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Attorneys for Plaintiff Michael Hebert

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

MICHAEL HEBERT, individually, and on
behalf of all others similarly situated,

Plaintiff,

vs.

CONEKT2, INC., a California corporation;
CONEKT 2, LLC, a limited liability
company; and DOES 1 through 10,
inclusive,

Defendants.

Case No.: 25CU014662C

REPRESENTATIVE ACTION

**DECLARATION OF KANE MOON IN
SUPPORT OF MOTION FOR APPROVAL OF
PAGA SETTLEMENT**

[Filed with (1) Plaintiff's Notice of Motion and
Motion for Approval of PAGA Settlement, (2) the
Declaration Peggy J. Reali (4) the Declaration of
Walter L. Haines (5) the Declaration of Sean
Hartranft re: Qualifications and Costs for
Settlement Administration, (6) [Proposed] PAGA
Approval Order, and (7) [Proposed] Judgment]

PAGA APPROVAL HEARING:

Date: October 2, 2026

Time: 8:30 a.m.

Dept.: C-74

Judge: Honorable Blaine K. Bowman

Action filed: March 20, 2025

Trial date: Not set

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I, KANE MOON, declare as follows:

1. I am an attorney at law duly licensed to practice as such before all the Courts of the State of California and am one of the attorneys of record for Plaintiff Michael Hebert (“Plaintiff”). I have personal knowledge of the facts set forth in this declaration and if called as a witness, I could and would testify competently to them under oath.

2. This declaration is submitted in support of Plaintiff's Motion for Approval of PAGA Settlement. Plaintiff seeks approval of a Private Attorneys General Act Settlement Agreement (the "Settlement") entered into with Defendants Conekt2, Inc. and Conekt2, LLC ("Defendants") (collectively, Plaintiff and Defendants are the "Parties"). A true and correct copy of the fully executed Settlement is attached hereto as **Exhibit 1**.

3. The proposed Settlement seeks to resolve all alleged claims for civil penalties pursuant to the California Private Attorneys General Act, Labor Code sections 2698, *et seq.* (“PAGA”). Plaintiff brought this PAGA action on behalf of herself and all individuals who are or previously were employed by Defendant who were classified as non-exempt, hourly employees in the State of California during the PAGA Period (“Aggrieved Employees”). (Settlement, ¶ 1.4.) For purposes of settlement, the “PAGA Period” is March 16, 2024, through May 23, 2026. (*Id.* at ¶¶ 1.22, 7.1.) Defendant has confirmed that the last pay period in which the number of pay periods does not exceed 5,684 ends on May 23, 2026. Therefore, based on Section 7.1 of the Settlement, Defendant elects to move the PAGA Period end date to May 23, 2026.

CASE BACKGROUND AND PROCEDURAL HISTORY

4. Defendants are civil engineering contractors specializing in infrastructure services using modern technology and methods. Plaintiff worked for Defendants from approximately December 2022 to November 2024 as a Drone Pilot. Throughout his employment, Plaintiff was classified as non-exempt and paid on an hourly basis. Plaintiff contends he and his former coworkers were subjected to the same or similar unlawful labor practices during their employment by Defendants, including failure to pay all wages.

5. Plaintiff's claims for unpaid wages stem from allegations that Defendants failed to pay employees all minimum wages, overtime wages, meal period premiums, and sick pay owed. Plaintiff alleges that these violations resulted, in part, from Defendants' failure to compensate employees for all hours worked, including off-the-clock work, Defendants' allegedly inaccurate timekeeping system, and Defendants' failure

