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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO**

ALEX HERNANDEZ, individually, and on
behalf of other members of the general public
similarly situated;

Plaintiff,

vs.

CHEP SERVICES, LLC, an unknown
business entity; CHEP SERVICES PALLET
SOLUTIONS, LLC, an unknown business
entity; BRAMBLES USA, INC., an unknown
business entity; and DOES 1 through 100,
inclusive,

Defendants.

Case No.: CIVSB2123946

Honorable Christian Towns
Department S26

CLASS ACTION

**PLAINTIFFS' NOTICE OF MOTION
AND MOTION FOR FINAL APPROVAL
OF CLASS ACTION AND PAGA
SETTLEMENT, ATTORNEYS' FEES
AND COSTS, AND ENHANCEMENT
PAYMENTS; MEMORANDUM OF
POINTS AND AUTHORITIES IN
SUPPORT THEREOF**

[Declarations of Class Counsel
(Helene Mayer and Jeremy F. Bollinger);
Declarations of Class Representatives (Alex
Hernandez and Martin Sohal); Declaration of
Settlement Administrator (Yami Burns of
Phoenix Settlement Administrator); and
[Proposed] Final Approval Order and
Judgment filed concurrently herewith]

Date: June 2, 2025
Time: 8:30 a.m.
Department: S26

Complaint Filed: August 16, 2021
Trial Date: None Set

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Attorneys For Plaintiff Martin Sohal and the Class

1 **PLEASE TAKE NOTICE** that on June 2, 2025, at 8:30 a.m., in Department S26 of the
2 above-entitled Court, located at 247 West Third Street, San Bernardino, California 92415,
3 Plaintiffs Alex Hernandez and Martin Sohal (together, “Plaintiffs” or “Class Representatives”) will and hereby do move for an order granting final approval of:

4 1. The Stipulation of Class Action and PAGA Settlement (“Settlement,”
5 “Agreement,” or “Settlement Agreement”) on the grounds that the Settlement is fair, adequate,
6 and reasonable because:
7

- 8 • An escalated Total Settlement Amount of **\$3,712,978.38**;
- 9 • A Net Settlement Amount of approximately **\$1,997,360.23** will be fully distributed to
10 all Class Members who did not submit a timely and valid Request for Exclusion
11 (“Settlement Class Members”);
- 12 • **No Notice of Objection was submitted and only one (1) Request for Exclusion** was
13 submitted to the settlement administrator, Phoenix Settlement Administrators
14 (“Phoenix” or “Settlement Administrator”);

15 2. Payment in the amount of **\$1,299,542.43** to Lawyers for Justice, PC and Moss
16 Bollinger, LLP (“Class Counsel”), representing 35% of the escalated Total Settlement Amount,
17 for the Attorneys’ Fees, which is reasonable and justified on a percentage-basis, and also on a
18 lodestar cross-check with a multiplier of 2.71;

19 3. Payment in the amount of **\$18,325.72** to Class Counsel for litigation Costs;

20 4. Payment in the amount of **\$17,750.00** to the Settlement Administrator for the
21 Settlement Administration Costs;

22 5. Payment in the amount of **\$30,000.00** to Plaintiffs Alex Hernandez and Martin
23 Sohal (in the amounts of \$15,000.00 each to Plaintiffs) as Enhancement Payments, for their time
24 and effort in representing the Class, PAGA Members, and the State of California and their broader,
25 general release of claims; and

26 6. Allocation of the penalties under the Private Attorneys General Act of 2004,
27 California Labor Code section 2698, *et seq.*, in the amount of **\$350,000.00** (“PAGA Penalty
28 Amount”), of which 75%, or **\$262,500.00** will be paid to the California Labor and Workforce

Development Agency (“LWDA”) (“LWDA Payment”) and 25%, or **\$87,500.00**, will be distributed to PAGA Members on a *pro rata* basis, based on the PAGA Members’ Workweeks during the PAGA Period.

This Motion is made pursuant to Rule 3.769 and Rule 3.1113(e) of the California Rules of Court, which require approval by the Court of a class action settlement and permit the Court to extend the page limit for memoranda.

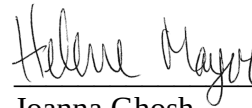
This motion is based upon the following Memorandum of Points and Authorities; the Declarations of Class Counsel (Helene Mayer and Jeremy F. Bollinger), Class Representatives (Alex Hernandez and Martin Sohal), and Settlement Administrator (Yami Burns of Pheonix Settlement Administrators) in support thereof; the pleadings and other records on file with the Court in these matters; and such evidence and oral argument as may be presented at the hearing on this Motion.

Respectfully submitted,

Dated: May 8, 2025

LAWYERS for JUSTICE, PC

By:



Joanna Ghosh

Helene Mayer

Attorneys for Plaintiff Hernandez and the Class

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MEMORANDUM OF POINTS AND AUTHORITIES

I. SUMMARY OF MOTION

Plaintiff Alex Hernandez and Plaintiff Martin Sohal (together, “Plaintiffs” or “Class Representatives”) seek final approval of: (1) the escalated Total Settlement Amount of \$3,712,978.38¹; (2) attorneys’ fees in the amount of \$1,299,542.43 which is 35% of the escalated Total Settlement Amount², and reimbursement of litigation costs and expenses in the amount of \$18,325.72 (“Attorneys’ Fees and Costs”) to Lawyers for Justice, PC and Moss Bollinger, LLP (“Class Counsel”)³; (3) Settlement Administration Costs in the amount of \$17,750.00 to Phoenix Settlement Administrators (“Phoenix” or “Settlement Administrator”)⁴; (4) Enhancement Payments in the amounts of \$15,000.00 each to Plaintiffs (totaling \$30,000.00)⁵ and (5) allocation of \$350,000.00 for penalties under the Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* (“PAGA Penalty Amount”) (\$262,500.00, or 75%, to be paid to the LWDA and \$87,500.00, or 25%, to be paid to PAGA Members).⁶

Plaintiffs seek relief on behalf of the following Class:

All current and former hourly-paid or non-exempt employees of Defendants in California employed between August 16, 2017 through September 3, 2024 (“Class” or “Class Members”).⁷

Plaintiffs’ cases involved ongoing investigations, extensive informal discovery and review and analysis of a large volume of information, documents, and data in the course of litigation (in both state and federal court), mediation conducted by Hon. Jeffrey Winikow (Ret.), as well as additional settlement negotiations after the mediation. These matters have required 570.20 hours of attorney time by Class Counsel. As will be demonstrated herein, the request for attorneys’ fees, which represents 35% of the escalated Total Settlement Amount, is fully supported by the use of

¹ Stipulation of Class Action and PAGA Settlement (“Settlement Agreement”), ¶ 8(mm). Pursuant to Paragraph 38 of the Settlement Agreement, the Escalator Cause was triggered because the total number of Workweeks was 61,235. See Declaration of Yami Burns on Behalf of Settlement Administrator Regarding Settlement Notice Administration (“Phoenix Declaration” or Phoenix Decl.”), ¶ 14. Therefore, the increase to the Total Settlement Amount was \$312,978.38, resulting in a final Total Settlement Amount of \$3,712,978.38. Ibid.

² Settlement Agreement, ¶ 12.

³ Settlement Agreement, ¶ 12; Declaration of Helene Mayer (“Mayer Decl.”), ¶ 19; Declaration of Jeremy F. Bollinger (“Bollinger Decl.”), ¶ 20.

⁴ Settlement Agreement, ¶ 14; Phoenix Decl., ¶ 19.

⁵ Settlement Agreement, ¶ 13.

⁶ *Id.*, ¶ 15.

⁷ *Id.*, ¶¶ 8(e) & 8(g).

the percentage-fee method. Courts have historically awarded fees of up to 50% of the recovery. The requested attorneys' fees are also supported under the lodestar cross-check method.⁸

Plaintiffs move for final approval of Enhancement Payments in the amounts of \$15,000.00 each to Plaintiffs, for a total of \$30,000.00, to compensate Plaintiffs for the time and effort that they expended spearheading the lawsuits on behalf of the Class, PAGA Members, and the State of California, as well as their broader, general release of claims. Plaintiffs also move for final approval of the payment to the Settlement Administrator in the amount of \$17,750.00 for Settlement Administration Costs. Furthermore, Plaintiffs move for final approval of the allocation of \$350,000.00 for the PAGA Penalty Amount, of which 75%, i.e., \$262,500.00, will be paid to the LWDA for its portion of the PAGA Penalty Amount ("LWDA Payment"), and 25%, i.e., \$87,500.00, will be distributed to all current and former hourly-paid or non-exempt employees of Defendants in California employed between February 20, 2020 through September 3, 2024 ("PAGA Members").⁹

The requests for Attorneys' Fees and Costs, Enhancement Payments, Settlement Administration Costs, and the allocation for PAGA Penalty Amount were fully disclosed in the Notice of Class and Representative Action Settlement ("Class Notice") that was mailed to the Class Members. Most importantly, as of the date of this Motion, *no Notices of Objection have been received from Class Members regarding the Class Settlement, or the contemplated Attorneys' Fees and Costs, Enhancement Payments, Settlement Administration Costs, or the allocation for the PAGA Penalty Amount.*¹⁰

The Settlement is fair, adequate, and reasonable, and is the product of arm's-length, good-faith negotiations by experienced counsel presided over by a highly-regarded mediator who is experienced in mediating wage-and-hour class action lawsuits. Accordingly, the Court should grant final approval of the Settlement, and award Attorneys' Fees and Costs, Enhancement

⁸ The combined base lodestar fees are \$480,307.50 for both firms acting as Class Counsel. Applying a multiplier of 2.71, the total enhanced lodestar fees are \$1,301,633.33, and Class Counsel seek an attorneys' fees award of \$1,299,542.43 (equal to 35% of the escalated Total Settlement Amount).

⁹ Settlement Agreement, ¶¶ 8(x) & 8(z).

¹⁰ Phoenix Decl., ¶ 9.

