JCL LAW FIRM, APC
Jean-Claude Lapuyade (State Bar #248676)
Sydney Castillo-Johnson (State Bar #343881)
Perssia Razma (State Bar #351398)
John L. Nitti (State Bar #330752)
Carolina Faccin (State Bar #340855)
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Telephone: (619) 599-8292
jlapuyade@jcl-lawfirm.com
scastillo@jcl-lawfirm.com
prazma@jcl-lawfirm.com
jnitti@jcl-lawfirm.com
cfaccin@jcl-lawfirm.com

ZAKAY LAW GROUP, APLC
Shani O. Zakay (State Bar #277924)
Jackland K Hom (State Bar #327243)
Jaclyn Joyce (State Bar #285124)
3110 Camino Del Rio S, Suite 308
San Diego, CA 92108
Telephone: (619) 255-9047
shani@zakaylaw.com
jackland@zakaylaw.com
jaclyn@zakaylaw.com

Attorneys for PLAINTIFF

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF SAN DIEGO

LOUIS CARABETTA, an individual, on behalf of himself, and on behalf of all persons similarly situated, Plaintiffs, v. MITCHELL REPAIR INFORMATION COMPANY, LLC a Delaware limited liability company; SNAP-ON INCORPORATED, a Delaware corporation; and DOES 1-50, Inclusive, Defendants.	Case No. 37-2024-00020244-CU-OE-CTL Action Filed: April 30, 2024 **MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION FOR FINAL APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT** Date: June 26, 2026 Time: 1:30 p.m. Judge: Hon. Katherine Bacal Dept.: C-63

TABLE OF CONTENTS

/ / /

/ / /

TABLE OF AUTHORITIES

CASES

/ / /

RULES, CODES, AND STATUTES

SECONDARY SOURCES

/ / /

I. INTRODUCTION

Plaintiff Louis Carabetta ("Plaintiff") seeks final approval of the Stipulation of Settlement of Class and PAGA Action Claims and Release of Claims ("Agreement")[1], which if approved, would provide valuable monetary relief for 427 Settlement Class Members employed by Mitchell Repair Information Company, LLC and Snap-On Incorporated (collectively "Mitchell") during the Class Period. Plaintiff and Class Counsel also seek approval of the Class Counsel Award in the amount of **$361,666.67**, comprised of $326,666.67 (one-third of the Gross Settlement Amount) and up to $35,000 for reimbursement of actually incurred litigation expenses[2].

An objective evaluation of the proposed settlement of $980,000.00 ("Gross Settlement Amount") confirms that the relief negotiated on behalf of the Class is fair, reasonable, and valuable. The Settlement is a product of informed, adversarial, and non-collusive negotiations between experienced counsel, guided by the wisdom and experience of Mediator Steven J. Rottman, Esq., an experienced mediator of class and PAGA actions. Declaration of Jean-Claude Lapuyade ("JCL Dec."), ¶ 10. Plaintiff estimates that the Settlement, if approved, would result in a Net Settlement Amount of approximately $550,843.33, with an average Individual Settlement Payment of **$1,293.06,** a high payment of $3,001.37, and a low payment of $21.83. Aggrieved Employees will receive an estimated average Individual Settlement Payment of **$43.71**, a high payment of $66.57, and a low payment of $1.13. Declaration of Katie Tran ("Apex Dec."), ¶¶ 15-18; JCL Dec., ¶ 10.

The relief offered by the Settlement is immediate and is particularly impressive when viewed against the difficulties encountered by plaintiffs pursuing similar wage and hour cases. As discussed below, the proposed Settlement satisfies all criteria for final settlement approval under California law and falls well within the range of reasonableness. JCL Dec., ¶ 11.

II. OVERVIEW OF THE LITIGATION

Mitchell produces software for automobile repair shops throughout the state of California,

[1] The Agreement is attached as Ex "1" to the Declaration of Jean-Claude Lapuyade ("JCL Dec.") at ¶ 3. All citations to the Agreement incorporate by this reference a citation to the JCL Dec., ¶ 3. Unless indicated otherwise, capitalized terms used herein have the same meaning as those defined by the Agreement.

[2] Class Counsel's incurred litigation expenses are $27,787.34. Class Counsel anticipates an additional $250 in costs to bring this case to conclusion, including filing fees associated with this Motion and compliance declarations. Class Counsel will not seek reimbursement for litigation expenses beyond the amount allotted in the Agreement.

including San Diego County, where Plaintiff worked. Plaintiff was employed by Mitchell from September 2020 to November 2024. Plaintiff was classified as a non-exempt employee, paid on an hourly basis, and entitled to legally compliant meal and/or rest periods, and minimum, regular and overtime wages for all hours worked. Plaintiff was subject to Mitchell's policies and procedures. JCL Dec., ¶ 12; Declaration of Louis Carabetta ("LC Dec.") at ¶ 3.