1 to include all forms of remuneration in the regular rate of pay for purposes of calculating overtime
2 compensation, meal period premiums, and sick pay. Plaintiff's meal and rest period claims are based on
3 allegations that, due to the nature of the work performed and Defendants' employment practices, employees
4 regularly experienced missed, late, short, and/or interrupted meal and rest periods, and that Defendants failed
5 to pay all meal and rest period premiums owed for non-compliant meal and rest periods. Plaintiff also alleges
6 that Defendants failed to reimburse employees for all reasonable and necessary business expenses incurred
7 in the discharge of their job duties, including expenses associated with the use of employees' personal
8 cellphones for work-related purposes and the purchase of work-related items, such as iPad chargers, remote
9 controls, shoes, and clothing. Plaintiff further alleges that he and other employees did not receive all wages
10 owed upon separation of employment and did not receive accurate itemized wage statements as a result of
11 Defendants' alleged failure to pay all wages, premiums, and other compensation owed. Accordingly, Plaintiff
12 alleges that Defendants are liable for civil penalties under PAGA.

13 6. Because of the foregoing alleged violations of the Labor Code, Plaintiff filed a Class Action
14 Complaint on March 20, 2025, alleging Defendants systematically: (1) failed to pay minimum wages, (2)
15 failed to pay overtime compensation, (3) failed to provide meal periods, (4) failed to authorize and permit rest
16 breaks, (5) failure to indemnify necessary business expenses, (6) failed to timely pay final wages at
17 termination, (7) failed to provide accurate itemized wage statements, and (8) engaged in unfair business
18 practices.

19 7. Pursuant to PAGA, on March 16, 2025, Plaintiff submitted notice of the alleged Labor Code
20 violations to the California Labor and Workforce Development Agency (the "LWDA"), with certified mail
21 service on Defendants, and paid the required filing fee. A true and correct copy of Plaintiff's PAGA Notice
22 is attached hereto as **Exhibit 2**. The administrative exhaustion period under PAGA expired without the
23 LWDA indicating any intent to investigate the allegations. On May 22, 2025, Plaintiff filed a First Amended
24 Class and Representative Action Complaint to allege a ninth cause of action for civil penalties under PAGA.
25 Accordingly, Plaintiff is duly authorized to act as a private attorney general with respect to the PAGA
26 claims involved in this action. In compliance with Labor Code section 2699(s)(1), Plaintiff subsequently
27 submitted to the LWDA a file-stamped copy of the First Amended Complaint containing the Court-
28 assigned case number. To date, the LWDA has not sought to intervene in this action.

8. On June 16, 2025, the Court granted the Parties' Joint Stipulation to Arbitrate and Dismiss the Class Claims, leaving only the ninth cause of action for civil penalties pending before the Court. Thereafter, the Parties agreed to attempt to resolve the matter through private mediation.

9. Defendants ardently oppose the merits of this case and deny Plaintiff's factual allegations. Defendant argues all employees were properly paid for all hours worked and that it did not require or permit employees to work off-the-clock and that they accurately record employees' time. As for the regular rate claim, Defendants argue there was no issue with paying employees the proper regular rate of pay because any additional remuneration was discretionary and thus, not required to be incorporated into the regular rate of pay. Defendant maintains all employees were provided with the opportunity to take all their code-compliant meal and rest breaks and that missed breaks, if any, were solely the result of employees' voluntary choice. As for the unreimbursed business expenses, Defendant maintains it did not require employees to incur any business-related expenses. To the extent employees received wage statements that were allegedly inaccurate, Defendants argue penalties are not warranted because employees suffered no actual damage or harm as a result. Additionally, Defendants allege their good-faith belief that it paid all wages precludes the imposition of waiting time penalties because Plaintiff would be unable to show Defendants' alleged conduct was done willfully or knowingly. For these reasons, Defendants claim they did not engage in any unfair business practices and denies liability under PAGA. Defendants also maintain the claims are not susceptible to proof on a representative basis because of the individualized and varying nature of each employee's experience, making this matter unmanageable.