1 Payments, Settlement Administration Costs, and the PAGA Penalty Amount in the amounts as
2 fully disclosed to the Class and as requested herein.

3 In order to efficiently present the Court with adequate information to determine whether to
4 grant final approval of the Settlement and award Attorneys' Fees and Costs, Enhancement
5 Payments, Settlement Administration Costs, and the PAGA Penalty Amount, Plaintiffs also move
6 for an order permitting the filing of this single consolidated memorandum, although it exceeds the
7 page limit established by California Rules of Court, Rule 3.1113(d), instead of filing several
8 separate motions.

9 **II. PROCEDURAL HISTORY AND FACTUAL BACKGROUND**

10 Defendants manage, maintain, transport, and supply pallets and containers that are shared
11 and reused by growers, manufacturers, distributors, and retailers across the country. Plaintiffs are
12 former employees of Defendants.

13 On August 16, 2021, Plaintiff Alex Hernandez filed a Class Action Complaint for Damages
14 in the San Bernardino County Superior Court, Case No. CIVSB2123946 ("*Hernandez* Class
15 Action"), thereby commencing the above-captioned lawsuit.

16 On August 25, 2021, Plaintiff Hernandez provided written notice to the LWDA and
17 Defendants of the specific provisions of the California Labor Code that were alleged to be violated
18 ("*Hernandez* LWDA Letter").

19 On October 29, 2021, Plaintiff Hernandez filed a Complaint for Enforcement Under the
20 Private Attorneys General Act, California Labor Code § 2698, Et Seq. in the San Bernardino
21 County Superior Court, Case No. CIVSB2131140 (the "*Hernandez* PAGA Action").

22 On November 22, 2021, Plaintiff Sohal provided written notice to the LWDA and
23 Defendants of the specific provisions of the California Labor Code that were alleged to be violated
24 ("*Sohal* LWDA Letter").

25 On January 27, 2022, Plaintiff Sohal filed a Complaint for Enforcement Under the Private
26 Attorneys General Act, California Labor Code § 2698, Et Seq. in Stanislaus County Superior
27 Court, Case No, CV-22-000376 (the "*Sohal* PAGA Action") (collectively with the *Hernandez*
28 Class Action and *Hernandez* PAGA Action, the "Actions").

1 Plaintiffs' core allegation is that Defendants have violated the California Labor Code by
2 engaging in a uniform practice and procedure, with respect to Plaintiffs, Class Members, and
3 PAGA Members of, *inter alia*, failing to pay all overtime and minimum wages, failing to provide
4 compliant meal and rest periods and associated premium pay, failing to timely pay wages during
5 employment and upon termination of employment, failing to provide compliant wage statements,
6 failing to maintain requisite payroll records, and failing to reimburse necessary business expenses,
7 and thereby engaged in unfair business practices in violation of California Business and
8 Professions Code section 17200, *et seq.* and conduct that gives rise to penalties pursuant to the
9 Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* ("PAGA").
10 Plaintiffs contend that they, the Class Members, and the PAGA Members are entitled to, *inter alia*,
11 unpaid wages, penalties (including and not limited to, penalties pursuant to PAGA), and attorneys'
12 fees.

13 Defendants have denied, and continue to deny, any liability and wrongdoing of any kind
14 associated with any of the allegations in the Actions, and further deny that the Actions are
15 appropriate for class treatment or representative adjudication for any purpose other than for
16 settlement purposes only.

17 On May 15, 2023, the Parties participated in a formal, full-day mediation conducted by
18 Hon. Jeffrey Winikow (Ret.) ("Mediator"), a well-regarded mediator experienced in mediating
19 complex labor and employment matters. With the aid of the Mediator's evaluation and after further
20 settlement negotiations, the Parties ultimately reached the Settlement described herein to resolve
21 the Actions in their entirety.

22 On June 17, 2024, Plaintiffs filed a Motion for Preliminary Approval of Class Action and
23 PAGA Settlement, along with supporting documents ("Motion for Preliminary Approval").

24 On September 3, 2024, the Court held a hearing and granted Plaintiffs' Motion for
25 Preliminary Approval thereby preliminarily approving the terms of the Settlement, the Class
26 Notice, and the proposed administration procedures and associated deadlines and subsequently
27 issued an Order Granting Preliminary Approval of Class Action and PAGA Settlement
28 ("Preliminary Approval Order").

Plaintiffs now move for final approval of the Settlement and awards of Attorneys' Fees and Costs to Class Counsel, Enhancement Payments to Plaintiffs, Settlement Administration Costs to the Settlement Administrator, and the PAGA Penalty Amount to the LWDA and PAGA Members.

III. SUMMARY OF THE SETTLEMENT TERMS AND PLAN OF DISTRIBUTION

Under the terms of the Settlement Agreement, Defendants have agreed to pay a Total Settlement Amount of \$3,712,978.38 (i.e., the original, base Total Settlement Amount \$3,400,000.00, plus the additional amount of \$312,978.38 based on the Escalator Clause in the Settlement Agreement) and also to fund the amounts necessary to fully pay Defendants' share of payroll taxes on the wages portion of the Settlement.¹¹

Subject to approval by the Court, the Net Settlement Amount will be calculated by deducting the following amounts from the escalated Total Settlement Amount: (1) Attorneys' Fees and Costs, consisting of attorneys' fees in the amount of \$1,299,542.43 and reimbursement of litigation costs and expenses in the amount of \$18,325.72, to Class Counsel (\$12,942.88 to Lawyers for Justice, PC and \$5,382.84 to Moss Bollinger LLP); (2) Enhancement Payments in the amount of \$30,000.00 to Plaintiffs (\$15,000.00 each to Plaintiffs); (3) Settlement Administration Costs in the amount of \$17,750.00 to Phoenix; and (4) PAGA Penalty Amount in the amount of \$350,000.00.¹² The Net Settlement Amount to be paid to Settlement Class Members is estimated to be \$1,997,360.23. The escalated Total Settlement Amount of \$3,712,978.38 will be fully distributed in accordance with the Settlement Agreement and there is no reversion to Defendants.¹³

The Settlement Administrator will determine each Settlement Class Member's share of the Net Settlement Amount ("Individual Settlement Share"), according to the following methodology: the Settlement Administrator will divide the final Net Settlement Amount by the Workweeks of all Settlement Class Members during the Class Period to yield the "Class Workweek Value," and multiply each Settlement Class Member's individual Workweeks during the Class Period by the Class Workweek Value to yield his or her Individual Settlement Share. If any Class Member

¹¹ Settlement Agreement, ¶¶ 8.mm & 38.; Phoenix Decl., ¶ 14; see n.1, *supra*.

¹² Settlement Agreement, ¶¶ 8.mm, 12, 13, 14, 15, & 38; Mayer Decl., ¶ 19; Bollinger Decl., ¶ 20; Phoenix Decl., ¶¶ 14, 15, & 19.

¹³ Settlement Agreement, ¶ 11; Phoenix Decl., ¶ 15.

submitted a timely and valid Request for Exclusion, his or her Individual Settlement Share will remain part of the Net Settlement Amount and will proportionally increase each Settlement Class Member's Individual Settlement Share.¹⁴

The Settlement Administrator will determine each PAGA Member's *pro rata* share of 25% the PAGA Penalty Amount ("Individual PAGA Payment"), according to the following methodology: the Settlement Administrator will divide the 25% portion of the PAGA Penalty Amount attributed to PAGA Members, i.e., \$87,500.00, by the total number of Workweeks of all PAGA Members during the PAGA Period ("Total PAGA Workweeks") resulting in the "PAGA Workweek Value," and then multiply the PAGA Workweek Value by each PAGA Member's individual Workweeks during the PAGA Period to yield his or her Individual PAGA Payment.¹⁵ Each PAGA Member will be issued his or her Individual PAGA Payment regardless of whether he or she excludes themselves from the Class Settlement.

Class Members had sixty (60) days from the initial mailing of the Class Notice ("Response Deadline") to submit a Request for Exclusion, a dispute regarding the number of Workweeks credited to him or her, and/or a Notice of Objection.¹⁶ The Response Deadline was April 21, 2025.¹⁷ ***As of the date of this Motion, the Settlement Administrator has not received any Notices of Objection and has received only one (1) Request for Exclusion.***¹⁸

Each Individual Settlement Share will be allocated as follows: 20% as wages, which will be reported on an IRS Form W-2; and 80% penalties and interest, which will be reported on an IRS Form 1099.¹⁹ The Settlement Administrator shall calculate and deduct the employee's share of any applicable taxes and/or other required withholdings from the wages portion of the Individual Settlement Share, and then will pay the resulting net amount to Settlement Class Members in the manner set forth in the Settlement Agreement.²⁰ Defendants will fund and transmit all employer's share of payroll taxes and contributions with respect to the wage portions of the Individual

¹⁴ Settlement Agreement, ¶ 16(a).

¹⁵ *Id.*, ¶ 16(b).

¹⁶ *Id.*, ¶ 8.ii.

¹⁷ Phoenix Decl., ¶ 7.

¹⁸ *Id.*, ¶¶ 7 & 8.

¹⁹ Settlement Agreement, ¶ 27.

²⁰ *Ibid.*

Settlement Shares to the Settlement Administrator, separately and apart from the Total Settlement Amount.²¹ Individual PAGA Payments will be allocated as 100% penalties, for which the Settlement Administrator will not undertake any tax withholdings, and which will be reported on an IRS Form-1099, if necessary.²²

The Individual Settlement Payment and Individual PAGA Payment checks will be negotiable for one hundred eighty (180) calendar days after the date of mailing, and thereafter, will be canceled.²³ The funds leftover from voided checks will be transmitted to the California Controller's Unclaimed Property Fund in the name of the Class Member, thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).²⁴ All Settlement Class Members shall be bound by the terms and conditions of the Settlement Agreement as it pertains to the Class Settlement, and all PAGA Members shall be bound by the terms and conditions of the Settlement Agreement as it pertains to the PAGA Settlement, regardless of whether or not they cash or otherwise negotiate their Individual Settlement Payment check and/or Individual PAGA Payment check.²⁵

IV. THE SETTLEMENT ADMINISTRATION PROCESS

The Court-appointed Settlement Administrator, Phoenix, has taken all necessary steps to effectuate the notice and settlement administration process, as set forth in the Court's Preliminary Approval Order.