On April 30, 2024, Plaintiff served Mitchell and the Labor and Workforce Development Agency ("LWDA") with a PAGA Notice that set forth the facts and theories supporting Mitchell's alleged violations of various provisions of the California Labor Code and applicable Industrial Welfare Commission's Wage Order and of his intent to pursue claims under California Labor Code Private Attorneys General Act, Cal. Lab. Code Sections 2698 *et seq*. ("PAGA"). JCL Dec., ¶ 13.

On April 30, 2024, Plaintiff filed a class action complaint in the San Diego Superior Court alleging causes of action for: (1) Unfair Competition in Violation of Cal. Bus. & Prof. Code §17200 *et seq*.; (2) Failure to Pay Minimum Wages in Violation of Cal. Lab. Code §§ 1194, 1197 & 1197.1; (3) Failure to Pay Overtime Wages in Violation of Cal. Lab. Code §§ 510, *et seq*.; (4) Failure to Provide Required Meal Periods in Violation of Cal. Lab. Code §§ 226.7 & 512 and the Applicable IWC Wage Order; (5) Failure to Provide Required Rest Periods in Violation of Cal. Lab. Code §§ 226.7 & 512 and the Applicable IWC Wage Order; (6) Failure to Reimburse Employees for Required Expenses in Violation of Cal. Lab. Code §2802; (7) Failure to Provide Accurate Itemized Statements in Violation of Cal. Lab. Code §226; and (8) Failure to Provide Wages When Due in Violation of Cal. Lab. Code §§ 201, 202 and 203 (the "Action"). JCL Dec., ¶ 14.

On June 12, 2024, Plaintiff filed a representative action complaint in the San Diego Superior Court alleging one cause of action for violations of PAGA. On September 17, 2024, Plaintiff filed a first amended complaint in the Action ("Operative Complaint") to add a 9th cause of action for Violations of PAGA. Plaintiff subsequently dismissed the separate PAGA action. JCL Dec., ¶ 15.

Generally, Plaintiff claims that Mitchell failed to pay for all hours worked, failed to provide meal and rest breaks, failed to reimburse employees for mandatory business expenses, and failed to timely pay all wages due upon separation of employment. Mitchell forcefully denies liability for each of Plaintiff's claims and asserts that they fully complied with all applicable employment laws and raised several other significant defenses to Plaintiff's claims, including but not limited to, asserting that they paid for all hours worked, maintained compliant meal and rest period policies, reimbursed employees for business expenses, and timely paid all wages due upon separation of employment. JCL Dec., ¶ 16.

After engaging in formal discovery, the Parties agreed to mediate the Action. Mitchell informally produced data subject to the mediation privilege, including a sample of Class Member time and payroll data and wage and hour policies. Class Counsel retained forensic consultants at Berger Consulting Group ("BCG") to analyze the time and payroll data. JCL Dec., ¶ 17.

On July 31, 2025, the Parties attended mediation with Steven J. Rottman, Esq., a mediator of class and PAGA actions. The Mediator helped manage the Parties' expectations and provided a neutral analysis of the issues and risks to both sides. The Parties made substantial progress with the Mediator's assistance as the Parties exchanged information regarding their respective claims, defenses, and evaluation of damages. Although the mediation concluded without a settlement, the Parties continued to negotiate until they reached a settlement. Subsequently, the Parties drafted and negotiated a long-form settlement agreement, which is the subject of the instant motion. JCL Dec., ¶ 18.

On January 23, 2026, this Court granted preliminary approval of the Settlement. JCL Dec., ¶ 19. Thereafter, the Settlement Administrator mailed Notice Packets to all 427 Class members, which triggered a 45-day Response Deadline for Class Members to submit requests for exclusion or objections to the Settlement. Apex Dec., ¶¶ 4-7;Agreement, ¶ I(DD). As of the date of the filing of this motion, 99.77% of the Class Members are participating in the Settlement. Apex Dec., ¶ 14.

III. THE SETTLEMENT BEFORE THE COURT

The Court preliminarily approved a Gross Settlement Amount of $980,000.00. The Gross Settlement Amount is all-in with no reversion to Mitchell. Agreement, ¶ I(M). The Net Settlement Amount shall be used for the payment of all Individual Settlement Payments. The Settlement Administrator will calculate Individual Settlement Payments by adding up the total number of Workweeks for all Class Members. The respective Workweeks for each Class Member will be divided by the total Workweeks, resulting in the Payment Ratio for each Class Member. Each Class Member's Payment Ratio is multiplied by the Net Settlement Amount to calculate estimated Individual Settlement Payments. Agreement, ¶ III(18). The Settlement Administrator estimates the average Individual

Settlement Payment is **$1,293.06** and the highest is $3,001.37. Apex Dec., ¶ 16; JCL Dec., ¶ 20.