DISCOVERY AND INVESTIGATION

10. The Parties agreed to mediate the representative PAGA claims. The Parties engaged in informal discovery exchange prior to mediation. Defendants provided information and documents, which enabled Plaintiff's Counsel to meaningfully investigate Plaintiff's allegations and assess the value of the PAGA claims. Specifically, Defendants produced Plaintiff's personnel file and his time and payroll records, documents regarding Defendants' written policies and practices in effect during the relevant period, and time and corresponding payroll records from March 16, 2024 to January 11, 2026 of all Aggrieved Employees.

1 11. Prior to mediation, Plaintiff's Counsel reviewed and analyzed all the information that
2 Defendants produced, including the time/pay records for all of the Aggrieved Employees and Defendants'
3 written policies, in conjunction with information provided by Plaintiff. Plaintiff's Counsel retained an expert
4 to analyze the time/pay records and prepare a damage analysis prior to mediation. The time/pay records
5 contained 42,811 shifts actually worked (roughly 90.25% of all shifts), which allowed the expert to prepare
6 an analysis with a high degree of certainty. Further, Plaintiff's Counsel investigated the applicable law
7 regarding the claims and defenses asserted in this action. Accordingly, Plaintiff's Counsel were able to
8 evaluate the probability of success on the merits and Defendants' monetary exposure. In sum, Plaintiff and
9 his Counsel's familiarity with the facts of the case and the legal issues involved allowed them to act
10 intelligently in negotiating the Settlement.

11 SETTLEMENT NEGOTIATIONS AND NOTICE TO THE LWDA

12 12. On March 31, 2026, the Parties participated in a full day of private mediation facilitated by
13 Marc Feder, Esq., an experienced PAGA action mediator. The negotiations were at arm's length and
14 although conducted in a professional matter, were adversarial. Both sides went into the mediation willing
15 to explore the potential for a settlement of the dispute, but they were also prepared to litigate their position
16 through trial and appeal if a settlement had not been reached. Negotiations were protracted, with extended
17 discussions and instances in which it appeared the Parties would not reach a resolution. Following a full
18 discussion of the strengths and weaknesses of the claims and defenses, the Parties ultimately reached a
19 resolution, the material terms of which are encompassed within the Settlement at issue.

20 13. In reaching a resolution, the Parties recognized that the issues presented in this action are
21 likely only to be resolved with extensive and costly pretrial and trial proceedings, and that further
22 litigation will lead to inconvenience, distraction, disruption, delay, and expense disproportionate to the
23 potential benefits of litigation. Plaintiff and his Counsel also considered the risk and uncertainty of the
24 outcome inherent in any litigation when determining whether this Settlement was the correct option. In
25 sum, Plaintiff and his Counsel believe the proposed Settlement is in the best interests of Aggrieved
26 Employees and the LWDA.

27 14. In compliance with Labor Code section 2699(s)(2), notice of settlement and a copy of the
28 proposed Settlement has been submitted to the LWDA along with a copy of Plaintiff's motion and the hearing

date. A true and correct copy of the LWDA's email confirming receipt thereof is attached hereto as Exhibit 3. To date, the LWDA has not indicated any objection to the Settlement.

KEY TERMS OF SETTLEMENT

15. Gross Settlement Amount, Funding, Disbursement, and Uncashed Checks. The Gross Settlement Amount ("GSA") is a non-reversionary \$275,000.00, subject to potential increase under an Escalator Clause. (Settlement, ¶¶ 3.1, 7.) Defendants shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 21 calendar days after the Effective Date.¹ (*Id.* at ¶ 4.2.) Disbursement will occur within 14 calendar days after Defendant fully funds the GSA. (*Id.* at ¶ 4.3.) For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after 180 days from date of mailing (the "Void Date"), the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee. (*Id.* at ¶¶ 4.3.1, 4.3.3.)