On November 1, 2024, Defendants' counsel provided Phoenix data containing each Class Member's full name, last known mailing address, Social Security Number, dates works for Defendants during the Class Period, and if applicable, during the PAGA Period, and such other information and data necessary to independently calculate the Workweeks (collectively, "Class List").²⁶ The Class List contained data for 1,480 individuals identified as Class Members and 1,044 PAGA Members.²⁷ The mailing addresses contained in the Class List were processed and updated

²¹ Settlement Agreement, ¶ 27..

²² Ibid.

²³ Id., ¶ 21.

²⁴ Ibid.

²⁵ Ibid.

²⁶ Phoenix Decl., ¶ 3.

²⁷ Ibid.

utilizing the National Change of Address Database (“NCOA”) maintained by the U.S. Postal Service.²⁸

On February 19, 2025, Phoenix mailed the Class Notice via U.S. First Class Mail to the one thousand four hundred eighty (1,480) individuals contained in the Class List.²⁹

Phoenix had no undelivered notices.³⁰ As of the date of this Motion, Phoenix has not received any Notices of Objection from Class Members.³¹ As of the date of this Motion, Phoenix has received one (1) Request for Exclusion from a Class Member.³² As of the date of this Motion, the Settlement Administrator has not received any disputes regarding Workweeks from Class Members.³³

To date, there are 1,479 Class Members who did not submit a timely and valid Request for Exclusion (“Settlement Class Members”), and who will be paid their portion of the Net Settlement Amount and 1,044 PAGA Members who will be paid their Individual PAGA Payment.³⁴ Pursuant to the terms of the Settlement, the Net Settlement Amount of approximately \$1,997,360.23 will be distributed to Settlement Class Members, and the PAGA Penalty Amount of \$350,000 will be distributed to the LWDA and PAGA Members, in accordance with the terms of the Settlement.³⁵ The highest gross Individual Settlement Payment is currently estimated to be \$10,339.26 and the average gross Individual Settlement Payment is currently estimated to be \$1,269.51.³⁶ The highest Individual PAGA Payment is currently estimated to be \$442.42 and the average Individual PAGA Payment is currently estimated to be \$83.89.³⁷

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²⁸ Phoenix Decl., ¶ 4.

²⁹ *Id.*, ¶ 5.

³⁰ *Id.*, ¶ 6.

³¹ *Id.*, ¶ 9.

³² *Id.*, ¶ 8.

³³ *Id.*, ¶ 10.

³⁴ *Id.*, ¶¶ 11 & 17.

³⁵ *Id.*, ¶ 15.

³⁶ *Id.*, ¶ 16.

³⁷ *Id.*, ¶ 17.

V. **THE COURT SHOULD GRANT FINAL APPROVAL OF THE CLASS ACTION
AND PAGA SETTLEMENT.**

The trial court has broad discretion to determine whether a class action settlement is fair and reasonable. *Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 52. To determine whether the settlement is fair and reasonable, courts consider relevant factors such as:

the strength of plaintiff's 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.

Dunk v. Ford Motor Co. (1996) 48 Cal.App.4th 1794, 1801. "The list of factors is not exclusive and the court is free to engage in a balancing and weighing of the factors depending on the circumstances of each case." *Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 245. "Due regard should be given to what is otherwise a private consensual agreement between the parties." *Dunk, supra*, 48 Cal.App.4th at 1801.

The proponent of the settlement has the burden to show that it is fair and reasonable. *Wershba, supra*, 91 Cal.App.4th at 245. At the final approval stage, a presumption of fairness exists where, as here: "(1) the settlement is reached through arm's-length bargaining; (2) investigation and discovery are sufficient to allow counsel and the court to act intelligently; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small." *Dunk, supra*, 48 Cal.App.4th at 1802. In reviewing a class settlement, the court need not reach any ultimate conclusions on the issues of fact and law that underlie the merits of the dispute. *7-Eleven Owners for Fair Franchising v. Southland Corp.* (2000) 85 Cal.App.4th 1135, 1146. The inquiry is not whether the settlement agreement is the best one that class members could have possibly obtained, but whether the settlement, taken as a whole, is "fair, adequate, and reasonable." *Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 55. A settlement need not obtain 100% of the damages sought in order to be fair, reasonable, and ultimately, meaningful. *Wershba, supra*, 91 Cal.App.4th at 251. Even if the proposed settlement affords relief that is substantially narrower than it would be if the cases were to be successfully litigated, that is no bar to a class settlement

1 because the public interest may indeed be served by a voluntary settlement in which each side
2 gives ground in the interest of avoiding prolonged litigation. *Id.*

3 **A. The Settlement Resulted from Arm's-Length Negotiations Based Upon**
4 **Extensive Investigation and Informal Discovery.**

5 The Parties actively litigated the cases since the *Hernandez* Class Action commenced on
6 August 16, 2021. Class Counsel conducted significant investigation and informal discovery into
7 the facts of the cases, to assess the veracity, strength, and scope of the claims, and was preparing
8 for class certification and trial prior to reaching the Settlement.³⁸

9 The Parties conducted significant informal discovery and investigation into the facts of the
10 cases, and also informally exchanged a large volume of information, documents, and data in the
11 course of the litigation (in both state and federal court) and in connection with the mediation and
12 settlement negotiations.³⁹ Class Counsel analyzed violations, damages, penalties, and other
13 valuation issues in the course of litigation (in both state and federal court) and in connection with
14 the mediation and settlement negotiations, and met and conferred with Defendants' counsel on
15 numerous occasions, e.g., to discuss issues relating to the pleadings, law and motion practice, and
16 the production of information, documents, and data in the course of litigation (in both state and
17 federal court) and the mediation and settlement negotiations.⁴⁰ Class Counsel had the opportunity
18 to interview and obtain information from Plaintiffs and other Class Members, and reviewed and
19 analyzed a large volume of information, data, and documents obtained from Plaintiffs, Defendants,
20 and other sources.⁴¹ Other work performed by Class Counsel included, and was not limited to
21 drafting Plaintiffs' pleadings and the mediation briefs; engaging in motion practice to remand the
22 action from the United States District Court for the Central District of California to the San
23 Bernardino County Superior Court; preparing for and attending court proceedings; preparing for
24 and engaging in mediation and settlement negotiations; and other tasks.⁴²

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27 ³⁸ Mayer Decl., ¶ 7; Bollinger Decl., ¶¶ 14 & 16.

³⁹ Mayer Decl., ¶ 7.

⁴⁰ Ibid.

⁴¹ *Id.*, ¶ 8.

⁴² *Id.*, ¶ 7.

After conducting significant informal discovery and investigation into the facts of the cases, the Parties participated in a formal, full-day mediation conducted by Hon. Judge Jeffrey Winikow (Ret.), a well-regarded mediator experienced in mediating complex labor and employment matters.⁴³ In the course of mediation and settlement negotiations, the Parties exchanged information, documents, and data, and discussed various aspects of the cases, including and not limited to, the risks and delays of further litigation; the risks to the Parties of proceeding with class certification and/or representative adjudication; the law relating to off-the-clock theory, meal and rest periods, PAGA representative claims, and wage-and-hour law and enforcement; the evidence produced and analyzed; and the possibility of appeals, among other things.⁴⁴ During all settlement discussions, the Parties conducted their negotiations at arm's length in an adversarial position.⁴⁵ Arriving at a settlement that was acceptable to the Parties was not easy.⁴⁶ Defendants contended that individualized questions of fact predominate over any common issues, and these issues would pose challenges to class certification and representative adjudication.⁴⁷ Defendants and their counsel felt strongly about Defendants' ability to avoid class certification and representative adjudication and prevail on the merits, while Plaintiffs and Class Counsel believed that they would be able to obtain class certification and prevail at trial.⁴⁸ After conducting significant informal discovery and investigations, settlement negotiations, and with the aid of the mediator's evaluation and additional settlement negotiations, the Parties agreed that the cases were well-suited for settlement given the legal issues relating to Plaintiffs' principal claims, as well as the costs and risks to the Parties that would attend further litigation.⁴⁹

The Settlement takes into account the strengths and weaknesses of each side's position and the uncertainty of how the cases might have concluded at certification, trial, and/or appeals. Class Counsel analyzed a large volume of information, documents, and data obtained from Defendants, Plaintiffs, and other sources, and performed research regarding applicable law, which is evolving

⁴³ Bollinger Decl. ¶ 6; Mayer Decl., ¶ 9.

⁴⁴ Ibid.

⁴⁵ Ibid.

⁴⁶ Ibid.

⁴⁷ Ibid.

⁴⁸ Ibid.

⁴⁹ Ibid.

as it relates to class certification, representative PAGA claims, off-the-clock theory, meal and rest periods, wage-and-hour law and enforcement, Plaintiffs' claims and damages, and Defendants' defenses thereto, as well as facts discovered.⁵⁰ The Settlement was based on this large volume of facts, evidence, and investigation.⁵¹ Additionally, Class Counsel has extensive experience in handling complex wage-and-hour actions, including significant experience in employment class action litigation.⁵²

B. The Risks Inherent in Continued Litigation Favor Final Approval of the Settlement.

The Settlement, which provides for an escalated Total Settlement Amount of \$3,712,978.38, represents a fair, adequate, and reasonable resolution of the cases, given the risks inherent in litigating class and representative claims through class certification proceedings, trial, and/or appeals.⁵³ The Settlement was calculated using information and data uncovered through extensive case investigation, informal discovery, and the exchange of information, data, and documents in the context of mediation and ongoing settlement negotiations.⁵⁴ Had the Actions not settled, Defendants would have vigorously challenged class certification, manageability of representative adjudication, and liability. Defendants contended that individualized questions of fact predominated over any common issues, and these issues would pose challenges to certification and representative adjudication. Defendants would have likely argued again at trial, if any, that Plaintiffs' claims were not appropriate for class-wide and/or representative adjudication. On the other hand, Defendants also faced the risk of the Court certifying a class and allowing a jury to decide Plaintiffs' claims on a class-wide or representative basis. Additionally, preparation for trial would have been expensive for all parties.