As of the Funding Date, the Settlement Class Members release the Released Parties from the Released Class Claims for the Class Period. Plaintiff, the LWDA, and the State of California release the Released Parties from the Released PAGA Claims for the PAGA Period. Agreement, ¶¶ VI (39-40).

Apex Class Action, LLC was appointed as the Settlement Administrator. The Settlement Administration Costs are $7,490.00. Apex Dec., ¶ 19. These expenses shall be paid from the Gross Settlement Amount. Agreement, ¶ I(GG).

Subject to Court approval, Class Counsel seeks attorneys' fees of $326,666.67 (one-third of the Gross Settlement Amount) and attorneys' expenses not to exceed $35,000.00 for actually incurred litigation expenses. Agreement, ¶ III(13).

Subject to Court approval, the Agreement provides for a Service Award of $10,000.00 to Plaintiff in consideration of his time, risk, and efforts as the Class Representative on behalf of the Class. Agreement ¶ III(14).

As set forth in the Agreement, $50,000.00 of the Gross Settlement Amount was allocated for civil penalties under the PAGA ("PAGA Payment"). 75% of the PAGA Payment will be paid to the California Labor and Workforce Development Agency ("LWDA Payment") and the remaining 25% will be distributed to the Aggrieved Employees ("Aggrieved Employee Payment"). Agreement, ¶ III(15). The Settlement Administrator estimates that aggrieved employees will receive an average Individual Settlement Payment of **$43.71**, and a high payment of $**66.57**. Apex Dec., ¶ 18; JCL Dec., ¶ 21.

Given the complexities of this case, the defenses asserted, and the uncertainties of class certification, proof at trial and appeal, the proposed settlement is fair and should be granted final approval. JCL Dec., ¶ 22.

IV. <u>GENERAL STANDARDS APPLICABLE TO JUDICIAL REVIEW AND APPROVAL OF CLASS ACTION SETTLEMENTS</u>

Settlements of disputed claims are favored by the courts. (*Huens v. Tatum*, 52 Cal. App. 4th 259, 265 (1997).). In evaluating settlements, the courts have long recognized that compromise is particularly appropriate since such litigation is difficult and notoriously uncertain. (*7-Eleven Owners for Fair Fran. v. Southland Corp.*, 85 Cal.App.4th 1135, 1151 (2000).).

"[T]o prevent fraud, collusion or unfairness to the class, the settlement or dismissal of a class action requires court approval." (*Dunk v. Ford Motor Co.*, 48 Cal. App. 4th 1794, 1801 (1996) *citing Malibu Outrigger Bd. of Governors v. Superior Court*, 103 Cal. App. 3d 573, 578-579 (1980).). The court must decide whether the proposed settlement falls within the range of reasonable settlements, considering that settlements are compromises between the parties reflecting subjective, unquantifiable judgments concerning the risks and possible outcomes of litigation. (See also *Wershba v. Apple Computer*, 91 Cal.App.4th 224, 246 (2001).). In *Wershba*, appellants argued that the settlement was too low given the "clear" liability, however, the Court rejected this argument and held that "the merits of the underlying class claims are not a basis for upsetting the settlement of a class action." (*Wershba*, *supra*, at 246; see also *7-Eleven*, *supra*, at 1150.). In these cases, Courts repeatedly emphasized that there is a strong initial presumption that the compromise is fair and reasonable. (*Wershba*, 91 Cal.App.4th at 245.). The presumption of fairness exists where: (1) investigation and discovery are sufficient to allow counsel and the court to act intelligently; (2) the settlement is reached through arm's-length bargaining; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small. (*Dunk*, 48 Cal. App. 4th at 1801, citing Newberg & Conte, *Newberg on Class Actions* (3d ed. 1992) §11.41, pp. 11-91.). Here, all of these factors support a presumption of fairness.

V. <u>THE SETTLEMENT IS FAIR, REASONABLE AND ADEQUATE</u>

The court must determine whether the settlement is fair, adequate, and reasonable. (*Dunk v. Ford Motor Co.*, 48 Cal.App.4th 1794, 1801 (1996); see also *Officers for Justice v. Civil Service Com'n*, 688 F.2d 615, 625 (9th Cir. 1982).). The purpose of the requirement is "the protection of those class members, including the named plaintiffs, whose rights may not have been given due regard by the negotiating parties." (*Dunk*, *supra*, at 1801.).

The trial court has broad discretion to determine whether the settlement is fair. (*Rebney v. Wells Fargo Bank*, 220 Cal.App.3d 1117, 1138 (1990).). "The well-recognized factors that the trial court should consider in evaluating the reasonableness of a class action settlement agreement include 'the strength of plaintiffs' case, the risk, expense, complexity and likely duration of further litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the extent of discovery completed and the stage of the proceedings, the experience and views of counsel, the presence of a governmental participant, and the reaction of the class members to the proposed settlement.' [Citations.]" (*Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 128 (2008); see also *Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles*, 186 Cal.App.4th 399, 408 (2010).).