16. Aggrieved Employee Size Estimates. The Parties agree that the settlement is based on an estimated total of 5,167 PAGA Pay Periods during the PAGA Period. (*Id.* at ¶ 7.1.) In the event the pay periods worked by Aggrieved Employees during the PAGA Period exceeds the above pay period estimate by more than 10% (i.e. exceeds 5,684 pay periods) at the option of Defendant, Defendant shall either increase the Gross PAGA Settlement Amount (as detailed below) or elect to move the end date for the PAGA Period to the latest date before approval of the PAGA Settlement, or May 30, 2026, whichever date is earlier, that does not exceed 5,684 pay periods. (*Id.*) In the event Defendant elects to extend the PAGA Period to a date wherein the total pay period is more than 5,684 pay periods, the Gross PAGA Settlement Amount will be

¹ "Effective Date" means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Approval of the Settlement; and (b) the Judgment is final and no longer appealable. (Settlement, ¶ 1.11.) For purposes of this Agreement, "becomes final and is no longer appealable" shall mean the later of: (a) the day after the last date by which a notice of appeal, writ, or other appellate proceeding to the applicable Court of Appeal of the order and judgment approving this Agreement may be timely filed and none is filed (i.e., 61 days from notice of entry of judgment); (b) if an appeal, writ, or other appellate proceeding is filed, and the appeal is finally disposed of by ruling, dismissal, denial, or in a any other manner that confirms the validity of the order and judgment, the day after the last date for filing a request for further review of the order and judgment approving this Agreement passes, and no further review is requested; or (c) if an appeal, writ, or other appellate proceeding is filed and the order approving this Agreement is affirmed and further review of the order is requested, the day after the review is finally resolved and the order and judgment approving this Agreement is affirmed. (*Id.*)

1 increased by determining the pay period value calculated based on the Gross PAGA Settlement Amount
2 divided by 5,167 pay periods multiplied by the additional number of pay periods beyond 5,684. (*Id.*) For
3 example, if the total number of pay periods by the end of the PAGA Period is 5,784 and the pay period value
4 is \$53 per pay period, Defendant would have to increase the Gross PAGA Settlement Amount by \$5,300
5 ($5,784 - 5,684 = 100 \times \$53$) if Defendant choses this option. (*Id.*) This election must be made prior to the
6 PAGA Approval Hearing so that the Court is informed of the correct PAGA Period at the time of the hearing.
7 (*Id.*)

8 17. PAGA Counsel Fees and Expenses. The Settlement includes attorneys' fees in an amount not
9 more than one-third of the GSA (i.e., at least \$91,666.66), plus reimbursement for out-of-pocket litigation
10 costs not to exceed \$20,000.00, payable to PAGA Counsel from the GSA. (*Id.* at ¶ 3.1.1.) In the event actual
11 costs are less and/or the amount of fees and costs approved by the Court are less than the amounts requested,
12 the difference will be allocated to the Net Settlement Amount. (*Id.*) My firm has incurred \$15,711.79 in
13 litigation costs. A true and correct copy of a report showing these costs is attached hereto as **Exhibit 4**.

14 18. Administration Expenses. The Settlement provides an Administration Expenses Payment to the
15 Settlement Administrator, payable from the GSA, in an amount up to \$6,500.00, for its fees and expenses in
16 administering this Settlement. (*Id.* at ¶ 3.1.2.) In the event the amount of actual administration costs is less
17 and/or the amount approved by the Court is less than requested, the difference will be allocated to the Net
18 Settlement Amount. (*Id.*) The Parties jointly selected Apex Class Action Administration ("Apex") as the
19 neutral entity to administer this Settlement. (*Id.* at ¶ 1.2.) A true and correct copy of Phoenix's bid for
20 \$6,500.00 is attached hereto as **Exhibit 5**.

