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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN BERNARDINO

ROCIO ROSALES and ERICKA KRAUT, as individuals and on behalf of others similarly situated, Plaintiffs, vs. DT EMPLOYER, LLC, a California limited liability company; DT MANAGEMENT, LLC, a California limited liability company; DOUBLETREE EMPLOYER, LLC, a California limited liability company; HILTON EMPLOYER, INC., a California corporation; HILTON HOTEL EMPLOYER, LLC, a	Case No.: CIVSB2132004 Assigned for all purposes to: Hon. Christian Towns Dept. S26 **MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT** **Hearing Date:** August 18, 2025 **Hearing Time:** 8:30 a.m. **Department:** S26

California limited liability company; EMBASSY SUITES EMPLOYER, LLC, a California limited liability company; CURIO EMPLOYER, LLC, a California limited liability company; HAMPTON INNS EMPLOYER, LLC, a California limited liability company; HLT CONRAD DOMESTIC EMPLOYER, LLC, a California limited liability company; HLT CONRAD DOMESTIC, LLC, a California limited liability company; CONRAD EMPLOYER, LLC, a California limited liability company; WALDORF-ASTORIA EMPLOYER, LLC, a California limited liability company; HOMEWOOD SUITES EMPLOYER, LLC, a California limited liability company; and DOES 1 through 100, inclusive,

Defendants.

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I. Introduction.

The Court has preliminarily approved the proposed Settlement reached by the parties in this Action, and approved the parties' proposed notice program. Notice has been disseminated consistent with the instruction of the Court and the terms of the Settlement Agreement. By this motion, Plaintiffs Rocio Rosales and Ericka Kraut (collectively referred to herein as "Plaintiffs") respectfully request that the Court conduct a final review of the Settlement, and approve the Settlement as fair, reasonable and adequate.

The Settlement is the product of extensive arms-length negotiations between the parties and their experienced and informed counsel, and is fair, reasonable, and adequate given the claims, the alleged liability, and the parties' respective litigation risks.

Pursuant to the terms of the Settlement Agreement, Defendants DT Employer LLC, DT Management LLC, and Doubletree Employer LLC (collectively "Doubletree" or "Defendants")shall pay $3,500,000 as a non-reversionary Gross Settlement Amount. The Gross Settlement Amount includes payments to 3,011 Participating Class Members; attorneys' fees not to exceed one-third (33 1/3%) of the Gross Settlement Amount; litigation costs not to exceed $45,000; the cost of the Settlement Administrator in the amount of $29,950 to administer the settlement payment to the Class, enhancement payments to named plaintiffs Rocio Rosales in the amount of $10,000 and Ericka Kraut in the amount of $10,000.00; and payment of penalties to the California Labor Commissioner under the Private Attorneys General Act of $37,500.

The notice process was simple and effective, and the adequacy of the Settlement is reflected in the very positive reaction from the Class Members, as no Class Member objected to this Settlement and only one Class Member opted out. The deadline to opt-out was July 3, 2025. (Declaration of Mayra Gonzalez of Phoenix Settlement Administrator. ("Gonzalez Decl."), ¶¶ 7-9)

For the foregoing reasons and the others detailed below, the Settlement meets the standards for final approval, and it should therefore be approved. Notice was also provided to the

California Labor and Workforce Development Agency of this August 18, 2025 hearing and the proposed settlement agreement to be finally approved. (Jackson Decl. ¶ 37, Ex. B.)

II. FACTS AND PROCEDURE

A. Defendants Employed California Non-Exempt Employees

Defendants are a company that manage the hotels where Plaintiffs worked in California. Plaintiffs were employed by Defendants as non-exempt employees. [Jackson Decl. ¶ 3.] This settlement is limited to Defendants' employees in the State of California, during the Class Period. [*Id.*]

B. Class Counsel's Investigation, Discovery and Settlement Negotiations

Plaintiffs' counsels have thoroughly investigated and researched the claims in controversy, the defenses, the potential of success and recovery if successful at trial, and the developing body of law. (Jackson Decl. ¶¶ 3-29.) Plaintiffs' counsel's investigation entailed the exchange of thousands of excel cells, documents, analysis, damages analysis based upon the Class Members' working schedules, payroll records and timesheets. (*Id.*) The investigation involved an in-depth evaluation of payroll records, payroll data, timesheets, and working schedules of the Plaintiffs and the Class Members. (*Id.*)

Following Defendants' production of payroll records and payroll data for the Plaintiffs and Class Members, Class Counsel expended considerable resources in creating a damages analysis detailing each potential Labor Code violation along with calculating the damages and interest in connection to each Labor Code violation. (Jackson Decl. ¶¶ 3-29.)