It is preferable to reach an early resolution of a dispute because such resolutions save time and money that would otherwise go to litigation. If the Actions had settled after further litigation, the settlement amount would have taken into account the additional costs incurred, and there might

⁵⁰ Mayer Decl., ¶ 8.

⁵¹ Mayer Decl., ¶¶ 5–9.

⁵² Mayer Decl. ¶¶ 14–18; Bollinger Decl. ¶¶ 8–11.

⁵³ Mayer Decl., ¶¶ 9, 10, & 21.

⁵⁴ *Id.*, ¶¶ 5–9.

1 have been less money available for Class Members and PAGA Members after all was said and
2 done. This is not just an abstract contention. The risks and expenses of further litigation
3 outweighed any benefit that might have been gained otherwise. These risks of further litigation
4 include a determination that the claims were unsuitable for class treatment and/or representative
5 adjudication, failure to obtain certification, class de-certification after certification of a class,
6 allowing a jury to decide the claims asserted in the cases, and the real possibility of no recovery
7 after years of litigation. The Settlement provides real and significant benefits for the Class, PAGA
8 Members, and the State of California here and now, while avoiding the further expenses, risks, and
9 delay of prolonged litigation with only the possibility of recovery.

10 It would be grossly inefficient for such a large class of current and former employees to
11 bring individual actions to recover from Defendants for the alleged violations of wage-and-hour
12 laws. Moreover, the potential individual recovery that could be obtained by a Class Member would
13 not be significant enough to provide him or her with the incentive to sue. By granting final approval
14 of the Settlement, the Court can approve a resolution that provides a certain and substantial
15 recovery for Class Members, PAGA Members, and the State of California.

16 **C. The Settlement Is Fair, Reasonable, and Adequate.**

17 The Settlement, which provides for an escalated Total Settlement Amount of
18 \$3,712,978.38, represents a fair, reasonable, and adequate resolution of the Actions.⁵⁵ The
19 Settlement was calculated using information and data uncovered through extensive case
20 investigation, informal discovery, and the exchange of information, documents, and data in the
21 course of litigation (in both state and federal court) and mediation and settlement negotiations. The
22 Settlement takes into account the potential risks and rewards inherent in any case and, in particular,
23 in the Actions. Moreover, considering all of the facts in the cases, the escalated Total Settlement
24 Amount represents a considerable recovery.

25 After deducting Attorneys' Fees in the amount of \$1,299,542.43 and Litigation Costs in
26 the amount of \$18,325.72; Enhancement Payments in the total amount of \$30,000.00 (i.e., the
27 amount of \$15,000.00 each to Plaintiffs); Settlement Administration Costs in the amount of
28

⁵⁵ Settlement Agreement, ¶ 8(mm); see n. 1, *supra*; Mayer Decl., ¶ 21.

1 \$17,750.00; and the PAGA Penalty Amount of \$350,000.00 from the escalated Total Settlement
2 Amount of \$3,712,978.38, the Net Settlement Amount is currently estimated to be \$1,997,360.23.⁵⁶
3 Under the Settlement Agreement, the Total Settlement Amount will be fully paid out, in
4 accordance with the terms of the Settlement. As discussed in Section III, *supra*, each Settlement
5 Class Member will be paid a share of the Net Settlement Amount, based on the number of
6 Workweeks credited to him or her during the Class Period, and each PAGA Member will be paid
7 a share of 25% of the PAGA Penalty Amount, based on the number of Workweeks credited to him
8 or her during the PAGA Period.⁵⁷ To date, there are 1,479 Settlement Class Members, representing
9 99.93% of the Class.⁵⁸ The highest gross Individual Settlement Payment is currently estimated to
10 be \$10,339.26, and the average gross Individual Settlement Payment is currently estimated to be
11 \$1,269.51.⁵⁹ To date, there are 1,044 PAGA Members.⁶⁰ The highest Individual PAGA Payment is
12 currently estimated to be \$442.42 and the average Individual PAGA Payment is currently
13 estimated to be \$83.89.⁶¹ The LWDA is also slated to receive \$262,500.00 for its 75% portion of
14 the PAGA Penalty Amount. These are significant recoveries, particularly in light of the risks of
15 litigation.

16 At the final approval stage, “[a]n allocation formula need only have a reasonable, rational
17 basis [to warrant approval], particularly if recommended by experienced and competent class
18 counsel.” *In re American Bank Note Holographics, Inc., Securities Litigation* (S.D.N.Y. 2001) 127
19 F.Supp.2d 418, 429-30. The *pro rata* allocation here is a fair and reasonable way to distribute the
20 Net Settlement Amount. In light of the above considerations, Class Counsel believes that the
21 Settlement as a whole is fair, reasonable, and adequate, and in the best interest of the Class
22 Members, PAGA Members, and the State of California.⁶² Although the recommendations of Class
23 Counsel are not conclusive, the Court can properly take the recommendations into account,
24 particularly if Class Counsel appears to be competent, has experience with this type of litigation,

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26 ⁵⁶ Phoenix Decl., ¶ 15.

27 ⁵⁷ Settlement Agreement, ¶¶ 16(a) & 16(b).

28 ⁵⁸ Phoenix Decl., ¶ 11.

⁵⁹ *Id.*, ¶ 16.

⁶⁰ *Id.*, ¶ 17.

⁶¹ *Ibid.*

⁶² Mayer Decl., ¶ 21.

1 and significant discovery and investigation have been completed, as is the case here. Conte &
2 Newberg, *Newberg on Class Actions* (4th Ed., 2002) § 11.47. Accordingly, the Court should grant
3 final approval of the Settlement.

4 **D. The Class Was Represented by Competent Counsel.**

5 Class Counsel has extensive experience in employment class action law and complex
6 wage-and-hour litigation.⁶³ Lawyers for Justice, PC has been appointed class counsel in numerous
7 complex wage-and-hour cases, and has recovered millions of dollars for individuals in California.⁶⁴
8 Both parties' counsel were capable of assessing the strengths and weaknesses of the Class
9 Members' claims against Defendants and the benefits of the Settlement under the circumstances
10 of the cases and in the context of a private, consensual settlement agreement.

11 **E. There Are No Objections to the Class Settlement.**

12 The Settlement has been well received by the Class – to date, *not a single Class Members*
13 *objected to the Class Settlement.*⁶⁵ Specifically, no objections have been made as to the original
14 or escalated Total Settlement Amount or contemplated Attorneys' Fees and Costs, Enhancement
15 Payments, Settlement Administration Costs, or the PAGA Penalty Amount. California courts have
16 consistently found that a small number of objectors indicates the class's support for a settlement
17 and strongly favors final approval. *Wershba, supra*, 91 Cal.App.4th at 250-51 (final approval
18 granted despite 20 objectors); *7-Eleven Owners, supra*, 85 Cal.App.4th at 1152-53 (final approval
19 granted despite 9 objectors).

20 Here, the lack of objections speaks volumes about the fairness, reasonableness, and
21 adequacy of this Settlement. Accordingly, the Settlement as a whole is presumed to be fair,
22 reasonable, and adequate, and the Court should grant final approval of the Settlement in its entirety.
23 *Dunk, supra*, 48 Cal.App.4th at 1802.

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28 ⁶³ Mayer Decl., ¶¶ 14–18.

⁶⁴ Mayer Decl., ¶¶ 14–18; Bollinger Decl., ¶¶ 8-11.

⁶⁵ Phoenix Decl., ¶ 9.

VI. **THE ATTORNEYS' FEES REQUESTED ARE FAIR AND REASONABLE AND SHOULD BE APPROVED.**

A. **Legal Standard for Attorneys' Fees in a Class Action Settlement.**

Trial courts have "wide latitude" in assessing the value of attorneys' fees and their decisions will "not be disturbed on appeal absent a manifest abuse of discretion." *Lealao v. Beneficial Cal., Inc.* (2000) 82 Cal.App.4th 19, 41; *Ketchum v. Moses* (2001) 24 Cal.4th 1122, 1132 (The "experienced trial judge is the best judge of the value of professional services rendered in his court[.]"); *Cellphone Termination Fee Cases* (2009) 180 Cal.App.4th 1110, 1118. Where the amount of a settlement is a "certain easily calculable sum of money," California courts may calculate attorneys' fees as a reasonable percentage of the settlement. Weil and Brown, *California Practice Guide, Civil Procedure Before Trial*, Chapter 14, § 14:145; see also *Laffitte v. Robert Half Int'l Inc.* (2016) 1 Cal.5th 480, 503; *Dunk, supra*, 48 Cal.App.4th at 1808. The percentage-of-the-benefit approach is preferred in class and representative actions because "it better approximates the workings of the marketplace than the lodestar approach." *Lealao, supra*, 82 Cal.App.4th at 49.

California law provides that an attorneys' fees award should be equivalent to fees paid in the legal marketplace for the result achieved and risk incurred. *Id.* at 47-50; *Laffitte v. Robert Half Int'l, Inc.* (2016) 1 Cal.5th 480, 503. In *Lealao*, the court held that when an action leads to a recovery that can be "monetized" with a reasonable degree of certainty, the trial court should "ensure that the fee awarded is within the range of fees freely negotiated in the legal marketplace in comparable litigation." *Lealao, supra*, 82 Cal.App.4th at 50. Fee awards that are too small will "chill the private enforcement essential to the vindication of many legal rights and obstruct the representative actions that often relieve the courts of the need to separately adjudicate numerous claims." *Lealao, supra*, 82 Cal.App.4th at 53.