21 19. Net Settlement Amount. "Net Settlement Amount" means the Gross Settlement Amount less the
22 following payments in the amounts approved by the Court, PAGA Counsel Expenses Payment, PAGA
23 Counsel Fees Payment, and Administration Expenses Payment. (*Id.* at ¶ 1.17.) The remainder is to be paid
24 to Aggrieved Employees as the LWDA PAGA Payment and Individual PAGA Payments. (*Id.*) Accordingly,
25 the Net Settlement Amount is estimated to be no less than **\$161,121.54**,² which will be distributed 65% (i.e.,
26

27 ² The estimated Net Settlement Amount was calculated by deducting the following amounts from the
28 GSA (\$275,000.00): \$15,711.79 for the PAGA Counsel Expenses Payment, \$91,666.66 for the PAGA
Counsel Fees Payment, and \$6,50.00 for the Administration Expenses Payment. (*See Settlement*, ¶ 3.1, *et*

no less than 65% * \$161,121.54 = **\$104,729.00**) to the LWDA and 35% (i.e., no less than 35% * \$161,121.54 = **\$56,392.54**) to Aggrieved Employees pursuant to PAGA law governing Plaintiff's claims.

20. Individual PAGA Payments. Each Aggrieved Employee will be entitled to his or her pro rata amount from the 35% share of PAGA Penalties calculated according to the number of PAGA Pay Periods of the Aggrieved Employee and pursuant to Labor Code section 2699, subd. (m). (*Id.* at ¶¶ 1.13, 3.1.3.1.) This results in an average Individual PAGA Payment of roughly **\$296.80** for each of the estimated 190 Aggrieved Employees (\$56,392.54 / 190), and a PAGA Pay Period value of **\$10.91** for each of the 5,167 estimated PAGA Pay Periods (\$56,392.54 / 5,167). The Individual PAGA Payments shall be allocated 100% as penalties. (*See id.* at ¶ 3.1.3.1.)

21. Releases of Claims. As of the Effective Date of this Agreement, Plaintiff, all Aggrieved Employees, and the State of California are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA civil penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the operative complaint (i.e. the Action) and the March 16, 2025 PAGA Notice sent to the LWDA. (*Id.* at ¶ 5.1.) The "Released Parties" are each Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, affiliates, employees, agents, and any other individual or entity that could be liable for any of the Released Claims. (*Id.* at ¶ 1.26.)

22. No Related Cases. To the best of my knowledge, there is no other pending litigation involving similar claims against Defendants that may be impacted by approval of the Settlement at issue, nor has Defendants pointed to any. I have come to this conclusion after a reasonable inquiry and review of the LWDA's PAGA Case Search website, this Court's case search website, and other information reasonably available online.

THE PROPOSED SETTLEMENT IS FAIR AND REASONABLE

23. There can be no doubt that this Settlement is the result of vigorous, adversarial, non-collusive, and arm's-length negotiations between the Parties. Based on Plaintiff's Counsel's analysis of the arguments

seq.)

1 and information provided by Defendants, on an expert analysis of the time and pay records, and on
2 information from Plaintiff, Plaintiff's Counsel evaluated Defendants' both maximum and risk-adjusted
3 potential exposure in preparation for mediation. Although the expert's analysis revealed that the time and pay
4 records supported several violations by Defendants, those identifiable violations were primarily limited to
5 meal periods. The records themselves did not provide strong support for the off-the-clock work, rest period,
6 and expense reimbursement claims, and derivative penalties for those claims, as these claims are
7 predominantly testimony based. In other words, Plaintiff's analysis revealed that certain claims were not as
8 strong as originally believed.

9 24. Because Defendants did not require employees to record rest periods, there are no records to
10 establish the rest period claim on the merits, and any calculations are based only on assumptions. Additionally,
11 there are no records to establish the off-the-clock work claim on the merits. Rather, proof of these claims
12 would need to be supported by declarations from Aggrieved Employees regarding missed rest periods and
13 off-the-clock work as the records themselves cannot demonstrate what breaks were missed, when, and why
14 and they cannot demonstrate the time, if any, Aggrieved Employees spent working off the clock.