Overall Class Counsel performed an extensive investigation into the claims at issue, which included: (1) determining Plaintiffs' suitability as putative class representatives through interviews questioning Defendants' purported Labor Code violations; (2) evaluating plaintiffs' potential claims; (3) researching wage and hour class actions similar to claims brought, the nature of the positions, and type of industry the employer is involved in; (4) examined the Plaintiffs' and Class Members' payroll records and a representative sampling of Defendants' payroll records; (5) examined Plaintiffs' and Class Members' timesheet records; (6) examined the Defendants' payroll records; (7) conducted a detailed damages analysis for purposes of generating a maximum number for the amount of wages Defendants' could be liable for; (8) conducted a detailed damages analysis for purposes of generating a maximum number for the amount of interest owed the Class Members which Defendants could be liable for; (9) conducted a detailed damages analysis for purposes of generating a maximum number for the amount of penalties that could be accessed against the Defendants; and (10) researching settlements in similar cases. (Jackson Decl. ¶¶ 3-29.) The extensive document and data exchanges allowed Plaintiffs' Counsel to appreciate the strengths and weaknesses of the claims against Defendants and the benefits of the proposed Settlement. (*Id*.).

C. Preliminary Settlement Approval

On March 12, 2025, the Court conditionally granted certification and preliminary approval of the settlement.

D. Proper Notice to Class Members

After this Court conditionally granted certification and preliminary approval of the Settlement, Class Notice was sent pursuant to the terms of the Settlement. (Gonzalez Decl. ¶ 5, Ex. A) No Class Members submitted objections and only one Class Member opted out. (Gonzalez Decl. ¶¶ 7-8)

III. THE SETTLEMENT

The following summarizes the Settlement's key terms.

A. Settlement Class

The Class is comprised of:

> All current and former non-exempt employees who are or were employed by DT Management LLC, DT Employer LLC, and/or Doubletree Employer LLC in California from May 26, 2017 to February 29, 2024.[1]

B. Benefits to the Class

1. The Settlement Fund

[1] Pursuant to Section 3.04.f of the Settlement Agreement, the end of the Class Period was revised from March 1, 2024 to February 29, 2024.

Pursuant to the terms of the Settlement, Defendants will pay $3,500,000 to the Settlement Administrator to be used for: (a) providing cash payments to the Participating Class members in the total amount of no less than $2,121,965.80 minus any applicable taxes; (b) payment of attorneys' fees not to exceed $1,166,666.67; (c) litigation costs not to exceed $45,000; (d) a class representative enhancement payment to the Named Plaintiff Rocio Rosales not to exceed $10,000.00; (e) a class representative enhancement payment to the Named Plaintiff Ericka Kraut not to exceed $10,000.00; (f) all settlement administration fees and costs, including those of the Settlement Administrator projected to be no more than $29,950; and (g) payment of penalties under the California Private Attorneys General Act of 2004 (‘PAGA”) to the LWDA in the amount of $37,500.00 (“PAGA Payment”). (Gonzalez Decl. Decl. ¶ 11.)

The average estimated Class Member payment is $704.74. (Gonzalez Decl. ¶ 12)

2. <u>Payments to Class Members</u>

Pursuant to the Settlement Agreement, the Settlement Administrator shall make Individual Settlement Payments to Participating Class Members.

Individual Settlement Payments will be calculated and apportioned from the Net Settlement Amount based on the number of qualifying workweeks worked during the relevant time period. (Jackson Decl. Ex. A, settlement agreement ¶ 3.06 (f).)

3. <u>Settlement Administration</u>

On April 28, 2025, Defendants’ counsel provided the Settlement Administrator with the names, most recent mailing addresses, Social Security numbers, and pertinent information for the Class Period for the Class Members. (Gonzalez Decl. ¶ 3.) This list provided information for 3,012 Class Members. (*Id*.). 3,012 Class Members were verified and mailed approved Notice Packets via First-Class U.S. Mail. (Gonzalez Decl. ¶¶ 5, Ex. A.)

On May 19, 2025, the Settlement Administrator sent by first class mail the Notice Packets to the Class Members whose names were provided by Defendants, a Notice Packet. (Gonzalez Decl. ¶ 5, Ex. A.) If a Class Member’s Notice Packet was returned by the USPS as undeliverable and without a forwarding address, Phoenix performed an address search (i.e., skip trace) on all of these addresses. (Gonzalez Dec. ¶¶ 6.) To date, one exclusion was submitted and zero objections were received. (Gonzalez Decl. ¶¶ 7-9.)