"The ultimate goal . . . is the award of a 'reasonable' fee to compensate counsel for their efforts, irrespective of the method of calculation." *Consumer Privacy Cases* (2009) 175 Cal.App.4th 545, 557-58 (quoting *Apple Computer, Inc. v. Superior Court, supra*, 126 Cal.App.4th at 1270). It is not an abuse of discretion to choose one method over another as long as the method

chosen is applied consistently using percentage figures and/or rates that accurately reflect the marketplace. In cases where class members present claims against a settlement amount and the settlement agreement provides that the defendant agrees to paying the attorneys a percentage of the same, use of that percentage method is appropriate. *Lealao, supra*, 82 Cal.App.4th at 32.

Historically, courts have awarded fees as high as 50% of the settlement, depending on the circumstances of the case. Conte & Newberg, *Newberg on Class Actions* (4th Ed., 2002) § 14.03; *see also In re Ampicillin Antitrust Litig.* (D.D.C. 1981) 526 F.Supp. 494 (awarding attorneys' fees in the amount of 45% of the settlement amount of \$7.3 million); *Beech Cinema, Inc. v. Twentieth-Century Fox Film Corp.* (S.D.N.Y. 1979) 480 F.Supp. 1195 (awarding approximately 53% of the settlement amount as attorneys' fees). California courts routinely approve class action attorneys' fees awards "averag[ing] around one-third of the recovery." *Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 66 n.11 (lower court found 20 to 40 percent range of contingency fee in marketplace was appropriate in class actions); *see also Laffitte*, 1 Cal.5th at 488 & 506 (approving fee award of 1/3rd of common fund of \$19 million).

B. A Fee Award of a Percentage of the Entire Fund Is Appropriate.

California and federal courts have long recognized that an appropriate method for determining the award of attorneys' fees is based on a percentage of the total value of benefits made available to class members by the settlement. *Laffitte*, 1 Cal.5th at 503; *Boeing Co. v. Van Gemert* (1980) 444 U.S. 472, 478; *Paul, Johnson, Alston & Hunt v. Gaulty* (9th Cir. 1989) 886 F.2d 268, 272; *Vincent v. Hughes Air West, Inc.* (9th Cir. 1977) 557 F.2d 759, 769; *Serrano v. Priest* (1977) 20 Cal.3d 25, 34.⁶⁶ The purpose of this equitable doctrine is to spread litigation costs proportionally among all the beneficiaries so that the active beneficiary does not bear the entire burden alone. *See Vincent, supra*, 557 F.2d at 769.

When a litigant's efforts result in a settlement from which others may derive benefits, the litigant may require the passive beneficiaries to compensate those whose efforts brought about the settlement. *See, R. Pearle, California Attorney Fee Awards* (CEB, 1993) § 7A, p. 5-7 (permitting

⁶⁶ The California Supreme Court has urged trial courts to consider class action federal authority. *Green v. Obledo* (1981) 29 Cal.3d 126, 146; *Vasquez v. Superior Court* (1971) 4 Cal.3d 800, 821.

attorneys' fees and costs to be paid out of the settlement or directly on behalf of the other parties enjoying the benefit of the settlement). Both state and federal courts have embraced this doctrine. See *Serrano*, *supra*, 20 Cal.3d at 35; *Crampton v. Takegoshi* (1993) 17 Cal.App.4th 308, 317; *Vincent*, *supra*, 557 F.2d at 769.

The propriety of calculating and awarding attorneys' fees as a percentage of a monetary settlement that has, by litigation, been preserved or recovered for the benefit of others, has been confirmed by the California Supreme Court. *Laffitte*, *supra*, 1 Cal.5th 480 at 486 & 506. The California Supreme Court has taken the position that "[t]rial courts have discretion to conduct a lodestar cross-check on a percentage fee," "they also retain the discretion to forgo a lodestar cross-check and use other means to evaluate the reasonableness of a requested percentage fee[.]" and "[t]he percentage [...] method survives in California." *Id.* (internal quotes omitted).

Courts have consistently recognized that class and representative action litigation is increasingly necessary to protect the rights of individuals whose injuries and/or damages are too small to economically justify legal action on an individual basis. Accordingly, in determining a reasonable fee award, courts award fees to serve as an economic incentive for lawyers to pursue such litigation in order to achieve increased access to the judicial system for meritorious claims and to enhance deterrents to wrongdoing. This is especially true in situations where multiple similar alleged wrongs would not be economically feasible to pursue individually, such as here. See A. Conte, *Attorney Fee Awards* (2d Ed., 1993) 104, at 6.

When the Actions were originally filed, not only were they taken on a contingency basis, but the prospect of a long, drawn-out battle with a defendant represented by experienced counsel, was almost a certainty. By taking on this "battle" on a contingency basis, Class Counsel risked substantial economic loss if they were not successful. This substantial risk is the reason that the courts approve the use of the percentage method when a settlement is obtained by the efforts of class counsel. See *Vizcaino v. Microsoft* (9th Cir. 2002) 290 F.3d 1043, 1048-49 (discussing the risks of engaging in litigation without certainty of compensation).

Under the terms of the Settlement Agreement, Defendants will pay an escalated Total Settlement Amount of \$3,712,978.38 on a non-reversionary basis. The requested attorneys' fees

are 35% of the escalated Total Settlement Amount. In light of Class Counsel’s successful prosecution and resolution of the cases, the requested attorneys’ fees are appropriate and reasonable.

Compensating class counsel in class litigation on a percentage basis makes good sense because: (1) it is consistent with the private marketplace where contingent fee attorneys are customarily compensated on such a basis; (2) it aligns the interests of class counsel and absent class members in achieving the maximum possible resolution of the case; and (3) it encourages the most efficient and expeditious resolution of the litigation by providing an incentive for early, yet reasonable, settlement. The requested attorneys’ fees in these matters satisfy all of those factors and should be approved on a percentage basis.

The percentage method is consistent with, and is intended to mirror, the practice in the private marketplace where contingent-fee attorneys typically negotiate percentage-fee arrangements with their clients. The named plaintiff’s agreement to pay a contingent fee is powerful evidence of a reasonable fee. One of the best ways to demonstrate the value of counsel’s work to the class is to review the consideration agreed to be paid by the named plaintiff. If the named plaintiff has employed counsel on a contingency-fee basis, it would indeed be inequitable for the members of the class, who will enjoy the benefits of the settlement without incurring the risks of bringing the claim, to pay less than the named plaintiff. In this case, Plaintiffs have agreed to a contingency fee of at least 35% of the recovery.⁶⁷

Furthermore, a percentage-fee award is not dependent on a determination of the actual amount claimed by those entitled—it is the creation of the settlement that is the crucial fact. In *Winslow v. Harold G. Ferguson Corp.*, the California Supreme Court expressly held that “it is equitable that [the attorney’s] compensation and expenses should come from the entire fund saved for all classes concerned before it is distributed.” *Winslow v. Harold G. Ferguson Corp.* (1944) 25 Cal.2d 274, 284. Likewise, *Lealao* expressly held that a percentage-based fee “may be calculated on the basis of the total fund made available rather than the actual payments made to the class.” *Lealao, supra*, 82 Cal.App.4th at 51; *see also Boeing, supra*, 444 U.S. at 478 (“a litigant or a

⁶⁷ Mayer Decl., ¶ 10.

lawyer who recovers” a settlement “for the benefit of persons other than himself or his client is entitled to a reasonable attorneys’ fee from the fund as a whole”).

In *Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, in determining reasonable attorneys’ fees, the Court of Appeal valued a settlement based on the total value of the settlement made available to class members by the efforts of counsel, decided in favor of granting fees as a percentage of the total value of the settlement, and rejected an objection that the fees be awarded based on the exact amount claimed by class members. *Id.* at 247.

Class Counsel has obtained a substantial recovery on behalf of Plaintiffs, the Class, PAGA Members, and the State of California, and the results achieved justify an attorneys’ fees award that is the equivalent of the standard market fee and that is consistent with the contingency-fee agreement entered into by and between Plaintiffs and Class Counsel. Thus, the requested attorneys’ fees are appropriate.

C. The Attorneys’ Fees Requested Are Reasonable Based on the Factors Considered in Determination of Fee Awards.

In *Camden I Condominium Association, Inc. v. Dunkel*, the court identified twelve factors to be considered in determining whether fee awards are reasonable: (1) the time and labor required; (2) the novelty and difficulty of the questions involved; (3) the skill required to perform the legal services properly; (4) the preclusion of other employment by the attorney due to the acceptance of the case; (5) the customary fee; (6) whether the fee is fixed or contingent; (7) time limitation imposed by the client or the circumstances; (8) the amount involved and results obtained; (9) the experience, reputation and ability of the attorney; (10) the undesirability of the case; (11) the nature and length of the professional relationship with the client; and (12) awards in similar cases. *Camden I Condominium Association, Inc. v. Dunkel* (11th Cir. 1991) 946 F.2d 768, 772.

Each and every one of these factors favors the attorneys’ fees sought here; however, some of the most relevant factors to this Court’s fee determination will be addressed herein. The Attorneys’ Fees in the amount of \$1,299,542.43 (which is 35% of the escalated Total Settlement Amount) is commensurate with the time, effort, and expense dedicated to the cases, the contingent nature of Class Counsel’s fee and the risks taken in commencing the cases, the skill and

determination required, the results that Class Counsel have achieved, and the value of the settlement that Class Counsel have obtained.