15 25. Indeed, the maximum exposure figures that were calculated for mediation were based on
16 assumed high violation rates that would not likely be demonstrated at trial, as they assume either the
17 participation of all Aggrieved Employees, or alternatively, the use of surveys or statistical data as a surrogate
18 (which would still require the participation of a majority of Aggrieved Employees to establish a sound
19 representation of all non-exempt employees). However, even assuming those employees would be willing
20 to participate, obtaining such declarations would potentially reveal that each Aggrieved Employee had a
21 different experience. The individualized nature of their employment experience and the numerosity of
22 employees affected present significant risk with manageability and proof on the merits.

23 26. Even as to the regular rate and meal period claims, our analysis found that Defendants' exposure
24 is less than initially believed. While a review of the time and pay records shows a 100% violation rate for
25 meal periods for shifts over 5 hours, the records also show that Defendants maintained compliant policies
26 and nearly all violations were accompanied by a meal waiver (at least for shifts over 6 hours). Defendants
27 argue that existence of meal waivers indicate that it did not intentionally fail to provide PAGA Employees
28 with meal breaks. Defendants also argue that many meal breaks were taken and, where a violation appears,

1 it was a result of the Aggrieved Employee voluntarily choosing to forego a meal period, to take it after the
2 end of the fifth hour, or to stop his or her break early to return to work. Also, Aggrieved Employees like
3 Plaintiff, worked in the field without supervision. As to the regular rate issue, Plaintiff's expert found that
4 only 0.2% of pay periods included overtime and additional compensation and that only 0.02% of pay periods
5 included sick pay and additional compensation. Accordingly, to the extent Defendants failed to incorporate
6 any additional remunerations into the regular rate of pay for purposes of paying overtime and sick pay, which
7 Defendants deny, such failure resulted in minimal underpayment to the Aggrieved Employees. Additionally,
8 the violation rates assume that the bonuses were non-discretionary, which Defendants dispute.

9 27. The likelihood that Defendants could assert viable legal defenses would likely further reduce its
10 overall exposure. For example, the individualized and testimony-intensive nature of the claims could bar
11 manageability of this representative action or otherwise significantly reduce Defendants' overall liability.

12 28. Further, a claim-by-claim penalty calculation is overly optimistic as it presumes Plaintiff
13 would be able to stack the penalties, although penalty stacking is not expressly permitted by PAGA. Rather,
14 without either (i) a prior finding by the LWDA or a court within the past five years that the employer violated
15 PAGA or (ii) evidence that the employer's conduct was malicious, fraudulent, or oppressive, PAGA only
16 provides for a maximum \$100 penalty for each pay period. (Lab. Code § 2699(f)(2)(A)–(B).) Moreover,
17 Plaintiff's Counsel believe it would be unrealistic to expect the Court to award the full (penalty-stacked)
18 exposure given the discretionary nature of awarding penalties and given Defendants' defenses, including that
19 any failure to pay premiums, regular rate wages, or for off-the-clock work was not knowingly or willfully
20 done, and additionally, to the extent employees received wage statements that were allegedly inaccurate,
21 employees suffered no actual resulting damage or harm. Moreover, awarding the full penalties amount would
22 likely raise Due Process concerns.

23 29. For the foregoing reasons, the *realistic* exposure is thus far below the *optimistic* claim by claim
24 estimate.

25 30. Based on the foregoing, Plaintiff's Counsel believe it is more reasonable to assess penalties on
26 a \$100.00 civil penalty per pay period basis pursuant to Labor Code § 2699(f)(2)(A) for each of the
27 estimated 5,167 pay periods at issue, as opposed to a claim-by-claim approach. Accordingly, Plaintiff's
28 Counsel estimate Defendants' maximum PAGA exposure to be **\$516,700.00** (\$100.00 x 5,167). However,

1 based on the discovery, Defendants’ arguments at mediation and continued settlement discussions, an
2 understanding that the claims are heavily dependent on the unlikely participation by all Aggrieved
3 Employees and their varying employment experience, and other important considerations discussed above,
4 it is reasonable to assume a violation occurred in at most two-thirds of all pay periods, which results in a
5 realistic (*risk-adjusted*) exposure of **\$344,483.89** ($\$437,200.00 \times 66.67\%$). As a result, the GSA of
6 $\$275,000.00$ represents approximately **80%** of the realistic exposure ($\$275,000.00 / \$344,483.89$).