4. Distribution of Funds

In accordance with the Stipulation of Settlement, the Net Settlement Fund shall be divided among the Participating Class Members. (Jackson Decl. ¶ 2, Ex. A, Section 3.06 (a),) The average estimated Individual Settlement Share is $704.74. (Gonzalez Decl. ¶ 12.)

5. Opt-out and Objection Procedures

The deadline for Class Members to postmark Challenges, Objections or Exclusion Requests was July 3, 2025. (Gonzalez Decl. ¶¶ 7-9.)

The Class Notice instructed Class Members who wished to object to the proposed Settlement to either send a written objection to the settlement administrator or appear at the Final Approval Hearing. (Gonzalez Decl. ¶ 5, Ex. A.) The eSttlement Administrator has received no objections to the settlement terms. (Gonzalez Dec. ¶ 8.)

IV. FINAL SETTLEMENT APPROVAL IS APPROPRIATE

The law favors settlement, particularly in class actions and other complex cases in which substantial resources can be conserved by avoiding time, cost and rigors of formal litigation. (*Potter v. Pacific Coast Lumber Company*, (1951) 37 Cal. 2d. 592, 602-603; 4 NEWBERG section 11.41. When faced with a motion for final approval of a class action settlement under Code of Civil Procedure section 382, a court inquires whether the settlement is fair, adequate, and reasonable." See e.g., *Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles*, (2010) 186 Cal. App. 4th 399, 407-408; *Kullar v. Foot Locker Retail, Inc*. (2008) 168 Cal. App. 4th 116, 129-30; *Dunk v. Ford Motor Company* (1996) 48 Cal. App. 4th 1794, 1801.)

A. **This Court Preliminarily Found This Settlement to Be Fair, Reasonable And Adequate And Nothing Has Changed to Disturb That.**

Before granting preliminary approval of a class action settlement, courts must determine that the proposed settlement is fair, reasonable, and adequate — and not a product of fraud, overreaching, or collusion. Cal. R. Ct. 3.769 (g); Cal. Civ. Pro. Code § 382; *Dunk v. Ford Motor Co*., supra, 48 Cal.App.4th at 1801. Courts must presume that a settlement is fair, reasonable, and adequate, and thus appropriate for preliminary approval when the following three factors are satisfied: (1) the parties reached settlement after arms-length negotiations; (2) counsel conducted sufficient investigation and discovery to allow themselves and the court to act intelligently; and (3) counsel is experienced in similar litigation Id. at 1802. See also 7-*Eleven Owners for Fair Franchising v. Southland Corp*., (2000) 85 Cal. App. 4th 1135, 1146. Further, as discussed below, although not determinative, courts consider the percentage of objectors in determining whether a presumption of fairness exists. *Id*. The parties conducted sufficient amount of discovery and participated in a private mediation and numerous conferences of counsel that ultimately led to an arms-length settlement that provides for substantial recovery. Moreover, there are no objectors. (Gonzalez Decl. ¶¶ 7-9.)

1. <u>The Settlement Resulted from Non-Collusive, Arms-Length Negotiations</u>

There certainly is no collusion between the parties. The involvement of a neutral third-party mediator is a factor that favors approval and evidences the presumptive fairness of the arms-length negotiations. (Jackson Decl. ¶ 6.) Indeed, courts should give considerable weight to the competency and integrity of counsel and the involvement of a neutral mediator in assuring themselves that a settlement agreement represents an arms-length transaction entered without self-dealing or other potential misconduct. *Kullar v. Foot Locker, supra*, 168 Cal. App. 4th at 129. Here, after extensive discovery, discussions, exchange of information and review of records, on February 1, 2023, the parties conducted a full-day mediation session with a well-respected and highly knowledgeable mediator David Rottman, Esq. (Jackson Decl. ¶ 6.)

B. The Settlement is Supported by Substantial Investigative and Discovery Efforts

As discussed in the preliminary approval papers, supporting declarations and herein, Class Counsel analyzed a significant amount of information that Defendants produced in response to formal and informal discovery requests in preparation for mediation. (Jackson Decl. ¶¶ 3-29.) The parties have conducted significant investigation of the facts and law during the prosecution of the Action, including formal discovery efforts. (*Id*.) Class Counsel's research enabled them to pinpoint the relevant issues and claims and to assess potential liability and damages. (*Id*.) These efforts resulted in the parties having a clear view of the strengths and weaknesses of their respective cases and achieving a resolution on favorable terms, as was evidenced during mediation and subsequent negotiations leading to Settlement. (*Id*.)

