

SOLOUKI | SAVOY, LLP

SHOHAM J. SOLOUKI (SBN 278538)
GRANT JOSEPH SAVOY (SBN 284077)
316 W. 2nd Street, Suite 1200
Los Angeles, California 90012
Telephone: (213) 814-4940
Facsimile: (213) 814-2550

Attorneys for Plaintiff, individually
and on behalf of all others similarly situated

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE**

JOAQUIN N. SALDIVAR TORRES, an
PAGA Employee on behalf of other PAGA
Employees,

Plaintiff,

vs.

GMRI, INC., a Florida Corporation; and
DOES 1 through 100, inclusive,

Defendant.

Case No. 30-2024-01434800-CU-OE-CXC

[ASSIGNED FOR ALL PURPOSES TO HON. JUDGE
WILLIAM D. CLASTER, DEPT. CX101]

**PLAINTIFF'S NOTICE OF MOTION AND
MOTION FOR APPROVAL OF PRIVATE
ATTORNEYS GENERAL ACT SETTLEMENT**

*[Filed concurrently with the Declaration of Shoham
J. Solouki in Support of Plaintiff's Motion for
Approval of Private Attorneys General Act
Settlement; Declaration of Sean Harttranft in
Support of Plaintiff's Motion for Approval of Private
Attorneys General Act Settlement; [Proposed]
Order]*

Hearing Date: December 19, 2025
Time: 9 AM
Dept.: CX101
Reservation No.: 74659430

Action Filed: October 21, 2024

1 **TO THE HONORABLE COURT, TO ALL PARTIES, AND TO THEIR COUNSEL OF**
2 **RECORD: NOTICE IS HEREBY GIVEN** that on December 19, 2025 at 9 AM in Department
3 CX101 of the Orange County Civil Complex Center, located at 751 W Santa Ana Blvd, Santa Ana,
4 CA 92701, Plaintiff Joaquin N. Saldivar Torres (“Plaintiff”) will move for an order granting approval
5 of the proposed settlement on the terms and conditions set forth in the Stipulation of Private Attorneys
6 General Act Settlement and Release (the “Settlement Agreement” or “Settlement”) between Plaintiff
7 and defendant GMRI, Inc. (“GMRI” or “Defendant”) (Plaintiff and Defendant are collectively
8 referred to as the “Parties” or “Settling Parties” herein) . A copy of the Settlement Agreement is
9 attached as **Exhibit 4** to the Declaration of Shoham J. Solouki in Support of Plaintiff’s Motion for
10 Approval of Private Attorneys’ General Act Settlement (“*Solouki Dec.*”).

11 On September 15, 2025, Plaintiff’s Counsel filed the Settlement Agreement with the LWDA.
12 (*Solouki Dec.* ¶ 85, **Exhibit 5**).

13 The motion is based on this Notice of Motion and Motion, the Memorandum of Points and
14 Authorities in Support, the Declarations of Shoham J. Solouki and Sean Hartranft in support, as well
15 as exhibits attached thereto, all other pleadings and papers on file in this action, and any oral
16 argument or other matter that may be considered by the Court.

17
18 Dated: September 15, 2025

SOLOUKI SAVOY, LLP

19
20 By: /s/ Shoham J. Solouki

Shoham J. Solouki
Grant J. Savoy
Attorneys for Plaintiff

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1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 Plaintiff, Joaquin N. Saldivar Torres respectfully submits this memorandum in support of his
4 motion for approval of the Stipulation of Private Attorneys General Act Settlement and Release
5 forthis action pursuant to the Private Attorneys General Act of 2004, Labor Code section 2698, *et seq.*
6 (hereinafter “PAGA”) with Defendant GMRI, Inc. Plaintiff seeks entry of a proposed order and
7 judgment granting approval of the Settlement.

8 As consideration for this Settlement, Defendant GMRI, Inc. will fund a non-reversionary,
9 common fund settlement of \$3,880,000.00 (the “Total Settlement Amount”) which includes: payment
10 to the California Labor and Workforce Development Agency (“LWDA”) and the PAGA Employees,
11 attorneys' fees and costs, a Service Award to Plaintiff, and Settlement Administration Costs. (*Solouki*
12 *Dec.* ¶¶ 12 and 84, **Exhibit 4** § A.23) The PAGA Fund is the amount to be distributed to the LWDA
13 and PAGA Employees as Individual Settlement Payment after deduction from the Total Settlement
14 Amount for the payments of attorneys' fees of up to \$1,293,333.33 costs of litigation of up to
15 \$22,665.81, a Service Award to Plaintiff up to \$5,000.00, and Settlement Administration Costs of up
16 to \$148,590.00.

17 Seventy-five percent (75%) of the PAGA Fund attributable to pay periods worked prior to
18 June 19, 2024, will be distributed to the LWDA and the remaining twenty-five percent (25%) of that
19 portion of the PAGA Fund will be distributed to the PAGA Employees who worked during pay
20 periods occurring prior to June 19, 2024. Sixty-five percent (65%) of the PAGA Fund attributable to
21 pay periods worked on or after June 19, 2024, will be distributed to the LWDA and the remaining
22 thirty-five percent (35%) of that portion of the PAGA Fund will be distributed to the PAGA
23 Employees who worked during pay periods occurring on or after June 19, 2024. (*Solouki Dec.* ¶¶ 12
24 and 84, **Exhibit 4** § A.13) Plaintiff estimates \$2,410,648.36 (\$3,880,000.00 - \$1,293,333.33 -
25 \$22,665.81 - \$148,590.00 - \$5,000.00 = \$2,410,648.36) will be distributed to the LWDA on one hand,
26 and to PAGA Employees on the other based on the number of Individual Pay Periods worked by each
27 PAGA Employee (as defined in the Settlement Agreement) during the Settlement Period (*Solouki*
28 *Dec.* ¶¶ 12 and 84, **Exhibit 4** §§ C.42 and C.43). As set forth below, Plaintiff believes this is a fair

1 result for the PAGA litigation.

2 **II. SUMMARY OF LITIGATION**

3 **A. The Parties**

4 Plaintiff Joaquin N. Saldivar Torres was employed as non-exempt employee by Defendant during at
5 least part of the full Settlement Period of June 6, 2017 to September 30, 2025. Plaintiff worked mainly as a
6 food preparer at an Olive Garden restaurant in Huntington Beach, California. Defendant has employed
7 non-exempt workers at a number of chain restaurants in the State of California—including Olive
8 Garden Italian Restaurant (“Olive Garden”), Yard House, Seasons 52, Eddie V’s Prime Seafood
9 Restaurant (“Eddie V’s”), LongHorn Steakhouse (“LongHorn”), The Capital Grille, and Ruth’s Chris
10 Steak House (“Ruth’s Chris”)—for decades. Based on a review of Defendant’s records, the Parties
11 estimate there are seventy thousand, sixty-two (70,062) PAGA Employees who worked a total of three
12 million, nine hundred twenty thousand, eight hundred forty-five (3,920,845) PAGA Pay Periods,
13 during the Settlement Period. (*Solouki Dec.* ¶¶ 3-4).

14 **B. The Complaint and Allegations**

15 On or about August 8, 2024 Plaintiff submitted a letter to the LWDA to notify the LWDA
16 pursuant to PAGA of Plaintiff’s intent to seek civil penalties under PAGA for violations of the Labor
17 Code. (*Solouki Dec.* ¶¶ 5 and 81, **Exhibit 1**).