1. Time & Labor.

Class Counsel used its experience and skills, and dedicated the full extent of resources, to litigate and bring these matters to a successful conclusion. Moreover, as demonstrated in the supporting declarations, Class Counsel has extensive experience in the handling of class actions and complex litigation cases.⁶⁸

As outlined in the Declarations of Helene Mayer and Jeremy F. Bollinger, Class Counsel have fully and actively participated in litigation of the cases.⁶⁹ Prior to commencing the lawsuits, Class Counsel conducted a significant amount of investigation into the factual and legal issues, Defendants' business, and their operations and employment policies, practices, and procedures.⁷⁰ During the litigation of the Actions, Class Counsel had the opportunity to interview Plaintiffs and other Class Members and/or percipient witnesses; reviewed and analyzed a large volume of pages of information, documents and data obtained from Defendants, Plaintiffs, and other sources; and analyzed the violations, damages, penalties, and other valuation issues.⁷¹ Class Counsel also met and conferred with Defendants' counsel over the issues relating to pleadings, law and motion practice, and the production of information, documents and data, among other things; engaged in settlement negotiations with Defendants' counsel; and prepared for and attended court proceedings, mediation, and settlement negotiations.⁷²

Class Counsel has dedicated staffing and monetary resources necessary to prosecute these matters diligently and with maximum efficiency and has fully and actively participated in the litigation process. The Attorney Task and Time Chart, which is attached as EXHIBIT A to the accompanying Declaration of Helene Mayer, sets forth in detail the hours that Lawyers for Justice, PC has spent performing tasks on behalf of Plaintiff Hernandez and the Class.⁷³ The Attorney Task and Time Chart is thorough and comprehensive, and was prepared so that the Court can peruse it

⁶⁸ Mayer Decl., ¶¶ 14–18; Bollinger Decl., ¶¶ 8–11.

⁶⁹ Mayer Decl., Exh. A; Bollinger Decl., ¶¶ 3–6, 14, & 16.

⁷⁰ Mayer Decl., ¶ 5; Bollinger Decl., ¶¶ 3, 14, & 16.

⁷¹ Mayer Decl., ¶¶ 7 & 8.

⁷² Mayer Decl., ¶ 7; Bollinger Decl., ¶¶ 14 & 16.

⁷³ Mayer Decl., ¶ 12 & Exh. A.

without having to set forth each and every task in the body of this Motion. The Court is respectfully referred to the chart, which sets forth the history of the work performed by Lawyers *for* Justice, PC, commencing with the pre-filing analysis and research, and continuing up to settlement and final approval.

Moss Bollinger LLP has provided the Declaration of Jeremy F. Bollinger setting forth in detail the hours that Moss Bollinger, LLP has spent performing tasks on behalf of Plaintiff Sohail and the Class.⁷⁴

Class Counsel have spent a total of 570.20 hours performing tasks and to obtain a significant recovery on behalf of Plaintiffs, the Class, the PAGA Members, and the State of California.⁷⁵ These hours were required to bring the Actions to their successful conclusion. In light of the value of time expended and the carrying of costs involved in litigating the cases, the requested attorneys' fees are fair, adequate, and reasonable.

2. The Skill Required to Perform Legal Services Properly.

The skill required to properly litigate the cases is evident not only in the results achieved, but in the steps necessary to reach those results. Defendants retained well-respected counsel to represent their defenses. More specifically, Defendants and their counsel felt very strongly about Defendants' ability to obtain a denial of certification and to prevail on the merits. Plaintiffs and Class Counsel believed that they would have obtained class certification and prevailed at trial.

Class Counsel undertook significant investigation, analysis, and research prior to filing these cases, during the litigation, and in the course of mediation and settlement negotiations. Class Counsel took steps to prepare the matters for class certification and representative adjudication and had every intention of taking the cases to trial on a class-wide basis if Defendants did not offer an appropriate class-wide settlement. Despite all of the obstacles that had to be overcome, as demonstrated in the Declarations of Helene Mayer and Jeremy F. Bollinger, Class Counsel used their extensive experience in the handling of class actions and complex wage-and-hour litigation matters in order to obtain the Settlement with maximum efficiency.⁷⁶

⁷⁴ Bollinger Decl., ¶¶ 14 & 16

⁷⁵ Mayer Decl., ¶ 12 & Exh. A; Bollinger Decl., ¶¶ 14 & 16.

⁷⁶ Mayer Decl., ¶¶ 14-18; Bollinger Decl., ¶¶ 8-11, 14, & 16.

1 **3. *The Value of the Settlement for the Class Members.***

2 The Settlement represents an excellent resolution of the Actions, given the risks inherent
3 in litigating the cases through certification proceedings, trial, and/or appeals. Had the cases not
4 settled, Defendants would have vigorously challenged certifiability, manageability of
5 representative adjudication, and liability. Defendants, however, faced risks if the Court certified a
6 class and allowed a jury to decide the claims. Additionally, preparing the cases for trial would have
7 been expensive for the Parties.

8 The Settlement at this stage is preferred over continued litigation because such resolutions
9 save time and money that would otherwise go to litigation. The risks and expenses of further
10 litigation outweighed any benefit that might have been gained otherwise. The Settlement provides
11 an immediate recovery, as opposed to an uncertain result in the future after prolonged litigation
12 involving expert discovery, trial preparation, class certification proceedings, and appellate review
13 of those proceedings. The Settlement offers present relief and/or recovery to Settlement Class
14 Members, PAGA Members, and the State of California, while avoiding the further expense, risk,
15 and delay in obtaining possible recovery at an unknown time in the future.

16 As a result of this litigation and settlement negotiations, Defendants agreed to pay an
17 escalated Total Settlement Amount of \$3,712,978.38 to settle the matters. After deducting the
18 Attorneys' Fees (\$1,299,542.43) and Litigation Costs (\$18,325.72), Enhancement Payments
19 (\$30,000.00), Settlement Administration Costs (\$17,750.00), and the PAGA Penalty Amount
20 (\$350,000.00) from the Total Settlement Amount, it is currently estimated that the Net Settlement
21 Amount is approximately \$1,997,360.23.⁷⁷ The Total Settlement Amount will be fully distributed
22 in accordance with the terms of the Settlement. The highest gross Individual Settlement Payment
23 is currently estimated to be \$10,339.26 and the average gross Individual Settlement Payment is
24 currently estimated to be \$1,269.51.⁷⁸ The highest Individual PAGA Payment is currently
25 estimated to be \$442.42 and the average Individual PAGA Payment is currently estimated to be
26 \$83.89.⁷⁹ The LWDA is also slated to receive \$262,500.00 for its 75% portion of the PAGA Penalty

27 _____
28 ⁷⁷ Phoenix Decl., ¶ 15.

⁷⁸ *Id.*, ¶ 16.

⁷⁹ *Id.*, ¶ 17.

Amount. The Settlement offers significant monetary relief to the Settlement Class Members, PAGA Members, and the State of California.

4. Whether the Fee Is Fixed or Contingent.

Plaintiffs entered into contingency fee agreements with Class Counsel, and the representation of the Class provided by Class Counsel has been wholly contingent. Class Counsel took on the cases without knowing whether any recovery would be obtained. Class Counsel has invested a total of 570.20 hours of time to obtain relief on behalf of Plaintiffs, Class Members, PAGA Members, and the State of California.⁸⁰ Class Counsel have also incurred litigation costs and expenses in the amount of \$18,325.72.⁸¹

Class Counsel have borne all of the risks and costs of litigation and will not receive any compensation until recovery is obtained.⁸² Class Counsel are well-experienced in wage-and-hour class action and complex litigation and used that experience to obtain a great result.⁸³ The skill and determination that Class Counsel have shown, along with the results obtained, justify the requested Attorneys' Fees and Costs. Considering the amounts requested, the work performed, and the risks incurred, the requested fees and costs are reasonable and should be awarded.

In determining the reasonableness of a fee award in a class action settlement, whether or not representation is provided on a contingency basis is an important factor:

A contingent fee must be higher than a fee for the same legal services paid 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. 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.

Cates v. Chiang (2013) 213 Cal.App.4th 791, 823 (internal quotes and citations omitted). Class Counsel litigated the cases on a contingent basis with all of the concomitant risk factors inherent in such an uncertain undertaking. Had Class Counsel not been successful, the time that Class Counsel has devoted to litigating the cases would have been for naught and would not have produced any fee or any reimbursement of costs or expenses.

⁸⁰ Mayer Decl., ¶ 12 & Exh. A; Bollinger Decl., ¶¶ 14 & 16.

⁸¹ Mayer Decl., ¶ 19; Bollinger Decl., ¶ 20.

⁸² Ibid.

⁸³ Mayer Decl., ¶¶ 14–18.

1 **5. *The Amount Involved and the Results Achieved.***

2 The results achieved, in light of the difficulties inherent in similar cases and the specific
3 difficulties faced in these matters, are considerable. The Settlement has yielded a positive response
4 from the Class Members—no Class Members have objected to the Class Settlement.⁸⁴

5 The court in *Camden* noted that, “a key element of the common fund case is that fees are
6 [...] taken from the fund [...] and a common fund is itself the measure of success ... [and]
7 represents the benchmark on which a reasonable fee will be awarded.” *Camden*, 946 F. 2d 768, fn.
8 28 (citing *Court Awarded Attorney Fees, Report of the Third Circuit Task Force* (October 8, 1985)
9 108 F.R.D. 237 and Newberg, *Attorney Fee Awards* § 2.07 (1986)).

10 Here, the results achieved and obtained on behalf of Plaintiffs and the Class are reasonable
11 in light of the risks inherent in further litigating these matters. Class Counsel’s efforts have resulted
12 in a settlement that provides for an escalated Total Settlement Amount of \$3,712,978.38.⁸⁵ The
13 escalated Total Settlement Amount will be fully paid out, in accordance with the terms of the
14 Settlement Agreement. The highest gross Individual Settlement Payment is currently estimated to
15 be \$10,339.26, and the average gross Individual Settlement Payment is currently estimated to be
16 \$1,269.51.⁸⁶ The highest Individual PAGA Payment is currently estimated to be \$442.42 and the
17 average Individual PAGA Payment is currently estimated to be \$83.89.⁸⁷ The LWDA is will also
18 receive \$262,500.00 for its 75% portion of the PAGA Penalty Amount.