C. Class Counsel is Experienced in Similar Litigation

The endorsement of qualified and well-informed counsel of the settlement as fair is entitled to significant weight. *See Dunk, supra*, 48 Cal.App.4th at 1802. As discussed in the preliminary approval papers and set forth in the Declarations of Class Counsel, Class Counsel have represented, mediated and settled numerous employee class actions and representative actions in wage and hour litigation and have knowledge of the strengths and weaknesses of the claims against Defendants and the benefits of the proposed settlement under the circumstances of the case. (Jackson Decl. ¶¶ 30-31, 38.) Class Counsel believe that the Settlement is fair, adequate, reasonable, and in the best interests of the Class as a whole. (*Id*.)

D. Class Members' Positive Reaction to the Settlement Favors Final Approval

Finally, courts look at the reaction of class members to determine if a settlement that directly affects their interests should be approved as fair, adequate, and reasonable. As already discussed herein, there are no objectors. (Gonzalez Decl. ¶ 8.) Further, a court may appropriately infer that a class action settlement is fair, adequate, and reasonable even when class members object to it. Indeed, a court may approve a class action settlement as fair, adequate, and reasonable even over the objections of a significant percentage of class members. *See Boyd v. Betchel Corp*,. (D.C. Cal 1976) 485 F. Supp. 610, 624. *Reed v. General Motors* (5th Cir. 1983) 703 F.2d 170, 174*; In re Wash. Pub. Power Supply System Sec. Litig.* (D. Ariz. 1989) 720 F. Supp. 1379, 1394.

V. THE CLASS REPRESENTATIVE ENHANCEMENTS ARE REASONABLE

The settlement provides for an enhancement award to be paid to the Class Representatives. The purpose is to provide an additional incentive payment, taking into consideration the risks, time and effort in coming forward to fulfill all the duties associated with being a class representative. Awarding incentive awards to compensate named plaintiffs in class actions has been specifically recognized. See, e.g. *Clark v. American Residential Services, LLC*, (2009) 175 Cal App 4th 785, 804 (incentive awards to named plaintiff appropriate for participation in class action); *Bell v Farmers Ins. Exchange*, (2004) 115 Cal App 4th 715, 726 (upholding "service payments" to named plaintiffs for their efforts in bringing class case). As stated by the Court of Appeal in the *Cellphone Termination Fee Cases*: incentive awards are "intended to compensate class representatives for work done on behalf of the class, to make up for financial or reputational risk undertaken in bringing the action, and, sometimes, to recognize their willingness to act as a private attorney general." *Cellphone Termination Fee Cases*, (2010) 186 Cal. App. 4th 1380, 1394 (approving an incentive award of $10,000). The class representative enhancement payments are intended to compensate named Plaintiffs Rocio Rosales and Ericka Kraut as the class representatives for their willingness to accept the responsibility of representing the interests of all class members. The purpose is to provide an incentive payment, taking into consideration the risks, time and effort expended by them in coming forward to provide invaluable information and litigate this matter on behalf of all Class Members. Plaintiffs also risked potential judgment against them if this case had been unsuccessful. In class action losses, class representatives are deemed the losing party that is liable for the prevailing party's costs. *Earley v. Superior Court*, (2000) 79 Cal.App.4th 1420, 1433-1434. Finally, Plaintiffs also risked this lawsuit having a negative impact on future employment opportunities, as prospective employers may be less inclined to hire an employee who has served as a class representative. See, e.g. *Staton v. Boeing*, 327 F.3d 938, 977 (9th Cir. 2003) As such, Plaintiffs respectfully request that this Court approve the Class Representatives enhancement payments in the amount of $10,000 for Named Plaintiff Rocio Rosales and in the amount of $10,000 for Named Plaintiff Ericka Kraut.

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VI. CLASS COUNSEL'S REQUEST FOR ATTORNEYS FEE AWARD AND COSTS ARE REASONABLE

1. Attorneys' Fees Are Justified

a. Percentage of the Common Fund Analysis

The Settlement Agreement provides for attorneys' fees to Class Counsel of one-third (33 1/3%) of the Gross Settlement Amount ($1,166,666.67 in fees) and litigation costs and expenses, which are $31,587.03. The contingency fee percentage is less than Class Counsels' contingency fee percentage charged in other employment cases. The fee is supported by the "common fund theory," where "one who expends attorneys fees in winning a suit which creates a fund from which others derive benefits, may require those passive beneficiaries to bear a fair share of the litigation costs." *Serrano v. Priest* (1977) 20 Cal.3d 25, 35. See also *Quinn v. State of California* (1975) 15 Cal.3d 162, and *Samura v. Kaiser Foundation Health Plan, Inc*. (1993) 17 Cal.App.4th 1284. The percentage of the gross fund method of calculation is supported by a number of federal cases, including *Boeing v. Van Gemert* (1980) 444 U.S. 472, 478; *Mashburn v. National Healthcare, Inc*. (1988) 684 F.Supp. 679; In re Hill (9th Cir. 1985) 775 F.2d 1037. The percentage is also properly based upon the gross settlement. *Williams v. MGM-Pathe Communications Co*. (9th Cir. 1997) 129 F.3d 1026; *Boeing v. Van Gemert, Id*.