The list of factors is not exhaustive and should be tailored to each case. (*Dunk*, *supra*, at 1801.). Due regard should be given to what is otherwise a private consensual agreement between the parties. (*Id.*). The inquiry "must be limited to the extent necessary to reach a reasoned judgment that the agreement is not the product of fraud or overreaching by, or collusion between, the negotiating parties, and that the settlement, taken as a whole, is fair, reasonable and adequate to all concerned." (*Id.*). "Ultimately, the [trial] court's determination is nothing more than 'an amalgam of delicate balancing, gross approximations and rough justice.' [Citation omitted.]" (*Id.*). These factors are analyzed below and all support final approval of the proposed settlement.

A. Class Counsel Conducted a Thorough Investigation.

As detailed in the motion for preliminary approval, Class Counsel thoroughly investigated the claims, applicable law, and potential defenses. Class Counsel obtained time, payroll, and policy records, and data regarding the number of Class Members, workweeks, and pay periods to assess damages before mediation. BCG analyzed the data to formulate damage models estimating Mitchell's liability exposure. Class Counsel's investigation, research, and experience guided the mediated negotiations that resulted in this settlement. JCL Dec., ¶ 23.

B. The Parties Settled Following Mediation.

The Settlement is a result of a mediation with a respected mediator and continued meet and confer efforts to negotiate the Settlement. The negotiations were conducted at arm's length and tempered by the efforts of both sides to serve the interests of their clients. JCL Dec., ¶ 24.

C. Class Counsel is Experienced in Similar Litigation.

Class Counsel have extensive class action experience in multiple fields and have represented tens-of-thousands of persons in class actions. Class Counsel's experience is summarized in their concurrently filed declarations. Class Counsel has concluded the settlement is fair, adequate, and reasonable and in the best interests of the Class. JCL Dec., ¶¶ 25-31; Declaration of Shani Zakay ("SOZ Dec."), ¶ 3.

D. The Settlement Class Responded Positively to the Settlement.

The reaction of the Settlement Class unequivocally supports approval of the Settlement. To date, only one of the 427 Class Members opted out of the Settlement. Moreover, there are ***zero*** objections. Stated differently, **99.77%** of the Settlement Class has chosen to participate in the Settlement. JCL Dec., ¶ 32; Apex Dec., ¶¶ 11-14.

The high approval rate by the Settlement Class strongly supports a finding that the Settlement is fair, reasonable, and adequate. (See *In re Austrian & German Bank Holocaust Litigation*, 80 F. Supp. 2d 164, 175 (S.D.N.Y. 2000) ["If only a small number of objections are received, that fact can be viewed as indicative of the adequacy of the settlement."]; *Stoetzner v. U.S. Steel Corp.* (3d. Cir. 1990) 897 F.2d 115, 118-119 [29 objections out of 281 member class "strongly favors settlement"]. Consequently, Class Counsel respectfully requests the Court to follow the high participation rate of the Settlement Class and grant final approval of the Settlement.

E. The Strength of Plaintiff's Case and Risks of Continued Litigation

Although Plaintiff and Class Counsel believe that their case has merit, they recognize the potential risks both sides would face if litigation of this action continued. JCL Dec., ¶ 33. As the federal court in *Glass v. UBS Fin. Servs.*, 2007 WL221862 held, where the parties faced uncertainties similar to those in this litigation:

> ***"In light of the above-referenced uncertainty in the law, the risk, expense, complexity, and likely duration of further litigation likewise favors the settlement.*** Regardless of how this Court might have ruled on the merits of the legal issues, the losing party likely would have appealed, and the parties would have faced the expense and uncertainty of litigating an appeal. The expense and possible duration of the litigation should be considered in evaluating the reasonableness of [a] settlement."

With respect to the most immediate challenge, i.e., class certification, the risks attendant to the certification of similar wage and hour claims are demonstrated by *Ali v. U.S.A. Cab Ltd.* (2009) 176 Cal.App.4th 1333, 1341. There, the Court of Appeal affirmed the Trial Court's denial of class certification because employees' declarations attesting to having taken meal and rest breaks demonstrated that individualized inquiries were required to show harm. *See also Campbell v. Best Buy Stores, L.P.*, (C.D. Cal. 2013) 2013 WL 5302217 at *11-13 (following *Brinker* and denying certification of proposed off-the-clock and rest and meal break classes due to lack of uniform policy); *Brown v. Fed Express Corp.* (C.D. Cal. 2008) 249 F.R.D. 580, 587-88 (denying certification of driver meal and rest period claims based on the predominance of individual issues). JCL Dec., ¶ 34.