19 **6. *The Reputation and Ability of the Attorneys.***

20 Lawyers for Justice, PC and Moss Bollinger, LLP are recognized class action law firms
21 that employed their attorneys’ knowledge, skills, and experience in bringing these matters to a
22 successful conclusion. Class Counsel have years of complex and class action litigation experience,
23 has recovered millions of dollars on behalf of thousands of individuals in California, and have
24 successfully handled numerous significant wage-and-hour class action and complex cases.⁸⁸

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27 ⁸⁴ Phoenix Decl., ¶ 9.

⁸⁵ Settlement Agreement, ¶¶ 8(mm) & 38, Phoenix Decl. ¶ 14; see n.1, *supra*.

⁸⁶ Phoenix Decl., ¶ 16.

⁸⁷ *Id.*, ¶ 18.

⁸⁸ Mayer Decl., ¶¶ 14–18; Bollinger Decl., ¶¶ 8-11.

D. The Lodestar Methodology Also Justifies Approval of the Requested Fees, Because Class Counsel Have Performed Work That Is of Significant Value Based On Reasonable Hours and Prevailing Hourly Rates of Compensation.

While the percentage-of-the-benefit approach is endorsed as the better approximation of the workings of the marketplace than the lodestar approach, courts may also use the lodestar method to “cross-check” the results of the other. See *Laffitte, supra*, 1 Cal.5th at 505 (explaining that “[a] lodestar cross-check is simply a quantitative method for bringing a measure of the time spent by counsel into the trial court’s reasonableness determination”); see also, e.g., *Vizcaino*, 290 F.3d at 1050 (“[W]hile the primary basis of the fee award remains the percentage method, the lodestar may provide a useful perspective on the reasonableness of a given percentage award.”). Importantly, “the lodestar calculation . . . does not override the trial court’s primary determination of the fee as a percentage” of the settlement amount and “does not impose an absolute maximum or minimum on the potential fee award.” *Laffitte, supra*, 1 Cal.5th at 505.

The lodestar is calculated based on reasonable hours at reasonable prevailing hourly rates for the attorneys. *Ketchum, supra*, 24 Cal.4th at 1131-32. Under California law, counsel is entitled to compensation for every hour reasonably spent on the matter. *Id.* at 1133.

1. *The Number of Hours Spent on the Litigation was Reasonable.*

The reasonableness of hours is assessed by “the entire course of the litigation, including pretrial matters, settlement negotiations, discovery, litigation tactics, and the trial itself[.]” *Vo v. Las Virgenes Municipal Water Dist.* (2000) 79 Cal.App.4th 440, 447.

As discussed above, the Actions were highly contested and required a significant amount of time and labor. Defendants made it clear very early on that they disputed all of the allegations of the cases and disputed that the matters were appropriate for class or representative treatment. Defendants raised affirmative defenses and denied liability, and the pursuit of these cases involved gathering and analyzing a significant amount of information, data, and documents. The handling of the cases involved a great amount of effort, and also required and involved the exercise of a high level of skill, which Class Counsel have as a result of their extensive experience in employment class actions and complex wage-and-hour litigation. Long and difficult battles would

1 have followed as the cases moved toward class certification and trial, including taking and
2 defending depositions of Defendants' Person Most Knowledgeable designees, percipient
3 witnesses, and experts, propounding formal discovery requests and conducting additional
4 document production, and engaging in extensive additional motion practice. As Class Counsel
5 geared up for these battles, Class Counsel undertook intense preparation in an attempt to resolve
6 the matters through mediation.

7 Class Counsel had to bring together a large volume of information, documents and data
8 that were obtained from Defendants, Plaintiffs, and through other sources. Class Counsel
9 conducted extensive review and analysis of the information, documents and data to strategize the
10 action and to prepare for mediation and engage in settlement discussions.

11 As discussed above in Part VI.C.1, *infra*, and as demonstrated by the Declarations of
12 Helene Mayer and Jeremy F. Bollinger Class Counsel performed significant work on behalf of
13 Plaintiffs, the Class, PAGA Members, and the State of California.⁸⁹ Class Counsel have spent a
14 total of 570.20 hours litigating the cases and finalizing the Settlement.⁹⁰ In light of the facts and
15 circumstances of the cases, as well as the results that Class Counsel have achieved in the cases,
16 Class Counsel have spent a reasonable number of hours on the Actions. In addition, Class Counsel
17 will continue to perform work on the Actions through the date of final approval and in connection
18 with the implementation of the Settlement.

19 **2. The Fees Requested Represent a Reasonable Hourly Rate of Compensation**
20 ***in Light of Class Counsel's Efforts and Experience.***

21 Both California and federal courts recognize that attorneys should be compensated for
22 providing representation on a contingency basis and for taking on the risks associated with said
23 representation, as well as being provided with financial incentives to enforce important rights and
24 protections like those at issue in this action. See *Ketchum, supra*, 24 Cal.4th at 1132-33. In
25 awarding attorneys' fees, the aim is to mirror "the established practice in the private legal market
26 of rewarding attorneys for taking the risk of nonpayment by paying them a premium over their
27

28 ⁸⁹ Mayer Decl., ¶ 12 & Exh. A; Bollinger Decl., ¶¶ 14 & 16.

⁹⁰ Ibid.

normal hourly rates for winning contingency cases.” *See id.*

Class Counsel have been actively involved in the Actions, prior to their commencement and all the way up to the present, and Class Counsel’s dedication to providing representation in the cases has precluded other employment. Here, Class Counsel bore the risk that, despite all of their efforts and skills employed, there may be no recovery. Ultimately, Class Counsel were successful in reaching a settlement for the escalated Total Settlement Amount of \$3,712,978.38.

As set forth in the Declarations of Helene Mayer and Jeremy F. Bollinger, the professional backgrounds and experience of Lawyers for Justice, PC support a reasonable rate of compensation of at least \$850 per hour for services provided by Lawyers for Justice, PC. and similar rates for the services provided by Moss Bollinger LLP.⁹¹ Lawyers for Justice, PC has been awarded attorneys’ fees, compensating the firm at the blended rate of at least \$850 per hour for legal service performed, by courts of this state.⁹² While the circumstances of every case are unique, the fact remains that the work performed and efforts undertaken by Class Counsel justify the requested attorneys’ fees.

3. The Risks Involved, Skill Required, Complexity of the Matter, and Results Obtained Warrant Upward Enhancement of the Lodestar.

Even when courts have opted to award fees in settlement fund cases based on time reasonably expended on the action, courts have generally awarded these fees based on the actual time expended (the lodestar) in conjunction with a multiplier of between 2 and 4. *Kerr v. Screen Extras Guild, Inc.* (9th Cir. 1975) 526 F.2d 67. Such a multiplier is warranted in these matters.

Courts frequently apply multipliers to enhance the lodestar to reflect the risks involved, the complexity of the litigation, and the other relevant facts. *Vizcaino*, 290 F.3d at 1051; *Graham v. DaimlerChrysler Corp.* (2004) 34 Cal.4th 553, 579 (“One of the most common fee enhancers [...] is for contingency risk.”). Such an enhancement “mirrors the established practice in the private legal market of rewarding attorneys for taking the risk of nonpayment by paying them a premium over their normal hourly rates for winning contingency cases.” *Vizcaino*, 290 F.3d at 1051; *accord*

⁹¹ Mayer Decl., ¶ 13; Bollinger Decl., ¶¶ 15 & 17.

⁹² Mayer Decl., ¶ 13; see also Bollinger Decl., ¶¶ 15 & 17 (courts have also approved Moss Bollinger LLP’s stated hourly rates).

1 *Ketchum*, 24 Cal.4th at 1132-33. A risk multiplier also serves to bring the financial incentives for
2 enforcing important rights “into line with incentives [attorneys] have to undertake claims for which
3 they are paid on a fee-for-services basis.” *Ketchum*, 24 Cal. 4th at 1132.

4 In determining whether or not to enhance the lodestar, California courts take into account
5 multiple factors, many of which were specifically addressed above in §§ VI.B-C, *infra*. See, *Cates*
6 at 822-823. Multiple factors warrant enhancement of the lodestar in this matter, including the
7 following:

- 8 • The time and labor required
- 9 • The skill requisite to perform the legal services properly
- 10 • The preclusion of other employment by the attorney due to the acceptance of the case
- 11 • The contingent nature of the fee
- 12 • The amount involved and results obtained
- 13 • The experience, reputation, and ability of the attorney
- 14 • Awards in similar cases

15 *Ketchum*, 24 Cal. 4th at 1134.

16 Adjustment of the base lodestar figure to compute an award of attorneys’ fees for a claim
17 under the California Labor Code is appropriate. See *Id.*, at 1135-1136; *Serrano v. Priest* (1977) 20
18 Cal.3d 25, 48-49. “The lodestar is calculated by multiplying the reasonable hours expended by a
19 reasonable hourly rate. The court may then enhance the lodestar with a multiplier, if appropriate.”
20 *Wershba, supra*, 91 Cal.App.4th at 254. In the first stage of the lodestar adjustment method, the
21 trial court determines the reasonable hourly rate of compensation for counsel, which it then
22 multiplies by the number of hours the court finds were reasonably spent preparing the case, to
23 obtain the lodestar figure. *Ketchum, supra*, 24 Cal.4th at 1131-1132. The lodestar figure is the
24 “basic fee for comparable legal services in the community” based upon the “hourly amount to
25 which attorneys of like skill in the area would typically be entitled.” *Id.*, at 1132-1133 (quotation
26 marks and citation omitted).

27 As discussed above, these were highly-contested matters which required an extensive
28 amount of time and labor. Defendants raised defenses and denied liability, and the cases involved

1 gathering and analyzing extensive information, documents, and data obtained from Defendants,
2 Plaintiffs, and other sources. The handling of the Actions involved a great amount of effort, and
3 required the exercise of high-level of skill, which Class Counsel have as a result of extensive
4 experience in employment class actions and wage-and-hour litigation. Class Counsel have been
5 actively involved in the prosecution of the cases, prior to their commencement, and Class
6 Counsel's work has continued all the way up to the present. Class Counsel's dedication to the
7 representation of the Class Members, PAGA Members, and the State of California has precluded
8 other employment.