Attorney fee applications in class actions based upon a percentage of a common fund have substantial support by the Ninth Circuit Court of Appeals, as well as various state courts. See, e.g., *Paul, Johnson, Alston & Hunt v. Graulty* (9th Cir. 1989) 886 F.2d 268; and *Washington Public Power Supply Secur. Lit. v. City of Seattle* (9th Cir. 1994) 19 F.3d 1291. Other Federal Courts of Appeals, such as the Eleventh Circuit and the D.C. Circuit, mandate use of the percentage method. *Camden I Condominium Ass'n v. Dunkle* (11th Cir. 1991) 946 F.2d 768, 774; *Swedish Hosp. Corp. v. Shalala* (D.C. Cir. 1993) 1 F.3d 1261, 1271.

The California Supreme Court has removed any lingering doubt about the use of the percentage of the fund method to award attorney's fees in California Courts:

> We join the overwhelming majority of federal and state courts in holding that when class action litigation establishes a monetary fund for the benefit of the class members, and the trial court in its equitable powers awards class counsel a fee out of that fund, the court may determine the amount of a reasonable fee by choosing an appropriate percentage of the fund created. 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 (See pt. I, ante; *Lealao*, supra, 82 Cal.App.4th at pp. 48--49, 97 Cal.Rptr.2d 797; *Rawlings v. Prudential-Bache Properties, Inc.*, supra, 9 F.3d at p. 516)—convince us the percentage method is a valuable tool that should not be denied our trial courts.

Laffitte v. Robert Half Intern. Inc., (2016) 1 Cal. 5th 480, 503.

Thus, this Court may, and, as encouraged by the California Supreme Court, should, award attorney's fees to Plaintiff's counsel based upon the percentage of the fund methodology. Setting *Laffitte* aside, whether the once-again-confirmed percentage of the fund method or the lodestar method is used, the outcome is roughly the same: "Empirical studies show that, regardless whether the percentage method or the lodestar method is used, fee awards in class actions average around one-third of the recovery." *Chavez v. Netflix, Inc.*, (2008) 162 Cal. App. 4th 43, 47 n. 11. This is also consistent with Plaintiffs' counsels' experience in these types of cases. Here, Plaintiffs' attorneys request attorneys' fees of $1,166,666.60 (35% of the GSA) and $31,587.03 in costs—that is below the cap in costs contemplated in the Settlement Agreement. Costs include filing fees, court call charges, court reporter / transcript fees, travel, milage, expert witness fees, mediation fees, photocopy costs, and legal research fees. (See Class Counsels' Declarations**).**

The case of *Ketchum v. Moses* (2001) 24 Cal.4th 1122, 1132-33 explains the economic rationale for fee enhancement in contingency cases:

> "'A contingent fee must be higher than the fee for the same legal services as they are performed. The contingent fee compensates the lawyer not only for the legal services he renders but for the loan of those services. The implicit interest rate on such a loan is higher because the risk of default (the loss of the case, which cancels the debt of the client to the lawyer) is much higher than that of conventional loans.' (Posner, Economic Analysis of Law (4th ed. 1992) pp. 534, 567.) '<u>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</u>. If he is paid no more, competent counsel will be reluctant to accept fee award cases.'"

(Emphasis added.)

The California Supreme Court has held that applying a multiplier of the lodestar is by no means a windfall:

> "Under our precedents, the unadorned lodestar reflects the general local hourly rate for a *fee-bearing case*; it does *not* include any compensation for contingent risk, extraordinary skill, or any other factors a trial court may consider under *Serrano III*. The adjustment to the lodestar figure, e.g., to provide a fee enhancement reflecting the risk that the attorney will not receive payment if the suit does not succeed, constitutes earned compensation; unlike a windfall, it is neither unexpected nor fortuitous. Rather, it is intended to approximate market-level compensation for such services, which typically includes a premium for the risk of nonpayment or delay in payment of attorney fees."

(*Ketchum*, *supra*, 24 Cal.4th at p. 1138, italics in original.)

The increased multiplier in this case is warranted under several factors.

As explained in the Jackson Declaration more fully, plaintiffs counsels assumed the risk that they would recover zero when they accepted this case. For example, Mr. Jackson considered numerous factors when deciding whether to accept this matter: the merits of the case, the credibility and demeanor of the client, the chances of success, the amount of time his firm will invest in the matter compared to what he considers to be the reasonable chances of a recovery on the other end that will fully compensate plaintiffs counsel for the amount of time invested, the amount of costs his firm will need to invest over the course of the litigation compared to the chances of success, and how long the case will proceed before either a judgment or settlement occurs. Given the risks of certification and trial, the attorneys still risk a zero recovery. The contingency risk is enormous.