18 On or about October 21, 2024 Plaintiff filed a representative PAGA complaint in the Orange
19 County Superior Court (Case No. 30-2024-01434800-CU-OE-CJC) alleging that he and other
20 aggrieved employees are owed PAGA penalties for violations of various California Labor Code
21 Sections. (*Solouki Dec.* ¶ 6).

22 On or about May 8, 2025 Plaintiff submitted an amended letter to the LWDA to notify the
23 LWDA pursuant to PAGA of Plaintiff’s intent to seek civil penalties under PAGA for violations of
24 additional Labor Code provisions. This new notice added additional claims and Defendants. (*Solouki*
25 *Dec.* ¶¶ 7 and 82, **Exhibit. 2**).

26 On September 4, 2025, after the requisite 65 day waiting period under PAGA had expired,
27 Plaintiff filed a First Amended Complaint to clarify the claims which will be released as part of the
28 Settlement Agreement. (*Solouki Dec.* ¶ 14).

1 **C. Production of Directly Relevant Informal Discovery and Legal Analysis By**
2 **Parties' Counsel for Mediation**

3 In preparation for mediation, the Parties exchanged various documents and information
4 including wage and hour policies used by Defendant during the PAGA Period, time keeping and
5 payroll information for Plaintiff, time keeping and payroll information for a sampling PAGA
6 Employees who worked during the PAGA Period, and other information important for mediation (i.e.,
7 workweek information for the Class Periods, employee counts, total number of current and former
8 employees). During this process Plaintiff's Counsel analyzed, researched, and investigated the
9 potential issues, including matters related to the calculation of PAGA penalties, interviews of the
10 named Plaintiff and many other PAGA Employees, potential trial management issues, and appellate
11 issues and risks. (*Solouki Dec.* ¶ 8).

12 Defendant produced thousands of pages of documents, including: time keeping, payroll, meal
13 and rest period, dress code, and other wage-related policies for each of Defendant's different
14 restaurants in California; samples of arbitration agreements, wage statements and related policies;
15 employee and manager training materials and handbooks; screenshots evidencing its timekeeping
16 acknowledgement and certification practices; and the time punch and payroll records for a roughly
17 20% sampling of PAGA Employees. Defendant also produced information important for mediation
18 (i.e., workweek information, employee counts, and total number of current and former employees for
19 the PAGA Periods relevant to each of its restaurants). Additionally, Defendant produced settlements
20 in other actions that limited the PAGA claims for various brands. Defendant also shared evidence
21 specific to the claims asserted by Plaintiff and the named plaintiffs in related actions, demonstrating
22 that objective evidence indicated the claims had no merit. Indeed, as described in greater detail below,
23 all three Plaintiffs in the *Liggins* PAGA action lost their claims. Based on their review of these
24 documents, Plaintiff's counsel concluded that Defendant's policies and practices all appeared
25 compliant with California law, and to the extent that there may have been violations of the Labor
26 Code, they were anecdotal and not systemic. Plaintiff's counsel also concluded that Defendant had
27 produced substantial evidence to support its contention that it took all reasonable steps to comply with
28 the law, that any violations that may have occurred would have been de minimis, and consequently,

1 that there was a strong likelihood that the Court would substantially reduce any civil penalties under
2 Labor Code § 2699(e)(1)-(2). (*Solouki Dec.* ¶¶ 10, and 15-55).

3 **D. Mediation and Settlement Agreement**

4 After a full-day of mediation, the Parties had not reached a settlement. Mediator Scott Slater
5 Markus, Esq. then made a mediator's proposal in an attempt to get the Parties to agree on a settlement. The
6 proposal originally was valid until May 30, 2025. By agreement of the Parties, this deadline was extended
7 until June 4, 2025. Plaintiff and Plaintiff's Counsel concluded—after considering the sharply disputed
8 factual and legal issues involved on the PAGA claims, the risks attending further prosecution, delay if the
9 Parties continued litigation of the PAGA claims, and the benefits to be received pursuant to the compromise
10 and settlement of the action—that settlement was in the best interest of the representative Plaintiff, the
11 LWDA, and the PAGA Employees and is fair and reasonable and furthers the purpose of the PAGA to
12 enforce the Labor Code. At all times throughout the course of the litigation, Defendant denied the Plaintiff's
13 allegations and contended that employees were properly and timely compensated for all hours worked, were
14 provided all required meal and rest breaks, were provided accurate itemized wage statements, and were
15 timely provided all wages due and owed in compliance with the Labor Code. Thus, the Parties both
16 accepted the mediator's proposal of Three Million Eight Hundred Eighty Thousand Dollars, and Zero Cents
17 (\$3,880,000.00) on June 4, 2025. This amounts to approximately \$0.99 cents per pay period (3,920,845
18 total pay periods / \$3,880,000 settlement amount). (*Solouki Dec.* ¶ 11).

19 Now, the Parties have entered into a written long form agreement, the Stipulation of Private
20 Attorneys General Act Settlement and Release (*Solouki Dec.* ¶¶ 12 and 84, **Exhibit 4**) (the
21 "Settlement Agreement").

22 As part of the agreement reached with the Settlement, on June 23, 2025 Plaintiff submitted a
23 second amended letter to the LWDA to notify the LWDA pursuant to PAGA of Plaintiff's intent to
24 seek civil penalties under PAGA for violations of the Labor Code. This new notice clarified the
25 claims. (*Solouki Dec.* ¶¶ 13 and 83, **Exhibit 3**).

26 On September 4, 2025, after the requisite 65 day waiting period under PAGA had expired,
27 Plaintiff filed a First Amended Complaint to clarify the claims which will be released as part of the
28 Settlement Agreement. (*Solouki Dec.* ¶ 14).

III. SUMMARY OF SETTLEMENT

A. Terms of Settlement

The Parties have agreed to settle the Lawsuit upon the terms and conditions and for the consideration set forth in the Settlement Agreement, a copy of which is attached to the concurrently filed *Solouki Dec.* as **Exhibit 4**.

A summary of the key terms of the Settlement are as follows:

1. “PAGA Employee”: means Plaintiff and all other individuals who worked for GMRI in the State of California in a non-exempt position at a Yard House, Olive Garden, Eddie V’s Prime Seafood Restaurant, Seasons 52, The Capital Grille, Ruth’s Chris Steak House and/or LongHorn Steakhouse restaurant, in California, during the applicable Settlement Period, based on GMRI’s records. (*Solouki Dec.* ¶12, **Exhibit 4** § A.12).
2. “Total Settlement Amount” or “TSA”: means the maximum amount that GMRI will be required to pay if the Court approves this Settlement and the Effective Date occurs, and which shall be Three Million Eight Hundred Eighty Thousand Dollars and Zero Cents (\$3,880,000.00). The Total Settlement Amount will be used to pay: (a) the award of Attorneys’ Fees and Litigation Costs to Plaintiff’s Counsel; (b) the Service Award to Plaintiff; (c) the Settlement Administration Costs; and (d) the PAGA Fund for the LWDA and PAGA Employees. (*Solouki Dec.* ¶12, **Exhibit 4** § A. 23).
3. “PAGA Fund”: means the Total Settlement Amount less Court-approved Settlement Administration Costs, Attorneys’ Fees, Litigation Costs, and the Service Award. Seventy-five percent (75%) of the PAGA Fund attributable to pay periods worked prior to June 19, 2024, will be distributed to the LWDA and the remaining twenty-five percent (25%) of that portion of the PAGA Fund will be distributed to the PAGA Employees who worked during pay periods occurring prior to June 19, 2024. Sixty-five percent (65%) of the PAGA Fund attributable to pay periods worked on or after June 19, 2024, will be distributed to the LWDA and the remaining thirty-five percent (35%) of that portion of the PAGA Fund will be distributed to the PAGA Employees who worked during pay periods occurring on or after June 19, 2024. (*Solouki Dec.* ¶ 12, **Exhibit 4** § A.13).
4. “Released Parties”: means GMRI, Inc., Darden Restaurants, Inc., and all of their past and present parents, subsidiaries, affiliates, associates, owners, divisions, related companies, related entities, business concerns (including Yard House, Olive Garden, Eddie V’s Prime Seafood Restaurant, Seasons 52, The Capital Grille, Ruth’s Chris Steak House, and LongHorn Steakhouse restaurants), and attorneys, and each of them, and their respective past and present successors and predecessors in interest, and all of their respective past and present and future officers, directors, employees, shareholders, administrators, fiduciaries, trustees, beneficiaries, agents, attorneys, principals, heirs, assigns, representatives, accountants, auditors, consultants, insurers and reinsurers. (*Solouki Dec.* ¶12, **Exhibit 4** § A.15).
5. “Settlement Period”: means the following time periods for each California restaurant brand at which GMRI employs PAGA Employees:
 - Olive Garden: June 6, 2017, through September 30, 2025
 - Yard House: June 14, 2022, through September 30, 2025
 - Eddie V’s Prime Seafood Restaurant: November 6, 2019, through September 30, 2025
 - Seasons 52: November 6, 2019, through September 30, 2025
 - The Capital Grille: November 6, 2019, through September 30, 2025
 - LongHorn Steakhouse: November 6, 2019, through September 30, 2025
 - Ruth’s Chris Steak House: October 9, 2024, through September 30, 2025(*Solouki Dec.* ¶12, **Exhibit 4** § A.21).
6. “PAGA Release”: In consideration of GMRI’s promises and agreements as set forth herein, Plaintiff, as proxy for the State of California and on behalf of all PAGA Employees, hereby releases the Released Parties from any and all claims, rights, demands, liabilities, and causes of action for civil penalties under PAGA arising during the applicable Settlement Period that were asserted in the Action or that could

1 have been asserted in the Action based on facts and legal theories alleged in the Action, the LWDA
2 Notice, and the LWDA notices that Plaintiff filed on August 8, 2024, and May 8, 2025, for alleged
3 violations of California Labor Code sections 200, 201, 202, 203, 204, 206.5, 210, 218.6, 225.5, 226,
4 226(a), 226(c), 226.2, 226.3, 226.7, 226.8, 227.3, 246, 403, 404, 432.5, 432.6, 432.6(a), 432.6(c), 510,
5 512, 512(a), 551, 552, 558, 558, 1102.5, 1174, 1174(d), 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1,
6 1198, 1198.5, 1199, 2800, 2802, 2802(a). The PAGA Release includes, but is not limited to, allegations
7 that GMRI or any Released Party violated the Labor Code or any applicable order of the Industrial
8 Welfare Commission regulating wages, hours, and working conditions because: GMRI or any Released
9 Party failed to pay PAGA Employees at least minimum wage for all hours worked; GMRI or any
10 Released Party failed to pay PAGA employees at least one and one-half times the regular rate of pay for
11 work in excess of eight hours per day, and/or forty hours per week, and/or the first eight hours on the
12 seventh consecutive day of work in a workweek; GMRI or any Released Party failed to pay PAGA
13 Employees at least twice the regular rate of pay for work in excess of twelve hours per day or work in
14 excess of eight hours on the seventh consecutive day of work in a workweek; GMRI or any Released
15 Party failed to pay PAGA Employees for off-the-clock work performing various duties in and outside
16 their job description and normal duties before and after their scheduled shifts; GMRI and any Released
17 Party failed to pay PAGA Employees for dressing for and otherwise preparing to work and/or cleaning
18 their uniforms and work areas before or after their work shifts were complete; GMRI and any Released
19 Party failed to pay PAGA Employees for responding to work-related inquiries while off the clock;
20 GMRI or any Released Party failed to keep records of PAGA Employees' actual hours worked; GMRI
21 or any Released Party inaccurately recorded time punches or falsified PAGA Employees' hours worked;
22 GMRI or any Released Party failed to provide PAGA Employees uninterrupted ten minute paid rest
23 breaks for every four hours worked or major fraction thereof; GMRI or any Released Party did not
24 permit PAGA Employees to use the restroom; GMRI or any Released Party failed to provide
25 uninterrupted thirty-minute meal periods to PAGA Employees who worked more than five hours per
26 day and second uninterrupted thirty-minute meal periods to PAGA Employees who more than ten hours
27 per day; GMRI or any Released Party required PAGA Employees to work through their thirty-minute
28 meal periods; PAGA Employees were unable to take meal periods or rest breaks because of excessive
workloads; GMRI or any Released Party interrupted and/or cut short PAGA Employees' meal periods
and/or rest breaks; GMRI or any Released Party required PAGA Employees to be on call while on meal
periods or rest breaks; GMRI or any Released Party required PAGA Employees to remain on GMRI's or
any Released Party's premises during meal periods and/or rest breaks; GMRI or any Released Party
failed to pay PAGA Employees meal period and rest break premiums owed; GMRI or any Released
Party failed to pay PAGA Employees wages at the correct rate, including by failing to pay overtime
and/or double time wages, meal period and/or rest break premiums, sick leave wages, reporting time pay,
and final vacation wages, at the applicable regular rate of pay; GMRI or any Released Party failed to
provide PAGA Employees with a day of rest; GMRI or any Released Party failed to pay PAGA
Employees reporting time pay; GMRI or any Released Party failed to furnish PAGA Employees with
accurate itemized wage statements; GMRI or any Released Party retaliated against PAGA Employees
for, or prevented PAGA Employees from, disclosing information to a government or law enforcement
agency regarding a perceived violation of a state or federal statute or violation of a local, state, or federal
rule or regulation; GMRI or any Released Party failed to maintain employment and/or payroll records;
GMRI or any Released Party failed to reimburse PAGA Employees for business expenses including but
not limited to the use of personal cell phones or other devices, gloves, work supplies, uniforms, and/or
travel-related expenses; GMRI or any Released Party failed to timely pay wages, including final wages,
to PAGA Employees; and GMRI or any Released Party required PAGA Employees to sign unlawful
agreements as a condition of employment, including unlawful agreements to arbitrate disputes, waive
the right to a trial by jury, and/or waive the right to bring and participate in representative and class
actions. This PAGA Release also includes all claims that Plaintiff and/or the PAGA Employees may
have against GMRI or the Released Parties relating to: the payment, taxation, and allocation of
Attorneys' Fees and Litigation Costs pursuant to this Settlement Agreement; and the payment, taxation,
and allocation of Plaintiff's Service Award pursuant to this Settlement Agreement. (*Solouki Dec.* ¶ 12,
Exhibit 4 § A.29).