Further, even if a class is certified, liability remains uncertain. The risks attendant to the issue of Mitchell's liability in similar wage and hour actions are demonstrated by *Duran v. U.S. Bank National Association* (2014) 59 Cal.4th 1, 31. There, the Court reversed a trial verdict in favor of plaintiffs in a wage and hour class action. *See also Tien v. Tenet Healthcare Corp.* (2012) 209 Cal.App.4th 1077, 1088 ("[T]he reason, if any, that employees might not take their breaks were predominantly individualized questions of fact not susceptible to class treatment."). JCL Dec., ¶ 35.

Finally, even if a class is certified and Mitchell is found liable for the class claims alleged, post-certification risks remain, including a reversal of a favorable judgment for Plaintiff and decertification of the class. These risks are demonstrated by *Magadia v. Wal-Mart Associates, Inc.* (9th Cir. 2021) 999 F.3d 668. There, the Ninth Circuit vacated, reversed, and remanded a judgment against an employer for, *inter alia*, inaccurately paying overtime, and directed the trial court to enter judgment in favor of the employer. JCL Dec., ¶ 36.

The examples cited above illustrate that the uncertainty of obtaining certification through a contested motion is a significant risk factor favoring settlement. Although Plaintiff is confident about the strength of his claims, he nevertheless recognizes that Mitchell has factual and legal defenses that, if successful, would potentially defeat or impair the value of the lawsuit. Legally, the fast-changing landscape of wage and hour litigation can drastically affect the value of Plaintiff's claims and, in fact, already has. JCL Dec., ¶ 37.

In a similar wage and hour case, the federal district court in *Hopson v. Hanesbrands Inc.*, 2009 U.S. Dist. LEXIS 33900 at * 19-20 (N.D. Cal. 2009), granted approval of an overtime class action settlement and explained:

> **Plaintiffs may have a strong case, but the risks inherent in continued litigation are great**. Defendants strongly deny liability for Plaintiffs' principal claim that full-time Service Associates were misclassified as exempt. In addition to the uncertainties raised by Defendants at the preliminary stage regarding Plaintiffs' chance of success in this case, Defendants notes that the question of an employer's duty to provide rest and meal periods is an open one, signaling even less certainty for Plaintiffs.....[**T]he Total Settlement amount and the Class Members' expected net recovery, after fees and other costs are deducted, appear to be a reasonable compromise, in light of the risks of litigation**.

As recognized in a federal decision approving settlement of an overtime wage class action:

> **The potential complexity and possible duration of trial also weigh in favor of granting final approval**. Plaintiffs acknowledge the difficulties of proving damages, recognize the uncertainty of outcome, and believe Defendants would appeal in the event of adverse judgment. A post-judgment appeal would require many years to resolve and delay payment to class members. Plaintiffs believe the benefits of a guaranteed recovery today outweigh an uncertain future result. Accordingly, plaintiffs argue, and the Court agrees, the actual recovery confers substantial benefits on the class that outweigh the potential recovery through full adjudication.

Barcia v. Contain-A-Way, Inc., 2009 U.S. Dist. LEXIS 17118, *9 (S.D. Cal. 2009).

Here, class certification would have been disputed and was not a foregone conclusion. Where both sides face significant uncertainty, as here, the attendant risks favor settlement. *Hanlon v. Chrysler Corp.* (9th Cir. 1998) 150 F.3d 1011, 1026). Plaintiff and Class Counsel recognize the expense and length of a trial through possible appeals, which could take years. In arriving at their informed belief that the settlement is fair, Class Counsel accounted for the uncertain outcome and risk inherent in complex actions such as this one. Class Counsel also recognizes the inherent problems of proof under, and alleged defenses to, the claims asserted. Moreover, post-trial motions and appeals would have been inevitable. Costs would have mounted, and recovery would have been delayed if not denied, thereby reducing the benefits of an ultimate victory. Based upon their evaluation, Plaintiff and Class Counsel have determined that the Settlement is in the best interest of the Class, is fair, reasonable, and should be granted final approval. JCL Dec., ¶ 38.

F. <u>The Gross Settlement Amount is Fair and Reasonable.</u>

As detailed at the time of preliminary approval, the Gross Settlement Amount of $980,000.00 is fair and reasonable considering the nature and magnitude of the claims being settled and the various potential impediments to recovery. Class Counsel developed varied economic damages models measuring Mitchell's liability exposure while accounting for the uncertainties of continued litigation. The various models were informed by Class Counsel's investigation, including the analysis of a significant sample of time and payroll data. As detailed during the preliminary approval process, Class Counsel projected a range of Mitchell's liability exposure for the claims asserted on behalf of the Settlement Class. The Gross Settlement Amount represents approximately 17.81% of Mitchell's *total* liability exposure and 8.23% of Mitchell 's *maximum* class-wide exposure as estimated by Class Counsel at the time of mediation. JCL Dec., ¶ 39.

