a lodestar cross check, and explained that courts "retain the discretion to forgo a lodestar cross-check and use other means to evaluate the reasonableness of a requested percentage fee." (*Id*. at 505.)

California's lodestar/multiplier method is a two-step fee calculation method under which the Court first determines a lodestar value for the fees by multiplying the time reasonably spent by the plaintiffs' counsel on the case by a reasonable hourly rate. (*In re Consumer Privacy Cases* (2014) 175 Cal.App.4th 545, 556-557.) The starting point in determining the appropriate hourly fee is to discern the prevailing rate for similar work in the pertinent geographic region. (*PLCM Group v. Drexler* (2000) 22 Cal.4th 1084, 1096-97 [using prevailing hourly rate in community for comparable legal services even though party used in-house counsel]; Herr, David F., Manual for Complex Litigation, § 14.122 (1984) ["reasonable fees . . . are to be calculated according to the prevailing market rates in the relevant community."].) The Court has discretion to apply the rate currently charged by the attorneys at the time the approval is sought to compensate for a contingent

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[1] It has been recognized that, in practice, the lodestar method is difficult to apply, time-consuming to administer, inconsistent in result, and capable of manipulation. The lodestar also creates inherent incentive to prolong the litigation until enough hours are accrued. Herr, David F., *Manual for Complex Litigation*, § 14.121 (1988).

risk of nonpayment or a lengthy delay in receiving payment. (See *Missouri v. Jenkins* (1989) 491 U.S. 274, 284 [district court may adjust an attorney fee 'for delay in payment . . . by the application of current rather than historic hourly rates or otherwise"].)

In *Roos*, the Court of Appeal upheld an award of **37.5%** of the settlement in attorneys' fees. (See *Roos v. Honeywell Internat., Inc.* (2015) 241 Cal. App. 4th 1472, 1488-96 (*disapproved on other grounds*).) In addition, Courts have approved multipliers of **2.9** times the lodestar in class action settlements. " (*McKnight v. Hinojosa* (9th Cir. 2022) 54 F.4th 1069, 1073.)

Here, Plaintiff's Counsel seeks a multiplier of only approximately 1.18 and their hourly rates are comparable to those charged by other PAGA counsel and the firms defending PAGA actions. Plaintiff's Counsel billed a total of 83.9 hours prosecuting this case. Plaintiff's Counsel dedicated significant resources to this case by dividing necessary tasks according to skill level, and the professional hours generated by each attorney are neither unreasonable nor duplicative. Multiplying the total hours billed by Plaintiff's Counsel for the litigation of this case by their reasonable hourly rates yields a lodestar of $75,510.00. (Hyun Decl., ¶ 14, Ex. 5.) This amount reflects the efficiencies achieved by a law firm with experience in this field, and results in a lodestar of approximately $75,510.00. (*McKnight*, *supra*, 54 F.4th at 1073 [court approved multiplier of 2.9 times the lodestar].)

VI. CONCLUSION

For the foregoing reasons, Plaintiff respectfully requests that the Court approve the proposed Settlement in this Action.

Dated: April 9, 2026

TORUS LLP

By: ______________________________

Daniel J. Hyun

Attorneys for Plaintiff ANTONIO GARIBAY