1 **B. Notice and Distribution of PAGA Funds**

2 The Settlement provides that the “Effective Date” means the date this Settlement is approved
3 as provided herein and the Court’s Settlement Approval Order and Judgment becomes final and is no
4 longer appealable. (*Solouki Dec.* ¶ 12, **Exhibit 4** § A.4).

5 Within ten (10) business days of the Effective Date, GMRI will provide the Settlement
6 Administrator with the PAGA Employee List. (*Solouki Dec.* ¶ 12, **Exhibit 4** § C.35).

7 Within twenty-one (21) calendar days following the Effective Date, GMRI shall fund the Settlement
8 by delivering the Total Settlement Amount to the Settlement Administrator for deposit into the
9 Settlement Fund Account. (*Solouki Dec.* ¶ 12, **Exhibit 4** § C.36).

10 Within thirty-five (35) calendar days following the Effective Date, the Settlement
11 Administrator shall issue from the Settlement Fund Account payments of Attorneys’ Fees, Litigation
12 Costs, the Service Award, Settlement Administrator Costs, the payment to the LWDA, and Individual
13 Settlement Payments. (*Solouki Dec.* ¶ 12, **Exhibit 4** §§ C.37 – C.42).

14 The Settlement Administrator shall issue from the Settlement Fund Account Individual
15 Settlement Payments from the PAGA Fund. Prior to mailing the Individual Settlement Payments, the
16 Settlement Administrator will perform a search based on the National Change of Address database for
17 information to update and correct for any known or identifiable address changes. Any checks issued
18 to PAGA Employees shall remain valid and negotiable for one hundred eighty (180) calendar days
19 from the date of their issuance and then shall become void on the 181st day after issuance, i.e., the
20 Void Date. Any check re-mailings will not extend the Void Date. Within ten (10) calendar days after
21 the Void Date, the Settlement Administrator shall issue a payment to the LWDA for the amount of
22 any uncashed checks and any residual. (*Solouki Dec.* ¶ 12, **Exhibit 4** § C.42).

23 **IV. ARGUMENT IN FAVOR OF APPROVAL**

24 **A. The Proposed Settlement Should Be Approved**

25 It is well established that PAGA serves to augment the limited enforcement capability of the
26 LWDA by empowering employees to bring actions to enforce California’s labor standards. (*Iskanian*
27 *v. CLS Transportation L.A., LLC* (2014) 59 Cal.4th 348, 383; accord *Arias v. Sup. Ct.* (2009) 46
28 Cal.4th 969, 986 [“The act’s declared purpose is to supplement enforcement actions by public

1 agencies, which lack adequate resources to bring such actions themselves.”)]. In the similar context of
2 wage and hour class actions, the Courts review settlements to determine whether the proposed
3 settlement is within the range of reasonableness considering the strength of the claims against the
4 proposed settlement, the risk, expense, complexity and likely duration of further litigation, the extent
5 of discovery completed and the stage of the proceedings, and the experience and views of counsel.
6 (*Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801).

7 Furthermore, courts must give "proper deference to the private consensual decision of the
8 parties" because "the court's intrusion upon what is otherwise a private consensual agreement
9 negotiated between the parties to a lawsuit must be limited to the extent necessary to reach a reasoned
10 judgment that the agreement is not the product of fraud or overreaching by, or collusion between, the
11 negotiating parties, and that the settlement, taken as a whole, is fair, reasonable and adequate to all
12 concerned." (*Hanlon v. Chrysler Corp.* (9th Cir. 1998) 150 F.3d 1011, 1027).

13 In this case, the Settlement was reached through arm’s length bargaining and sufficient
14 investigation was performed to allow counsel to act intelligently. As described above, the Parties
15 thoroughly investigated and evaluated the factual strengths and weaknesses of this case before
16 reaching the proposed Settlement and engaged in sufficient investigation and discovery to be able to
17 assess the reasonableness of the Settlement. Accordingly, the Settlement came only after the case was
18 fully investigated by counsel. (*Solouki Dec.* ¶¶ 8-12, **Exhibit 4**). This Litigation, therefore, had
19 reached the stage where “the Parties certainly have a clear view of the strengths and weaknesses of
20 their cases” sufficient to support the settlement. (*Boyd v. Bechtel Corp.* (N.D. Cal. 1979) 485 F. Supp.
21 610, 617).

22 The settlement negotiations have been at all times adversarial and non-collusive in nature.
23 Indeed, continued good faith but occasionally contentious negotiations were required to ultimately
24 reach an agreement following a full-day mediation with an experienced employment law mediator.
25 (*Solouki Dec.* ¶¶ 8-12, **Exhibit 4**). The Parties did not reach a settlement that day but accepted a
26 mediator’s proposal that resulted in the Settlement.

27 While Plaintiffs believes in the merits of the case, he also recognizes the inherent risks of
28 litigation and understands the benefit of settlement and providing funds immediately as opposed to

1 delaying payment or risking an unfavorable decision on summary adjudication/judgment, at trial
2 and/or the damages awarded, and/or appeal all of which have potential to eliminate any relief.
3 Plaintiff also recognized the risk of losing on the merits, like the *Liggins* Plaintiffs had.

4 Further, experienced counsel, operating at arms-length, have weighed the strengths of the case
5 and examined all of the issues and risks of litigation and endorse the proposed settlement. The view of
6 the attorneys actively conducting the litigation “is entitled to significant weight” in deciding whether
7 to approve the settlement. (*Fisher Bros. v. Cambridge Lee Industries, Inc.* (E.D. Pa. 1985) 630
8 F.Supp. 482, 488; *Ellis v. Naval Air Rework Facility* (N.D. Cal. 1980) 87 F.R.D. 15, 18, *affd.* 661
9 F.2d 939 (9th Cir. 1981); *Boyd*, 485 F.Supp. at 617). Counsel is experienced in similar litigation and
10 approves the Settlement. (*Solouki Dec.* ¶¶ 56-66).

11 There are significant legal uncertainties associated with cases such as this as they can be
12 factually complex and require protracted litigation to resolve. A settlement is not judged solely
13 against what might have been recovered had Plaintiffs prevailed at trial, nor does the settlement have
14 to provide 100% of the damages sought to be fair and reasonable. (*Linney v. Cellular Alaska*
15 *Partnership* (9th Cir. 1998) 151 F. 3d 1234, 1242; *Wershba v. Apple Computer, Inc.* (2001) 91
16 Cal.App.4th 224, 246 & 250; *Rebney v. Wells Fargo Bank* (1990) 220 Cal.App. 3d 1117, 1139).
17 Instead, “[c]ompromise is inherent and necessary in the settlement process ... even if the relief
18 afforded by the proposed settlement is substantially narrower than it would be if the suits were to be
19 successfully litigated, this is no bar to a class settlement because the public interest may indeed be
20 served by a voluntary settlement in which each side gives ground in the interest of avoiding litigation”
21 (*Wershba*, 91 Cal.App.4th at 250).