7 31. The proposed Settlement therefore represents a substantial recovery when compared to the
8 reasonably forecasted recovery. When considering the risks of litigation, the uncertainties involved in
9 continued litigation, the burdens of proof necessary to establish liability, and the probability of appeal, it is
10 clear the GSA of $\$275,000.00$ is within the “ballpark” of reasonableness, and that settlement approval is
11 appropriate. (*Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 133; *see Munoz v. BCI*
12 *Coca-Cola Bottling Co. of L.A.* (2010) 186 Cal.App.4th 399, 408–09 [holding that *Kullar* does not require
13 “an explicit statement of the maximum amount the plaintiff class could recover if it prevailed on all its
14 claims,” but instead, only an “understanding of the amount that is in controversy and the realistic range of
15 outcomes of the litigation”].)

16 32. The $\$275,000.00$ GSA amounts to “genuine and meaningful” relief. This is an excellent
17 result, particularly because, under the Settlement, Aggrieved Employees and the LWDA will receive
18 timely, guaranteed relief and will avoid the risk of not being able to recover anything at all.

19 33. The Settlement is a fair and reasonable resolution that satisfies PAGA’s dual statutory purposes
20 of deterrence and punishment, on the one hand, and providing Aggrieved Employees with genuine and
21 meaningful relief, on the other. As a result of this litigation, Defendants have to hire legal counsel, engage
22 in employee-wide discovery, and participate in mediation. Assuming approval is granted, Defendants
23 will also have to pay civil penalties pursuant to PAGA. Not including its own attorneys’ fees and costs,
24 Defendants will pay at least $\$275,000.00$ to resolve this matter—of which at least $\$161,121.54$ is allocated
25 toward PAGA Penalties and will be distributed as 65% to the LWDA and 35% to Aggrieved Employees,
26 in compliance with PAGA law governing the claims in this Action. (*See Settlement*, ¶ 3.1.3.) This amount
27 represents roughly **47%** of the realistic exposure for the claims ($\$161,121.54 / \$344,483.89$), as discussed
28 above.

1 34. Plaintiff's Counsel have conducted a thorough investigation into the facts of the allegations.
2 Based on discovery and on their own independent investigation and evaluation, Plaintiff's Counsel are of
3 the opinion that the proposed Settlement is fair, reasonable, and adequate. Furthermore, considering all
4 known facts and circumstances, the risk of significant delay, trial risk, appellate risk, the defenses that could
5 be asserted by Defendants on the merits, Plaintiff's Counsel respectfully submit that the Settlement is in
6 the best interests of the Aggrieved Employees and the State of California.

7 35. Although Plaintiff's Counsel believe there is merit to Plaintiff's allegations, they also
8 acknowledge a legitimate controversy exists as to each allegation. Plaintiff's Counsel also recognize that
9 proving the amounts of penalties owed to each Aggrieved Employee would be an expensive, time-consuming,
10 and uncertain proposition.

11 36. Moreover, Plaintiff's Counsel are also of the opinion that because the issues here are fairly
12 contested, there is a possibility of the Court not awarding PAGA penalties even if Plaintiff prevailed on the
13 merits due to the largely discretionary nature of awarding PAGA penalties. In other words, were this matter
14 to go to trial, any award granted would be at the discretion of the Court and subject to a substantial reduction.

15 37. While Plaintiff's Counsel believe there would be no persuasive grounds to reduce penalties,
16 they recognize that the Court could determine otherwise and significantly reduce any award of penalties.
17 This wide range of potential recovery and additional delays and risks of trial provide justification to settle
18 for a reasonable amount of recovery at this point in the litigation. In all, based on the investigation and
19 analysis of the claims in preparation for mediation, the maximum exposure did not comport with the
20 realistic exposure that Defendants faced, as discussed above.