In *Stovall-Gusman v. W.W. Granger, Inc.,* 2015 U.S. Dist. LEXIS 78671, at * 12, the District Court for the Northern District of California granted final approval in a wage and hour misclassification action and found that the Total Settlement representing 10% of the estimated trial award was within the "range of reasonableness." In *Dunleavy v. Nadler (In re Mego Fin. Corp. Sec. Litig.)*, 213 F.3d 454, 459 (9th Cir. 2000), the Ninth Circuit approved a settlement representing "roughly one-sixth of the potential recovery." Given the amount of the settlement here as compared to potential value of the claims, particularly the strength of Plaintiff's action, the settlement is clearly fair and reasonable.

The settlement provides significant relief to the Settlement Class Members. The average Class Member individual settlement payment is approximately $1,293.06, the highest is approximately $3,001.37, and the lowest is approximately $21.83. Apex Dec., ¶ 16. This average net recovery is greater than many wage and hour class action settlements approved by California courts. (See*, e.g., Palencia v. 99 Cents Only Stores,* No. 34-2010-00079619 (Sacramento County Super. Ct) [average net recovery of approximately $80]; *Fukuchi v. Pizza Hut,* Case No. BC302589 (L.A. County Super. Ct.) [average net recovery of approximately $120]; *Ressler v. Federated Department Stores, Inc.,* Case No. BC335018 (L.A. County Super. Ct.) [average net recovery of approximately $90]).

Clearly the goal of this litigation to obtain redress for the class has been met by this Settlement. Given the amount of the Settlement, the risks of litigation and the arm's length negotiations between experienced counsel, the settlement is entitled to final approval. JCL Dec., ¶ 40.

VI. THE PENALTIES UNDER THE PRIVATE ATTORNEY GENERAL ACT OF 2004 ARE REASONABLE

Courts routinely approve amounts for PAGA penalties in the range of zero to two percent of the settlement. (See id. at *1, 9 [approving a PAGA payment of 0.3%]; *Jack v. Hartford Fire Ins. Co.*, No. 09cv1683 MMA (JMA), 2011 WL 4899942, at *6 (S.D. Cal. Oct. 13, 2011) [approving a PAGA payment of 0.25%]; *McKenzie v. Fed. Express Corp.*, No. CV 10-02420 GAF (PLAx), 2012 WL 12882124, at *5 (C.D. Cal. Jan. 23, 2012) [acknowledging that courts approve PAGA claim settlements in the range of zero to two percent of the total settlement].).

Here, the Parties negotiated a good faith PAGA Payment in the amount of $50,000.00 which is

5.10% of the Gross Settlement Amount. This amount falls well within the range of approved PAGA Payments. 75% of the PAGA Settlement ($37,500.00) will be paid to the LWDA ("LWDA Payment") and the remaining 25% of the PAGA Payment ($12,500.00) will be distributed to the Aggrieved Employees, which is within the range of PAGA Payment approved by courts and should be approved. JCL Dec., ¶ 41. The Settlement Administrator estimates that aggrieved employees will receive an average Individual Settlement Payment of **$43.71** and a high payment of $66.57. Apex Dec., ¶ 18.

On December 23, 2025, Class Counsel gave the LWDA notice of this Settlement and proposed allocation by filing a copy of the Settlement and the Motion for Preliminary Approval with the LWDA. On June 1, 2026, Plaintiff gave the LWDA notice of this motion seeking final approval of the settlement. JCL Dec., ¶ 42. By not registering an objection with either Class Counsel or the Court, the LWDA has accepted and approved of the proposed PAGA Payment.

VII. CLASS COUNSEL'S REQUEST FOR FEES AND COSTS

As part of the settlement, the parties agreed to a payment of attorneys' fees in the amount of one-third of the Gross Settlement Amount ($326,666.67) and attorneys' expenses of up to $35,000.00. The requested attorneys' fees are fair compensation and respectfully, should be approved. Class Counsel undertook complex, risky, and time-consuming wage and hour litigation on a contingent basis. The attorneys' fees are within the historically recognized range of attorneys' fees awarded in common fund class action settlements – between 25% and 50% – and are supported by Class Counsel's lodestar cross-check with a reasonable 2.2 multiplier. That is within the recognized multiplier range of between 2 and 4[3]. The reasonableness of the requested attorneys' fees is confirmed by reference to the lodestar with a reasonable multiplier with significant work still to be performed. JCL Dec., ¶ 43.