22 **B. The Proposed Settlement is a Reasonable Compromise of Claims**

23 To evaluate a settlement, the trial court must receive “basic information about the nature and
24 magnitude of the claims in question and the basis for concluding that the consideration being paid for
25 the release of those claims represents a reasonable compromise.” (See *Kullar v. Foot Locker Retail,*
26 *Inc.* (2008) 168 Cal.App.4th 116, 133). To assist the Court with determining if the proposed
27 settlement is within a range that is fair, reasonable, and adequate, Plaintiff’s counsel analyzed the
28 value of pleaded allegations. As stated above, the settlement was reached only after exchanging

discovery pertaining to and conducting legal analyses of both Plaintiff's and Defendant's theories. Plaintiff's Counsel also analyzed a 20% sampling of time and pay records for PAGA Employees who worked from June 6, 2017 to September 30, 2025. In total Plaintiff's counsel analyzed 608,024 work weeks of data.

Plaintiff and PAGA Employees maintained that Defendant had committed certain California Labor Code violations, subjecting them to penalties under the 2004 California Private Attorneys General Act. At the time of mediation Plaintiff determined, based on the information provided by Defendant, that there were a total of 70,062 PAGA Employees who worked 3,920,845 pay periods in the PAGA recovery period. As summarized below, Plaintiff determined there are a maximum potential of \$26,661,723.00 in PAGA penalties. See *Solouki Dec.* ¶¶ 17-42 for full analysis of each claim summarized below:

Labor Code Violation Leading to Potential PAGA Penalties	Maximum Penalty Amount
Failure to Pay Unpaid Wages, Including Minimum Wage, and Overtime pursuant to Labor Code Sections 200, 218.6, 225.5, 226.2, 226.3, 510, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and 1199	\$3,920,845.00
Failure to Provide All Meal Periods pursuant to Labor Code sections 226.7, 512, 512(a), and 1198	\$4,312,929.00
Failure to Provide All Rest Periods pursuant to Labor Code sections 226.7 and 1198	\$3,920,845.00
Failure to Pay Wages at Regular Rate of Pay pursuant to Labor Code sections 226.7, 227.3, 246, 510, and 1198	\$1,960,400.00 ¹
Wage Statement and Record Keeping Penalties pursuant to Labor Code Sections 226, 226(a), 226(c), 1174, 1174(d), 1174.5, 1175, and 1198.5	\$3,920,845.00 ¹
Waiting Time Civil Penalties for Violation of Labor Code sections 200, 201, 202, 203, 204, 210, 227.3, and 246	\$3,920,845.00
Failure to Indemnify for Work related Expenses pursuant to Labor Code Sections 2800, 2802, and 2802(a)	\$3,920,845.00
Implementation of Unlawful Agreements pursuant to Labor Code Sections 206.5, 226.8, 403, 404, 432.5, 432.6, 432.6(a), 432.6(c), and 1102.5	\$0.00
Violations of Day of Rest pursuant to Labor Code Sections 551, 552, and 558	\$784,169.00
TOTAL:	\$26,661,723.00

Plaintiff alleges that there was one compensable penalty per 6.8% of all unique pay periods, totaling a maximum of \$26,661,723.00 in PAGA penalties when stacking penalties for multiple

¹ This exposure is overlapping and partially duplicative of penalties for unpaid wages, meal period premiums, and rest period premiums.

1 claims (.068 violation rate x 3,920,845 pay periods x \$100 penalty). Plaintiff and PAGA Employees
2 maintained that Defendant's nonpayment of wages, nonpayment of meal and rest break premiums,
3 failure to properly calculate and requisite wages at the regular rate of pay, failure to accurately
4 record-keep and report wages, failure to timely pay wages during and at the end of employment,
5 failure to provide a day of rest, failure to reimburse business expenses, and use of agreements that
6 violate the law were all violations of the California Labor Code that subjected Defendant to PAGA
7 penalties. (*Solouki Dec.* ¶ 42).

8 Based on the violations above Plaintiff calculated that the total potential
9 exposure-- without interest, attorney fees and costs was \$26,661,723.00. However, applying further
10 significant discounts for the risks associated with the action (including but not limited to, the Court
11 finding the action is unmanageable, the risk that the Court exercises its discretion to lower the
12 penalties awarded and/or disallow stacking of penalties, the risk of losing at trial) and applying
13 further discounts for Defendant's evidenced compliance with some sections of the California Labor
14 Code this Total Settlement Amount of Three Million, Eight-Hundred-Eighty Thousand Dollars, and
15 Zero Cents (\$3,880,000.00) is within a reasonable range, especially considering the defenses
16 Defendant raised. (*Solouki Dec.* ¶¶ 10, 15-55). Moreover, I deciding to accept the mediator's
17 proposal, Plaintiff's counsel took into consideration that all three Plaintiffs in the *Liggins* PAGA
18 action lost their claims.

19 Moreover, the proposed Settlement, even with deductions, provides a substantial sum to the
20 PAGA Employees. The Settlement secured by Plaintiff and the PAGA Employees here amounting to
21 Three Million, Eight-Hundred-Eighty Thousand Dollars and Zero Cents (\$3,880,000.00) is greater than
22 other PAGA penalty awards approved by California state courts, which often range between
23 \$7,500.00 and \$5,350.00 for PAGA claims impacting hundreds or thousands of individuals, resulting
24 in much lower PAGA penalty payments on a per capita basis. *See, e.g., Penaloza v. PPG Industries*
25 *Inc.*, Case No. BC471369, 2013 WL 2917624 at *2 (Super. Ct. L.A. County, May 20, 2013)
26 (approving PAGA penalties of \$5,000.00 to class of 667 members); *Cabrera v. Advantage Sale &*
27 *Marketing, LLC*, Case No. BC485259, 2013 WL 1182822 (Super. Ct. L.A. County, March 12, 2013)
28

1 (approving PAGA penalties of \$10,000.00 for class of approximately 3,000 members) (*Solouki Dec.*
2 ¶ 44).

3 Defendant also argued that PAGA penalties would be limited. Defendant noted that the three
4 Plaintiffs who had filed the earliest PAGA action against GRMI had each lost their claims: one
5 abandoned her claims on the eve of trial and the other two lost their claims in arbitration. Defendant
6 argued that even if Plaintiff prevailed, the recoverable penalties under PAGA are minimal because
7 Defendant has an expansive compliance program and because courts that have considered the issue
8 have refused to “stack” PAGA penalties. *See Carrington v. Starbucks Corporation* (Cal. Ct. App.
9 Nov. 27, 2018) No. D072392 (published Dec. 19, 2018) (approving PAGA penalty reduction to \$5.00
10 per pay period); *accord Atempa v. Pedrazzani* (2018) 27 Cal.App.5th 809. Moreover, Defendant
11 argued that Plaintiff and the PAGA Employees are not entitled to recover PAGA penalties at the
12 subsequent violation rate of \$200.00 per pay period. California’s appellate courts have held that
13 “[u]ntil the employer has been notified that it is violating a Labor Code provision (whether or not the
14 commissioner or court chooses to impose penalties), the employer cannot be presumed to be aware
15 [of the violation]” and therefore, until a Court or the Commissioner issues a finding of a violation, the
16 initial \$100.00 violation rate applies for each pay period in which the alleged violation occurred.
17 *Amaral v. Cintas Corp. No. 2* (2008) 163 Cal.App.4th 1157, 1209; *accord Amalgamated Transit*
18 *Union Local 1309 v. Laidlaw Transit Service, Inc.* (S.D. Cal. Aug. 10, 2009) 2009 WL 2448430, at
19 *9 (“[u]nder California law, courts have held that employers are not subject to heightened penalties
20 for subsequent violations unless and until a court or commissioner notifies the employer that it is in
21 violation of the Labor Code”). (*Solouki Dec.* ¶ 45).