Plaintiffs' counsel advanced 100% of the costs on this matter. (Jackson Decl. ¶ 40, Ex. E; Perlman Decl., Attachment "A"). This means that money used to pay costs was tied up until a recovery on the other end. Additionally, because that money is tied up until the matter is resolved, it is not usable to the firm for overhead, operating capital, or on other matters the firms are prosecuting on a contingency basis. This presented an opportunity lost, and must factor into the lodestar analysis. (*See Harman v. City and County of San Francisco* (2007) 158 Cal.App.4th 407, 417-18—the preclusion of other employment by the attorney due to the acceptance of the case a factor to be considered.)

The firms advanced costs and attorney's time with the prospect that they would recover nothing. Most important, the law with respect to attorneys fees is designed to incentivize attorneys to take on cases like this. The fact that plaintiffs' counsel achieved what they set out to achieve should not overshadow the risk they took to get there.

In view of the efforts and risks involved in pursuing this case, as well as the results achieved, these amounts are well within the range of reasonableness and thus warrant final approval.

b. <u>Lodestar Analysis</u>

"Courts recognize two methods of calculating attorney fees in civil class action; the lodestar/multiplier method and the percentage of recovery method." (*Wershba v. Apple Computer, Inc*. 91 Cal. App. 4th 224, 254 (2001).) "[T]he lodestar is calculated by multiplying the reasonable hours expended by a reasonable hourly rate. The court may then enhance the lodestar with a multiplier, if appropriate." (*Id*.) "The lodestar multiplier can range from 2 to 4 or even higher." (*Id*. at 255.)

In calculating attorney's fees under the Labor Code, the court should follow the lodestar approach adopted by the California Supreme Court in *Ketchum v. Moses* (2001) 24 Cal. 4th 1122,

1134. See also *Chavez v. City of Los Angeles* (2010) 47 Cal. 4th 970, 985. The "lodestar" method is clearly defined in recent case law. It involves a five-step process. *In Re: Vitamin Cases* (2003) 110 Cal. App. 4th 1041, 1052. To determine the "lodestar number" – steps one through three of the process – the court multiplies the number of hours reasonably worked by a reasonable hourly rate. (*Id.)* Step four requires the Court to determine what, if any, multiplier should be applied to the lodestar number. Step five determines the amount of the attorney fee award by applying the multiplier to the lodestar number. (*Id.*)

For the Court's ease of reference, the following chart summarizes the attorney's fees Class Counsel seeks:

Item Description	Amount
Attorney Hours (Armond M. Jackson ("AJ") (13 Year Attorney: Rate: $725; Andrea-Fernandez-Jackson ("AFJ") (10 Year Attorney: Rate: $515; Anthony S. Filer Rate ("AF") (2.5 Year (former) Attorney: Rate: $250;	$508,473.50 (770.5 Hours)
Farzad Rastegar (34th year practicing law) rate: $1,050; Douglas W. Perlman (32nd year practicing law) rate: $1,000	$255,575.00 (248.75 hours)
TOTAL LODESTAR	$764,048.50
PRELIMINARY APPRVOED AMOUNT WITHOUT CLASS MEMBER OBJECTION	$1,166,666.60

b. The Number of Hours Expended by Plaintiff's Counsel Was Reasonable.

"The starting point of every fee award…must be a calculation of the attorney's services in terms of the time he has expended on the case." *Press v. Lucky Stores, Inc,* (1983) 34 Cal. 3d

311, 322. Reasonable hours include, in addition to time spent during litigation, time spent before the action is filed, including time reasonably spent interviewing the client, investigating the facts and the law, and preparing the initial pleadings, as well as time spent in exhausting administrative remedies. *New York Gaslight Club, Inc. v. Carey* (1980) 447 U.S. 54, 62.