A. Common Fund

Courts have long recognized that when class counsel's efforts result in the creation of a common fund that benefits plaintiffs and unnamed class members, class counsel have an equitable right to be compensated from that fund. (See*, e.g.*, *Boeing Co. v. Van Gemert*, 444 U.S. 472, 478 (1980)

[3] See *Laffitte*, *supra*, 1 Cal. 5th at 487 (approving 1/3 fee award with 2 multiplier); *Wershba v. Apple Computer*, 91 Cal. App. 4th 224, 255 (2001) ("multipliers can range from 2 to 4 or even higher."); *In re Sutter Health Uninsured Pricing Cases*,171 Cal.App.4th 495, 512 (2009) (affirming multiplier of 2.52 as "fair and reasonable); *Chavez v. Netflix, Inc*., 162 Cal.App.4th 43, 66 (2008) (affirming multiplier of 2.53 as well within the approved range of 2 to 4).

[“recogniz[ing] consistently that a litigant or a lawyer who recovers a common fund…is entitled to a reasonable attorney’s fee from the fund as a whole”]; *Laffitte*, 1 Cal. 5th at 488-89 [common fund doctrine “long recognized” under California law].). The common fund doctrine rests on the understanding that attorneys should normally be paid by their clients and that, unless attorneys’ fees are paid out of the common fund, those who benefit from the fund will be “unjustly enriched.” (*Boeing*, 444 U.S. at 478.).

In *Laffitte*, the California Supreme Court upheld the trial court’s award of 33.33% of the settlement amount of $19 million with a 2.13 multiplier and affirmed that “empirical studies show the percentage method with a lodestar cross-check is the most prevalent form of fee method in practice.” (*Laffitte*, 1 Cal. 5th at 496-97.). In fact, courts have historically awarded between 25% and 50% of the common fund as attorneys’ fees class action settlements. (*In re Warner Communications,* 618 F.Supp. 735, 749-50 (S.D.N.Y 1985).).

The fairest way to calculate a reasonable fee when contingency-fee litigation has produced a fixed settlement amount for the Settlement Class Members is to award Class Counsel a percentage of the settlement sum. (See*, e.g., In re Bluetooth Headset Products Liab. Litig.*, 654 F.3d 935, 942 (9th Cir. 2011).). A fee award under the common fund method would achieve the two underlying goals of the common fund doctrine by: (1) equitably requiring the beneficiaries of the common fund to pay their pro rata share of fees incurred in creating the fund; and (2) providing an incentive to attract competent counsel to handle wage and hour class actions, which California courts recognize as a fundamental tool to ensure the effective enforcement of the Labor Code and minimum labor standards. (See*, e.g.*, *Gentry v. Super. Ct*., 42 Cal. 4th 443, 455-56 (2007) [overruled on other grounds by *Iskanian v. CLS Transportation Los Angeles, LLC*, 59 Cal.4th 348 (2014) emphasizing the indispensable value of private enforcement of California’s wage-and-hour laws through class actions].).

The Agreement provides for payment of the Class Counsel Award from the common fund. Accordingly, it is well within the Court’s discretion to award fees to Class Counsel under the common fund doctrine. The requested attorneys’ fees of one-third of the Gross Settlement Amount is consistent with many fee awards in similar wage and hour class actions and is in the middle of historically recognized range of attorneys’ fees awarded in common fund settlements. JCL Dec., ¶ 44.

The attorneys' fees request should be awarded based upon the Gross Settlement Amount in accordance with *Laffitte*, i.e., percentage of the fund with a lodestar cross check. As explained below, the reasonableness of the requested $326,666.67 attorneys' fees is further supported by the lodestar cross-check. JCL Dec., ¶ 45.

B. <u>Class Counsels' Lodestar Supports the Requested Attorneys' Fees</u>

Class Counsel's lodestar to date is $151,520 ***exclusive of costs***, with significant work remaining. JCL Dec., ¶ 46. Thus, Class Counsel's fee request is equal to Class Counsel's lodestar with a 2.2 multiplier — which is well within the recognized multiplier range between 2 and 4. (See also *Taylor v. FedEx Freight, Inc.*, 2016 U.S. Dist. LEXIS 142202 (E.D. Cal. 2016) [following *Laffitte,* approved 30% fee award with cross-check lodestar multiplier of 2.26]; *Emmons v. Quest Diagnostics Clinical Labs., Inc.*, 2017 U.S. Dist. LEXIS 27249 (E.D. Cal. 2017) [following *Laffitte,* approved 33% fee award with cross-check lodestar multiplier of 1.7].).

Because the Settlement in this case is a pure common fund case, and the percentage of the fund is the comparable marketplace for fee awards in common fund cases, *Laffitte* supports an award based upon the percentage of the common fund. Moreover, Class Counsel's lodestar supports the requested attorneys' fees with a multiplier well within the recognized range reasonableness. JCL Dec., ¶ 47.