22 In light of those arguments, Plaintiff concluded that Defendant’s maximum exposure is could
23 actually be \$19,604,225. This assumes that there was a PAGA violation in every one of the pay
24 periods at issue, which is far from the situation here because the rates result in much lower penalties.
25 Defendant’s evidence and data reflected an extraordinarily high compliance rate (*Solouki Dec.* ¶¶ 10,
26 and 15-55).

1 Further, in analyzing all of the claims and the action as a whole, Plaintiff was forced to
2 consider the risks of proceeding with litigating the action. These risks included the Court finding the
3 action unmanageable.² (*Solouki Dec.* ¶ 48).

4 There are even further risks if the case proceeded to trial such that the Court could award
5 significantly less penalties than are statutorily prescribed due to Defendant's good faith conduct and
6 compliant employment policies. Finally, public policy strongly favors the settlement of litigation.
7 *Consumer Advocacy Group v. Kintetsu Enterprises of America* (2006) 141 Cal.App.4th 46, 63.
8 Because the proposed Settlement is neither unjust nor ignores the public interest, it should be
9 approved. (*Solouki Dec.* ¶ 49).

10 Further, under the amended PAGA statute, Labor Code section 2699(h)(3)(i) (signed into law July
11 1, 2024), the statute now explicitly prohibits stacking of PAGA penalties for violations of sections 201-203,
12 204, and 226.

13 Plaintiff also compared this settlement to other recent cases where class counsel represented
14 employees, and a PAGA settlement was reached. These representative cases were deemed fair and
15 reasonable by California Courts and further support the reasonableness of this Settlement. (*Solouki*
16 *Dec.* ¶ 50).

17 In the matter of *Torrez v. Del Taco, LLC* (Alameda County Case No. JCCP4904) (the "Del
18 Taco Matter"), the Court granted final approval of a class and PAGA settlement in the Amount of
19 \$50,000,000 on August 8, 2023. The settlement in the Del Taco Matter allocated \$2,000,000 to PAGA
20 penalties. The PAGA Pay Periods at issue in Del Taco Matter totaled 2,692,953, amounting, to a per
21 pay period PAGA penalty of approximately \$0.74. This is a less than the per pay period PAGA
22 penalty in this matter. This demonstrates that the settlement in this matter is fair and reasonable.
23 (*Solouki Dec.* ¶ 51).

24
25
26 ² Although the California Supreme Court rejected striking PAGA claims outright based on manageability issues
27 in *Estrada v. Royalty Carpet Mills, Inc.*, 15 Cal.5th 582 (2024), it reinforced that trial courts "may use a vast
28 variety of tools to efficiently manage PAGA claims" (*id.* at 594). Based on Defendants' manageability arguments,
there was significant risk that further litigation may have resulted in limiting the Aggrieved Employees / job
classifications who could participate in the suit, shortening the PAGA Period to coincide with Plaintiff's period of
employment, or otherwise reducing PAGA remedies available at trial.

1 More recently, on March 21, 2025 Hon. Randall J. Sherman of the Orange County Superior
2 Court finally approved a settlement in the matter of *Rodolfo Gaona Cruz, et al v. SA Recycling LLC*
3 (Orange County Case No. 30-2021-01218757-CU-OE-CXC) (the “SA Recycling Matter”). The
4 settlement in the SA Recycling Matter allocated \$40,000 to PAGA penalties. The PAGA Pay Periods
5 at issue in SA Recycling Matter totaled 195,233, amounting to a per pay period PAGA penalty of
6 approximately \$0.21. This is a less than a quarter of the per pay period PAGA penalty in this matter.
7 This further demonstrates that the settlement in this matter is fair and reasonable. (*Solouki Dec.* ¶ 52).

8 Similarly, in the matter of *Watson v. GMRI* (Placer County Case No. S-CV-0047042) (the
9 “Watson Matter”), in 2022 Defendant reached a PAGA settlement involving non-exempt employees at its
10 Yard House restaurants in California. The Watson Matter involved nearly 7,400 employees and 241,910
11 pay periods, and the \$350,000 settlement in that case was equivalent to \$1.44 per pay period. (*Solouki Dec.*
12 ¶ 53).

13 Finally, in the matter of *Adrienne Liggins, et al v. GMRI, et al* (Los Angeles Superior Court Case
14 No. BC717321 (the “Liggins Matter”), *Liggins* and GMRI litigated the PAGA action up to the brink of trial.
15 Right before trial, Liggins withdrew from the case. At that time, Liggins’ counsel asked the court to permit
16 Mariah Rubio (“Rubio”) and Christina Shaffer (“Shaffer”) to be added as plaintiffs. Rubio and Shaffer’s
17 claims were ultimately compelled to arbitration, where the arbitrator found that neither of them was entitled
18 to penalties. Thus, the Settlement in this matter avoids Plaintiff from reaching the same fate, of not
19 recovering any money.

20 Accordingly, the Total Settlement Amount is highly reasonable in light of the risks and
21 uncertainties associated with the PAGA claims in this case. The Settlement commits Defendant to pay a
22 sum large enough to punish Defendant for alleged violations and to deter such alleged conduct in the future.
23 At the same time, in light of the alleged violations and defenses thereto, it is not so large as to be unjust,
24 oppressive or confiscatory. Based upon the foregoing, the proposed Settlement is fair, reasonable, and in the
25 best interest of the state of California and the PAGA Employees. (*Solouki Dec.* ¶¶ 54-55).

26 **V. THE REQUESTED ATTORNEYS’ FEES AND COSTS SHOULD BE APPROVED**

27 Counsel seeks \$1,293,333.33, one-third of the Total Settlement Amount, in fees for the time
28 spent litigating this matter and reimbursement of expenses of \$22,665.81 incurred in the prosecution

1 of this action. The request is for fair compensation for undertaking complex, risky, expensive, and
2 time-consuming litigation on a contingent fee basis.

3 **A. Plaintiff’s Attorneys’ Fee Request Of \$1,293,333.33, One-Third Of The Total**
4 **Settlement Amount, Is Proper Under The Common Fund Doctrine**

5 California state and federal courts have recognized that in actions creating a common fund
6 benefiting others as well as Plaintiffs, an appropriate method for determining an award of attorneys’
7 fees is based on a percentage of the total value of benefits provided by the litigation. (*Laffitte v.*
8 *Robert Half Int’l Inc.* (2016) 1 Cal.5th 480, 497-499, 503-506; *Serrano v. Priest* (1977) 20 Cal.3d 25,
9 34; *Boeing Co. v. Van Gemert* (1980) 444 U.S. 472, 478; *Vincent v. Hughes Air West, Inc.* (9th Cir.
10 1977) 577 F.2d 759, 769). Such “fee spreading” assures that all those benefited by the litigation pay
11 their fair share of obtaining the recovery. (*Lealao v. Beneficial Calif., Inc.* (2000) 82 Cal.App.4th 19,
12 26).