9 Most importantly, all services were performed by Class Counsel on a contingent basis.⁹³
10 Both California and federal courts recognize that attorneys should be compensated for taking on
11 such contingent risks and provided with financial incentives to enforce important rights and
12 protections like those at issue in the matter at hand. See, e.g., *Vizcaino*, 290 F.3d at 1051; *Ketchum*,
13 24 Cal. 4th at 1132-33. Here, Class Counsel bore the risk that, despite all of their efforts and the
14 skill employed, there may be no recovery. Therefore, at a minimum, Class Counsel are entitled to
15 a risk multiplier. The results obtained by way of Class Counsel's efforts are significant here. Class
16 Counsel were successful in achieving substantial results in the form of a settlement of
17 \$3,712,978.38. Also, Class Counsel's efforts throughout the matters demonstrate dedication to the
18 interests of the Class Members, PAGA Members, and the State of California.

19 Class Counsel's application for attorneys' fees in light of the facts and circumstances
20 surrounding the Actions is well within the range of reasonableness. While handling the cases, Class
21 Counsel devoted significant time efforts, which is summarized above, detailed in the Attorney
22 Task and Time Chart that is attached as EXHIBIT A to the Declaration of Helene Mayer, and
23 detailed in the Declaration of Jeremy F. Bollinger.⁹⁴ Class Counsel have worked a total 570.20
24 hours in the pursuit of the Action. Applying a reasonable rate of \$850 per hour to 463.70 hours of
25 work performed by Lawyers for Justice, PC, results in a base lodestar value of \$394,145.00 for
26 Lawyers for Justice, PC. Applying Moss Bollinger, LLP's hourly rates of \$775 per hour for 77.50
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28 ⁹³ Mayer Decl., ¶ 10; Bollinger Decl., ¶ 13.

⁹⁴ Mayer Decl., ¶ 12 & Exh. A; Bollinger Decl., ¶¶ 14 & 16.

hours of work performed and \$900 per hour to 29 hours of work performed, results in a base lodestar value of \$86,162.50 for Moss Bollinger, LLP. The combined base lodestar value of Class Counsel’s services is \$480,307.50.⁹⁵ Applying a multiplier of 2.71, the total enhanced lodestar fees are \$1,301,633.33. Class Counsel seek an attorneys’ fee award of \$1,299,542.43 (equal to 35% of the escalated Total Settlement Amount). Far greater multipliers have been awarded in similar cases, and the total amount of fees sought by Class Counsel is also reasonable compared to fees awarded in similar cases. Courts routinely enhance lodestar amounts based on multipliers that “range from **2 to 4 or even higher.**” *Wershba, supra*, 91 Cal.App.4th at 255 (emphasis added); *see also, e.g., Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 66 (approving **multiplier of 2.5**); *Vizcaino*, 290 F.3d at 1051 (approving **multiplier of 3.65**); *Wal-Mart Stores, Inc. v. Visa U.S.A., Inc.* (2d Cir. 2005) 396 F.3d 96, 123 (approving **multiplier of 3.5**); *Craft v. County of San Bernardino* (C.D. Cal. 2006) 624 F.Supp.2d 1113, 1125 (awarding **multiplier of 5.2** and referring to other cases with cross-check **multipliers ranging from 4.5 to 19.6**).

The nature of the work performed, skill exercised, and the outcome in this matter—which involves an outstanding monetary recovery involving an escalated Total Settlement Amount of \$3,712,978.38, of which a Net Settlement Amount of approximately at least \$1,997,360.23 is to be paid to Settlement Class Members, \$87,500 is to be paid to PAGA Members, and \$262,500 is to be paid to the LWDA—support the percentage fee sought and the application of a lodestar multiplier. Therefore, application of a 2.71 multiplier is warranted, and the lodestar method as a cross-check to the percentage award sought herein, supports the reasonableness of the requested attorneys’ fees. Plaintiffs respectfully request that the Court grant final approval of, and award, attorneys’ fees in the amount of \$1,299,542.43 to Class Counsel.

VII. COSTS TO BE REIMBURSED TO CLASS COUNSEL ARE FAIR AND REASONABLE AND SHOULD BE APPROVED.

The Settlement provides for reimbursement of litigation costs and expenses of up to \$20,000.00. As set forth in the Declarations of Helene Mayer and Jeremy F. Bollinger, Class Counsel seek reimbursement of \$18,325.72 in litigation costs and expenses incurred in these cases

⁹⁵ Mayer Decl., ¶ 12; Bollinger Decl., ¶ 15-18.

1 (\$12,942.88 by Lawyers *for* Justice, PC and \$5,382.84 by Moss Bollinger LLP).⁹⁶ This amount
2 was reasonable and necessary in the prosecution of the cases and to obtain the Settlement.⁹⁷ The
3 cost savings of \$1,674.28 will be part of the Net Settlement Amount, which will be distributed to
4 Settlement Class Members in accordance with the Settlement. Accordingly, Plaintiffs request that
5 the Court award litigation costs and expenses in the amount of \$18,325.72 to Class Counsel.

6 **VIII. THE SETTLEMENT ADMINISTRATION COSTS ARE FAIR AND**
7 **REASONABLE AND SHOULD BE APPROVED.**

8 As set forth above, the total costs allocated to Phoenix for the notice and settlement
9 administration process are \$17,750.00. The costs incurred and to be incurred include, but are not
10 limited to, (i) preparing, printing, mailing, and tracking the Class Notice and other documents for
11 this settlement; (ii) responding to inquiries from Class Members; (iii) calculating Workweeks; (iv)
12 processing and determining the validity of Requests for Exclusion, Notices of Objection, and
13 disputes regarding the number of Workweeks, submitted by Class Members; (v) calculating the
14 Net Settlement Amount; (vi) calculating and issuing the Individual Settlement Payments to
15 Settlement Class Members and Individual PAGA Payments to PAGA Members; (vii) issuing
16 Attorneys' Fees and Costs to Class Counsel, issuing Enhancement Payments to Plaintiffs, issuing
17 the Settlement Administration Costs to itself; and calculating and issuing the employer/employee
18 payroll taxes to the appropriate taxing authorities; (viii) issuing 1099 and W-2 IRS Forms and all
19 required tax reporting, filings, withholdings, and remittances, providing necessary reports and
20 declarations, and (ix) such other tasks as set forth in the Settlement Agreement or as the Parties
21 mutually agree or as the Court orders.⁹⁸

22 Accordingly, the Court should grant final approval of payment to Phoenix, a necessary
23 third-party administrator, for its handling of the notice and settlement process, in the amount of
24 \$17,750.00.

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28 ⁹⁶ Mayer Decl., ¶ 19 & Exh. B; Bollinger Decl., ¶ 20.

⁹⁷ Ibid.

⁹⁸ Phoenix Decl., ¶ 2.

IX. **THE REQUESTED ENHANCEMENT PAYMENTS ARE FAIR AND REASONABLE AND SHOULD BE APPROVED.**

The Settlement provides for Enhancement Payments in the amounts of \$15,000.00 each to Plaintiffs, a total of \$30,000.00, to compensate Plaintiffs for the time and effort that they expended on behalf of the Class, PAGA Members, and the State of California, and for agreeing to a general release of all claims, a release far greater than the release given by Class Members. The requested Enhancement Payments are both common and reasonable and should be awarded.

In determining whether to make enhancement awards, courts consider the following factors: (1) the risk to the class representative in commencing suit, both financial and otherwise; (2) the notoriety and personal difficulties encountered by the class representatives; (3) the amount of time and efforts spent by the class representatives; (4) the duration of the litigation; and (5) the personal benefit (or lack thereof) enjoyed by the class representatives as a result of the litigation. *Vranken v. Atlantic Richfield Co.* (N.D. Cal. 1995) 901 F.Supp. 294, 299 (approving \$50,000 participation award to a single class representative).

The requested Enhancement Payments are fair and appropriate in light of the broader, general release to be given by Plaintiffs, but also when taking into consideration that Plaintiffs spent a substantial amount of time and effort producing relevant documents and past employment records, as well as providing the facts and evidence to support the prosecution of the claims.⁹⁹ Plaintiffs were available whenever Class Counsel needed them and actively tried to obtain, and gave, information to support the pursuit of the cases, despite facing significant risks.^{100, 101}

Accordingly, it is appropriate and just for Plaintiff Alex Hernandez and Plaintiff Martin Sohal to receive \$15,000.00 each (a total of \$30,000.00) as reasonable Enhancement Payments, in addition to their individual settlement payments.

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⁹⁹ Mayer Decl., ¶ 20; Bollinger Decl., ¶ 21; Declaration of Alex Hernandez (“Hernandez Decl.”) ¶¶ 2–4; Declaration of Martin Sohal (“Sohal Decl.”) ¶¶ 3, 11-15.

¹⁰⁰ Mayer Decl., ¶ 20; Bollinger Decl., ¶ 21; Hernandez Decl., ¶¶ 4 & 5; Sohal Decl., ¶¶ 15.

¹⁰¹ Bollinger Decl., ¶ 22.

X. CONCLUSION

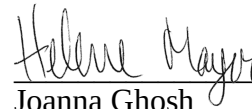
For the foregoing reasons, Plaintiffs respectfully request that the Court grant final approval of the Settlement, and award Attorneys' Fees and Costs, Enhancement Payments, Settlement Administration Costs, and the PAGA Penalty Amount, in their entirety, and permit the filing of a memorandum that exceeds the page limit.

Respectfully submitted,

Dated: May 8, 2025

LAWYERS for JUSTICE, PC

By:



Joanna Ghosh

Helene Mayer

Attorneys for Plaintiff Hernandez and the Class