Although no rigid formula applies, an analysis of each of the following "basic factors" that California courts typically consider further supports the reasonableness of a fee request: (1) the result class counsel obtained; (2) the time and labor required of the attorneys; (3) the contingent nature of the case and the delay in payment to class counsel; (4) the extent to which the nature of the litigation precluded other employment by class counsel; (5) the experience, reputation, and ability of the attorneys who performed the services, the skill they displayed in the litigation, and the novelty, complexity and difficulty of the case; and (6) the informed consent of the clients to the fee agreement. (*Serrano v. Priest*, 20 Cal. 3d 25, 49 (1977); *Dunk v. Ford Motor Co.,* 48 Cal.App.4th at 1810 n.2.). Those factors support Class Counsel's request and are addressed in more detail in Counsel's declarations submitted concurrently herewith. In short: (1) Considering the issues presented in the case, the Gross Settlement Amount of $980,000.00 is an excellent result for the Settlement Class, (2) Collectively, Class Counsel worked hard on this case and expended approximately 211.25 hours in the prosecution of this litigation in the 2 years since it was filed for a total lodestar of $151,520, (3) Class Counsel undertook this litigation on a contingent-fee basis, assuming a significant risk that the litigation would yield no recovery after many years of work, (4) Class Counsel negotiated a one-third contingency fee arrangement, which is a reasonable arrangement to obtain competent counsel in the marketplace for representation in wage and hour class actions, and it is only equitable that the Settlement Class who share in the excellent results achieved by this Settlement bear their pro rata share of the attorneys' fees to Class Counsel, (5) Class Counsel have significant experience litigating complex wage and hour class actions and the way this Settlement was achieved is demonstrative of the efficient way this litigation was managed and resolved (See Class Counsel's declarations for a detailed outline of their skills and experience), and (6) Settlement Class Counsel's hourly rates, as set forth in the concurrently filed declarations of Class Counsel are reasonable and compare with rates approved by other trial courts in wage and hour class action litigation. JCL Dec., ¶ 48-57 ; SOZ Dec., ¶¶ 1-4.

C. <u>Class Counsel's Costs</u>

Common fund fee and expense awards include counsel's incurred expenses because those who benefit from their effort should share in the cost. See *Rider v. City of San Diego,* 11 Cal. App.4th 1410, 1423 n.6 (1992). The appropriate analysis in deciding if costs are compensable is if the costs are of the type typically billed by attorneys to paying clients in the marketplace. (See *Harris v. Marhoefer*, 24 F.3d 16, 19 (9th Cir. 1994).).

To date, Class Counsel has expended a total of $27,787.34 prosecuting this action and expects to expend an additional $250 in additional costs to bring this case to its conclusion, for a total of $28,037.34. Class Counsel's costs are reflected in Exhibit 5 to the Declaration of Jean-Claude Lapuyade filed concurrently herewith and Exhibit C to the Declaration of Shani Zakay, filed concurrently herewith. JCL Dec ¶¶ 58-60; SOZ Dec. ¶¶ 5-6.

D. <u>Plaintiff's Service Award is Reasonable and Should be Approved</u>

Courts routinely approve service awards to compensate named plaintiffs for the services they provide and the risks they incur during the class litigation. (*Bell v. Farmers Ins. Exch.,* 115 Cal.App.4th 715, 726 (2004).) The factors courts use in determining the amount of service awards include: (1) a comparison between the service awards and the range of monetary recovery available to the class; (2) time and effort put into the litigation; (3) whether the litigation will further the public policy underlying the statutory scheme; and (4) risks of retaliation. (*Clark v. American Residential Services, LLC,* 175 Cal.App.4th 785, 804-805 (2009).).

Courts frequently approve awards of $10,000 or more. (See *In re Cellphone*, 186 Cal.App.4th 1380.). The requested Service Award to Plaintiff of $10,000 is reasonable by reference to the amounts that California courts have repeatedly awarded in similar settlements. Further, the unanimous consent by the Class favors approval of the Service Award. Finally, the time and effort provided to the Class justifies the requested Service Award. The Class Representative performed his duties to the Class admirably, as detailed in his declaration filed concurrently herewith. Plaintiff assumed the serious risk of liability for Mitchell's costs and potentially fees if the case was unsuccessful. Nevertheless, Plaintiff knowingly and voluntarily undertook the risk to vindicate the rights of the Settlement Class. LC Dec., ¶¶ 1-16; JCL Dec., ¶¶ 62-63.

VIII. CONCLUSION

Plaintiff respectfully submits that the proposed settlement satisfies the standard of fairness established by California law and should therefore be finally approved and requests entry of the Final Approval Order and Judgment submitted herewith. Further, Class Counsel respectfully requests approval of the requested attorneys' fees payment of $326,666.67 and attorneys' expenses not to exceed $35,000.00, as supported by Class Counsel's billing records. Class Counsel and the Class Representative also respectfully request approval of the requested Service Award in the amount of $10,000.00 to Plaintiff.

Dated: June 1, 2026

JCL LAW FIRM, APC

By: Perssia Razma

Perssia Razma, Esq.
Attorneys for PLAINTIFF