13 In *Laffitte v. Robert Half Int’l Inc.* (2016) 1 Cal.5th 480, a wage and hour class action wherein
14 Counsel obtained a \$19 million non-reversionary settlement on behalf of the class, the California
15 Supreme Court approved the use of the percentage of fund or common fund method to award one-
16 third of the settlement amount or \$6,333,333.33 to Counsel for attorneys’ fees. The Court stated:

17 Whatever doubts may have been created by *Serrano III*, *supra*, 20 Cal.3d 25, [], or the
18 Court of Appeal cases that followed, we clarify today that use of the percentage method
19 to calculate a fee in a common fund case, where the award serves to spread the attorney
20 fee among all the beneficiaries of the fund, does not in itself constitute an abuse of
21 discretion. We join the overwhelming majority of federal and state courts in holding that
22 when class action litigation established a monetary fund for the benefit of the class
23 members, and the trial court in its equitable powers awards Counsel a fee out of that
24 fund, the court may determine the amount of a reasonable fee by choosing an
appropriate percentage of the fund created. 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. (*Laffitte*, 1 Cal.5th at 503).

25 Under the “common fund” doctrine, “a litigant or a lawyer who recovers a common fund for the
26 benefit of persons other than himself or his client is entitled to a reasonable attorney’s fee from the
27 fund as a whole.” (*Boeing*, 444 U.S. at 478). The Supreme Court explained:

28 “The doctrine rests on the perception that persons who obtain the benefit of a lawsuit without

1 contributing to its costs are unjustly enriched at the successful litigants' expense. Jurisdiction over the
2 fund involved in the litigation allows a court to prevent this inequity by assessing attorney's fees
3 against the entire fund, thus spreading fees proportionately among those benefitted by the suit." (*Id.*).
4 Thus, the common fund doctrine ensures that each beneficiary of the settlement contributes
5 proportionately to the payment of the attorneys' fees recovered from monetary payments that the
6 prevailing party recovered in the lawsuit. (*Stanton v. Boeing* (9th Cir. 2003) 327 F.3d 938, 967, citing
7 *Wininger v. SI Mgmt. L.P.* (9th Cir. 2002) 301 F.3d 1115).

8 In common fund cases, the percentage approach is preferable to the lodestar because: (1) it
9 aligns the interests of Counsel and absent class members; (2) it encourages efficient resolution of the
10 litigation by providing an incentive for early, yet reasonable, settlement; and (3) it reduces the
11 demands on judicial resources. (*Laffitte*, 1 Cal.5th at 486-487; see *Lealao*, 82 Cal.App.4th at 31 n.5
12 citing *In re Activision Sec. Litig.* (N.D. Cal 1989) 723 F. Supp. 1373, 1375, 1378-79).

13 A fee of \$1,293,333.33, which constitutes one-third of the gross settlement, is within the range
14 of reasonableness. (See *Laffitte*, 1 Cal.5th at 503-504 [approving common fund method used for
15 attorneys' request of one-third of settlement]). Historically, courts have awarded percentage fees in
16 the range of 20% to 50%, depending on the circumstances of the case. (See *In re Activision Sec. Litig.*,
17 723 F. Supp. at 1378). Because Counsel's requested fee is reasonable and falls well within the
18 historical range of attorney's fee awards under the common fund theory, the Court should approve the
19 requested fees as reasonable pursuant to the common fund approach.

20 **B. Plaintiff's Fee Request Is Reasonable Under The Lodestar Method with a**
21 **Realistic Multiplier**

22 In a common fund settlement "[t]he lodestar method is merely a cross-check on the
23 reasonableness of a percentage figure." (*Vizcaino v. Microsoft Corp.* (9th Cir. 2002) 290 F.3d 1043,
24 1050, n.5). In this case, consideration of Counsel's lodestar as a cross-check to the percentage figure
25 also strongly supports the reasonableness of the requested fee award. The base amount is then
26 adjusted in light of various factors. (*Serrano v. Priest*, 20 Cal.3d at 48).

27 Plaintiff's fee request is also reasonable based on a cross-check of Plaintiff's Counsel's
28 lodestar with the application of a multiplier. Under the lodestar method, the court considers a

1 compilation of the time spent and a reasonable hourly compensation of each attorney to evaluate the
2 reasonableness of the fee requested. *Ramos v. Countrywide Home Loans, Inc.* (2000) 82 Cal.App.4th
3 615, 622. The hours spent and the reasonable hourly rate are computed to arrive at a “lodestar” figure
4 which may then be augmented or diminished by the court taking into account various “multiplier”
5 factors. *Id.* at 622 (citing *Serrano*, 20 Cal.3d at 48-49). The California Supreme Court has noted that
6 “courts conducting lodestar cross-checks have generally not been required to closely scrutinize each
7 claimed attorney-hour, but have instead used information on attorney time spent to ‘focus on the
8 general question of whether the fee award appropriately reflects the degree of time and effort
9 expended by the attorneys.’” *Laffitte*, 1 Cal.5th at 505 (citations omitted) (finding trial court properly
10 exercised its discretion to perform the cross-check “using counsel declarations summarizing overall
11 time spent, rather than demanding and scrutinizing daily time sheets in which the work performed was
12 broken down by individual task”); *see also Wershba*, 91 Cal.App.4th at 254-255 (declarations from
13 attorneys “evidencing the reasonable hourly rate for their services and establishing the number of
14 hours spent working on the case” sufficient for fee award).

15 *Lealao* holds that, if a court sets fees under the lodestar method, the multiplier should consider
16 what counsel would have earned on the free market, which is determined by a percentage of the
17 common fund. *Lealao*, 82 Cal.App.4th at 49-50. Thus, even if the court awards fees under the lodestar
18 method, the fees should be adjusted by a multiplier to reflect the percentage of the fund. *Horsford v.*
19 *Board of Trustees California State University* (2005) 132 Cal.App.4th 359, 394-395 (“It has long been
20 recognized, however, that the contingent and deferred nature of the fee award in a civil rights or other
21 case with statutory attorney fees requires that the fee be adjusted in some manner to reflect the fact
22 that the fair market value of legal services provided on that basis is greater than the equivalent
23 noncontingent hourly rate.”).

24 Here, Class Counsel’s total lodestar is \$737,840.00, which is based upon 922.3 hours of
25 attorney time at customary hourly rates. *Solouki Decl.* ¶¶ 67-77. The lodestar amount may be
26 increased by applying a multiplier. *Serrano*, 20 Cal.3d at 49. In California, “[m]ultipliers can range
27 from two to four or even higher” and are routinely applied in the range requested by Plaintiffs’
28 Counsel. *Wershba*, 91 Cal.App.4th at 254; *see also Chavez*, 162 Cal.App.4th at 66 (upholding 2.5

multiplier); *Vizcaino v. Microsoft Corp.* (9th Cir. 2002) 290 F.3d 1043, 1051 (approving 3.65 multiplier). Some of the factors courts consider when determining whether to apply a multiplier are: “(1) the novelty and difficulty of the questions involved, (2) the skill displayed in presenting them, (3) the extent to which the nature of the litigation precluded other employment by the attorneys, (4) the contingent nature of the fee award.” *Ketchum v. Moses* (2001) 24 Cal.4th 1122, 1132 (citations omitted).

In *Ketchum*, the California Supreme Court held that fee enhancement in contingency cases is necessary to (1) fully compensate counsel for the “loan” of legal services in light of the inherent high risk of “default” posed by losing the case, and (2) encourage competent counsel to take on fee award cases. *Id.* at 1132-33. The court noted, “[a] lawyer who both bears the risk of not being paid and provides legal services is not receiving the fair market value of his work if he is paid only for the second of these functions. If he is paid no more, competent counsel will be reluctant to accept fee award cases.” *Id.* at 1133 (citations omitted); see also *Greene v. Dillingham Construction N.A., Inc.* (2002) 101 Cal.App.4th 418, 426 (trial court erred by refusing to consider contingent risk as a factor in the decision to apply a multiplier).