The evidence submitted by Class Counsel in support of this motion reflect that Class Counsel reasonably expended the following number of hours in the prosecution of this case. (Jackson Decl. ¶¶ 3-35, 36-38, Exs. B-D,) Jackson APC filed this class action claim in May 26, 2021, over 4 years prior to this hearing. A reasonable amount of work was performed pre-litigation, including conducting an extensive intake process requiring the compiling documents and information related to Plaintiffs' pay stubs, wage payments and thousands of time records contained and the database of produced payroll records. (Jackson Decl. ¶¶ 3-35, 36-38, Exs. B-D) Discovery was conducted by Class Counsel regarding both the circumstances of the Plaintiffs' employment, hours worked during their employment, meal breaks, wage statements, and rest periods taken during their employment and Defendants' policies in general regarding the employment of individuals with respect to payment of wages, working conditions, meal breaks and rest periods. (Jackson Decl. ¶¶ 3-35, 36-38, Exs. B-D; Perlman Decl. ¶¶ 5-6)

The time expended during the discovery phase was also reasonably incurred. (*Id*.) Class Counsel spent a significant amount of time in the discovery phase evaluating excel spreadsheets and voluminous documents concerning Defendants' duties under the Labor Code, legal analysis, discovery, litigation planning, certification analysis and investigation of claims. (*Id*.) Thereafter, numerous hours were spent by Class Counsel in performing detailed calculations, analyzing expert data, researching certification issues, engaging in formal and informal discovery to determine class members entitlement to wages for missed meal breaks, rest periods, alleged wage claims, pay upon termination and interest owed. (*Id*.)

The time expended to achieve preliminary and final approval was also reasonably incurred. (*Id*.) Class Counsel conducted extensive legal research on the procedures and issues involved in achieving class certification, preliminary approval, and final approval. (*Id*.) Class Counsel ensured that the claims notice procedures were being implemented according to the Court's instructions and the Settlement Agreement. (*Id*.) Plaintiffs' counsels prepared for court hearings, discovery motions and class certification. (*Id*.) These hours were reasonably spent to achieve preliminary approval and final approval of this Class Action Settlement. (*Id*.)

As set forth in the declarations submitted herewith, the total number of hours spent on this matter by Class Counsel is reasonable in light of the work required to achieve the result. (*Id*.) Thus, the Court should conclude that all of the time spent on this case was reasonable and necessary to achieve this result and Class Counsel are entitled to attorneys' fees in this case. (*Id*.)

c. The Hourly Rate Charged for the Services of Plaintiffs' Counsel is Reasonable.

When determining a reasonable hourly rate for the attorney's services, courts consider the following factors: (i) the prevailing rate charged by attorneys of similar skill and experience for comparable legal services in the community, (ii) the nature of the work performed, and (iii) the attorney's customary billing rates. *Serrano v. Unruh* (1982) 32 Cal.3d 631, 643; *See also Bihun v. AT&T Information Systems, Inc*. (1993) 13 Cal.App.4th 976, 997 *disapproved on other grounds Lakin v. Watkins Associated Industries* (1993) 6 Cal.4th 644, 664. The hourly rate is determined at the time of the prevailing party's fee application rather than rates charged at the time the litigation began. (*Gates v. Deukmejian* (9th Cir. 1992) 987 F.2d 1392, 1406.)

The Jackson Declaration lays the proper foundation for why the hourly rates charged for each attorney working on this case is reasonable and customary for those rates charged by attorneys with similar experience. (Jackson Decl. ¶¶ 30-31. 34, 38, 40, Exs. E-F) Mr. Jackson's hourly rate on this matter was $725. (Jackson Decl. ¶¶ 30-31. 34, 38, 40, Exs. E-F) Mr. Jackson is a senior attorney who has been litigating for approximately 13 years. (*Id*.) Mr. Jackson has handled over a hundred employment matters on behalf of plaintiff in his career. (Jackson Decl. ¶¶ 30-31) Mr. Jackson has argued before the Ninth Circuit and is responsible for a published opinion. (*Id*.) Based on his experience, and based on his own research for purposes of keeping his law firm competitive and profitable, he has knowledge of the hourly rates other plaintiff's attorneys with similar experience charge in employment cases. (*Id*.) Based on this foundation, Mr. Jackson believes that his regular hourly rate of $725 per hour (Laffey Matrix $829 for 11-19 year attorneys) is reasonable and similar to what attorneys with his tenure, experience and expertise bill. (Jackson Decl. ¶ 41, Ex. G The other attorneys and staff whom worked on this matter are comprised of Andrea Fernandez- Jackson whom is an 10-year California licensed attorney whom has also argued before the Ninth Circuit with a billable rate of $515 per hour (Laffey Matrix $733 for 9-10 year attorneys) which should be considered reasonable. Another attorney at his office Anthony Filer Jr. also worked on this matter whom is a 1.5-year California licensed attorney with a billable rate of $250 per hour (Laffey Matrix $413 for 1-3 year attorneys) which should be considered reasonable. (*Id*.) (See also, Perlman Declaration, ¶¶ 7-17) This evidence therefore supports the reasonableness of the fees charged in this case. "Our Supreme Court has explained that the reasonable hourly rate used for the lodestar calculation 'is that prevailing in the community *for similar work*.'" *Syers Properties III, Inc. v. Rankin*, 226 Cal.App.4th 691, 702, (2014). Reasonable hourly rates are determined by the formula "'reasonable market value'" and reached by evaluating the '"comparable salaries earned by private attorneys with similar experience and expertise in equivalent litigation'" and the "'hourly amount to which attorneys of like skill in the area would typically be entitled.'" (*Serrano v. Unruh*, 32 Cal. 3d 621, 640, fn. 31 (1982).)