Plaintiff’s request for \$1,293,333.33 in attorney’s fees is reasonable under the lodestar method with a realistic multiplier of approximately 1.75 ($1.75 \times 737,840.00 = \$1,325,136$).

C. Plaintiff’s Fee Request Is Reasonable Under The Lodestar Method

The hourly rates of the attorneys—\$800 for Shoham J. Solouki are in line with rates approved for attorneys in this region with similar experience. (*Solouki Dec.*, ¶¶ 57-77, and 86-87, **Exhibits 6 and 7** [printouts of 2014 National Law Journal sampling of California firm billing rates, and Laffey Matrix]). A reasonable hourly rate is the prevailing rate charged by attorneys of similar skill and experience in the relevant community. (*PLCM Group, Inc. v. Drexler* (2000) 22 Cal. 4th 1084, 1095). When determining a reasonable hourly rate, courts may consider factors such as the attorney's skill and experience, the nature of the work performed, the relevant area of expertise and the attorney's customary billing rates. (*Flannery v. California Highway Patrol* (1998) 61 Cal. App. 4th 629, 632). Class Counsel’s skill and experience support their hourly rates. (*Solouki Dec.* ¶¶ 57-66). [describing experience in employment law and class actions since 2012]). Other attorneys working in California

1 courts charge comparable if not higher rates as indicated in the printouts of California firms' billing
2 rates from the 2014 National Law Journal Survey showing partner rates up to \$1,195 and associate
3 rates up to \$750. (*Solouki Dec.* ¶ 86, **Exhibit 6** [printouts from 2014 National Law Journal Survey for
4 California firms showing a high rate for partners of \$1,195 and high for associates of \$725]; see, e.g.,
5 *Richard v. Ameri-Force Mgmt. Servs., Inc.*, Case No. 37-2008-00096019 (San Diego Super. Ct.,
6 August 27, 2010) [\$695 to \$750 an hour for partners]; *Barrera v. Gamestop Corp.*, Case No. CV 09-
7 1399 (C.D. Cal. Nov. 29, 2010) [\$700 an hour for partners]; and *Anderson v. Nextel Retail Stores,*
8 *LLC*, Case No. CV 07-4480 (C.D. Cal. June 20, 2010) [\$655 to \$750 an hour for partners]).

9 Plaintiff's Counsel's rates are also in line with the Laffey Matrix which states a rate of \$948
10 per hour for attorneys out of law school 11-19 years and \$1,141 per hour for attorneys out of law
11 school over 20 years. (*Solouki Dec.* ¶ 87, **Exhibit 7** and available at
12 <http://www.laffeymatrix.com/see.html>). California Courts have applied the Laffey Matrix with
13 adjustments to the specific California locality where the Counsel's office is located based on
14 "Locality Pay Tables." (*Syers Properties III, Inc. v. Rankin* (2014) 226 Cal.App.4th 691, 695-696
15 [affirming fee award based on Laffey Matrix with upward 9 percent rate adjustment from D.C. area
16 compared to San Francisco Bay Area based on Locality Pay Tables]; *In re HPL Techs., Inc., Secs.*
17 *Litig.* (N.D. Cal. April 22, 2005, No. C-02-3510 VRW) 365 F.Supp.2d 912, 921-922 [using Laffey
18 Matrix with upward adjustment of 9 percent for San Francisco based on difference between D.C. Area
19 's +15.98 locality pay compared to San Francisco's +26.39 percent locality pay differential from the
20 federal courts' "Judiciary Salary Plan Pay Tables."]). Here, Plaintiff's Counsels' offices are located in
21 Los Angeles County. For 2018, the Locality Pay Tables (and Judiciary Salary Plan Pay Tables
22 referred to in *In re HPL Techs., Inc.*), state a 2.35 percent increase for the Los Angeles-Long Beach,
23 CA area which includes the following counties: Kern County, Los Angeles County, Orange County,
24 Riverside County, San Bernardino County, Santa Barbara County, and Ventura County. In applying
25 the 2.35 locality increase for attorneys working in Kern County, Los Angeles County, Orange County,
26 Riverside County, San Bernardino County, Santa Barbara County, and Ventura County over the
27 Washington-Baltimore area stated in the Laffey Matrix, the Laffey Matrix states the following
28 relevant rates: \$948 for attorneys 11 to 19 years out of law school.

1 **1. Counsel's Total Hours are Reasonable**

2 In determining a lodestar, reasonable hours include, in addition to time spent during litigation,
3 the time spent before the action is filed, including time spent interviewing the clients, investigating
4 the facts and the law, and preparing the initial pleadings. (See *New York Gaslight Club, Inc. v. Carey*
5 (1980) 447 U.S. 54, 62). Further, the fee award should include fees incurred to establish and defend
6 the attorneys' fee claim. (*Serrano v. Unruh* (1982) 32 Cal.3d 621, 639).

7 Counsel has spent 922.3 hours on this case. (*Solouki Dec.* ¶ 67). In summary form, counsel's
8 many tasks included the following: pre-filing investigation, legal research, drafting pleadings and
9 notices; drafting communications with the LWDA; reviewing Plaintiff and other PAGA Employees
10 files and determining liability and evaluating claim and defense strengths and weaknesses; engaging
11 in discovery; meeting and conferring over directly relevant informal discovery; evaluating
12 Defendant's policies; communicating with PAGA Employees; determining case strategy; evaluating
13 data provided in informal discovery; calculating PAGA damages; preparing for mediation;
14 communicating with experts; negotiating settlement and settlement documents; drafting multiple
15 versions of long form settlement agreements; communicating with the administrator; and preparing
16 the motion for approval of PAGA settlement and supporting documents. All of the tasks and work
17 performed were reasonable and necessary to the prosecution of this case and justified, particularly in
18 light of the result achieved. (*Solouki Dec.* ¶ 68).

19 **2. Plaintiff's Costs Request of \$22,665.81 Is Reasonable**

20 Plaintiff's Counsel requests \$22,665.81 in costs in this matter. This amount is reasonable and
21 incurred in the litigation of this matter. (See *Solouki Dec.* ¶¶ 78-79). All costs were reasonably
22 incurred in prosecution of the lawsuit and are well under the cap for costs on the Settlement. The
23 majority of the costs were associated with mediation, expert services and filing of the case, and the
24 remainder was reasonably incurred in prosecution of the lawsuit. (*Id.*).

25 **VI. CONCLUSION**

26 The Settlement is fair, adequate, and reasonable. It will result in fair payment considering the
27 risks and defenses; it is non-collusive; and it was achieved as the result of informed, extensive, and
28 arms' length negotiations conducted by counsel for respective Parties who are experienced in wage

1 and hour representative litigation. For the foregoing reasons, the Parties respectfully request that the
2 Court grant approval of the proposed Settlement.

3
4 Respectfully submitted,

5 Dated: September 15, 2025

SOLOUKI & SAVOY, LLP

6 By: Shoham J. Solouki
7 Shoham J. Solouki, Esq.
8 Grant J. Savoy, Esq.
9 *Attorneys for Plaintiff*