As explained in the declaration of Armond Jackson, the current billing rates for attorneys and staff on this case are below the prevailing billing "market" rates established by the Laffey Matrix. (Jackson Decl. ¶¶ 30-31. 38, 40, Exs. E-G)

d. Laffey Matrix Rates

The Laffey Matrix is one well-established objective source setting rates for attorneys based upon years of experience for attorneys practicing in the District of Columbia. See https://www.justice.gov/usao-dc/file/796471/download (citing *Laffey v. Northwest Airlines, Inc*., 572 F.Supp. 354 (D.D.C. 1983), aff'd in part, rev'd in part on other grounds. 746 F.2d 4 (D.C.Cir. 1984). Thus, the rate for Armond M. Jackson as a thirteen-year attorney is $948.00. All other attorney rates are also consistent with the Laffey Matrix. (Jackson Decl. ¶¶ 30-31. 38, 40, Exs. E-G)

The product of multiplying the number of hours expended by counsel on this case and each respective attorney's hourly rate yields the following sums:

1. The Quality of Plaintiff's Representation Was Strong.

The quality of Plaintiff's representation was strong and effective exemplified through the fact there were no objections.

2. Plaintiff's Counsel Obtained an Outstanding Result in Court.

As discussed above, counsel achieved a favorable result for the Class Members as there were no objectors.

3. There Are No Objectors

"From the class members' perspective, review of the reasonableness of the fee award is a safeguard against the possibility of collusion." *In Re Cellphone Termination Cases*, 180 Cal.App. 4th 1110, 1119 (2009). Here, there is no evidence of collusion. (Jackson Decl. ¶¶ 3-29) The material terms of the settlement agreement were reached before negotiating a fee for class counsel. (*Id.*) Class Counsel did not seek a larger award in exchange for a smaller class recovery. (*Id.*) Also, the substantive settlement was not linked to the fee award in a way that might have prejudiced the members of the class. (*Id.*) Class Counsel have provided documentation and evidence supporting this fee request. (Jackson Decl. 3-29, Exs. C-E) The Class Members were all notified of the amount of fees requested and their rights to object. (Gonzalez Decl. ¶5, Ex. A) Following the due process notice afforded to all Class Members, no objections were filed. (Gonzalez Decl. ¶ 8) The fact that no objection has been made to this class action settlement further demonstrates the reasonableness of this attorney fee request, justifying final approval of this class action.

e. Cross-Check Analysis

"[A] proposed percentage fee can (and, for the reasons hereafter explained, should) be compared against the fee that lead counsel would have been awarded on a lodestar basis. If the multiplier implied by that comparison is reasonable, then the percentage-based fee request is reasonable as well, if the implied multiplier is unreasonably high, then so is the proposed percentage fee award." (*In re HLP Technologies, Inc. Securities Litigation*, 366 F.Supp. 2d 912, 915 (2005) citing *In re General Motors Corp. Pick-Up Truck Fuel Products Litigation*, 55 F. 3d 768 820-21 (1995). Here, a lodestar multiplier of 1.53. (See *In Re Consumer Privacy Cases* (2009) 175 Cal.App.4th 545, 558, fn. 13 ["Empirical studies show that, regardless whether the percentage method or the lodestar method is used, fee awards in class actions average around one-third of the recovery."].) Under these circumstances, in light of the factors analyzed above, identifying the risks of contingency litigation, the attorney fee of $1,166,666.67 should be deemed reasonable, reflecting a multiplier of 1.53.

VII. CLASS COUNSEL'S REQUEST FOR COSTS IS REASONABLE

The Settlement provides for reasonable actual costs of up to $45,000.00. Class Counsel incurred litigation costs in bringing this matter to a resolution before trial. Here, the actual costs expended are less than the maximum allotted under the settlement agreement. To date the total amount of costs incurred by Class Counsel in this litigation is $ 31,587.03. (Jackson Decl. ¶ 38, Ex. C; Perlman Dec. 24)

VIII. CONCLUSION

For the foregoing reasons, Plaintiffs respectfully request that the Court enter an Order granting final approval of the Settlement.

Dated: July 25, 2025

JACKSON APC

By: */s/ Armond M. Jackson*

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Dated: July 25, 2025

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