21 38. Plaintiff's Counsel took into account the risk of not being able to proceed on a representative
22 basis at all due to the potential manageability issues, the risk of not prevailing at trial, and the risk that even
23 if Plaintiff prevailed at trial, the penalties would be limited due to the largely discretionary nature of
24 awarding PAGA penalties. The provisions of the Labor Code triggering PAGA penalties in this case
25 include Labor Code sections 203, 210, 226.3, 558, 1197.1, and 2802. However, PAGA penalties are not
26 mandatory, but rather, permissive. (Lab. Code § 2699(e)(2).) Accordingly, it is entirely possible that even
27 if Plaintiff would be successful at trial, assuming he is first able to win on the merits regarding his
28 individual claims at arbitration and then defeat the manageability issues presented at litigation by the

1 large number of Aggrieved Employees in this action, Plaintiff may still be awarded substantially less
2 than what was obtained through the Settlement.

3 39. The Settlement avoids the significant risks, burdens, and the accompanying expense of further
4 litigation. Though the Parties have engaged in a significant amount of investigation, informal discovery,
5 and employee data analysis, they have not commenced formal discovery procedures. Moreover, Plaintiff
6 would have to proceed with arbitration of his individual claims and win on the merits before proceeding
7 with litigation of the representative PAGA claims. Preparation for trial and the prospect of appeals in the
8 wake of any summary judgment ruling would remain for the Parties. As a result, the Parties would incur
9 considerably more attorneys' fees and costs through trial, a lengthy and uncertain process that could result
10 in recovering less than was settled for.

11 MY EXPERIENCE AND QUALIFICATIONS

12 40. I received a B.A. in History in 1998 from UCLA, and my J.D. from Loyola Marymount Law
13 School in 2006. I became an Active Member of the State Bar of California in June 2007 and have been an
14 Active Member in good standing continuously since then. I have been selected to Super Lawyers each year
15 from 2019 to 2023.

16 41. I co-founded Moon & Yang, APC—now Moon Law Group, PC—in March 2010. My practice
17 is focused exclusively on advocating for the rights of employees in wage-and-hour litigation, almost entirely
18 in class and/or PAGA representative actions.

19 42. For the past decade, I have built my practice to have an emphasis on employment and related
20 civil litigation cases and have both prosecuted and defended employment-related litigation cases. I have been
21 heavily, successfully, and continuously involved in active litigation and trial work, and have conducted bench
22 and jury trials on behalf of both employees and employers in wage-and-hour cases.

23 43. My current billing rate is \$950.00 per hour, which is my usual hourly rate for wage and hour
24 litigations A \$950 per hour rate is reasonable considering my years of experience practicing in the highly
25 specialized area of employment and labor law and my Laffey Matrix rate (The Laffey Matrix,
26 <http://www.laffeymatrix.com/see.html>, [last visited June 11, 2026].) The Laffey Matrix is a “well-
27 established objective source for rates that vary by experience” used by the District of Columbia. (*In re HPL*
28 *Tech., Inc. Sec. Litig.* (N.D. Cal. 2005) 366 F. Supp 2d 912, 921.) A true and correct copy of the Laffey

Matrix is attached hereto as **Exhibit 6**. California Courts have adjusted the Laffey Matrix rate upwards based on “locality pay differentials” and the location of counsel’s office in California to determine whether counsel’s rates are reasonable. (*See, e.g., id.* [applying a 9% upward adjustment to the Laffey Matrix rate based on an approximate difference of 9% between the locality pay differential of the District of Columbia and San Francisco, California, where counsel’s office was located].) To determine the locality pay differential, the Court in *In re HPL Technologies, Inc.* utilized the locality pay differentials within the federal courts. (*Id.* at pp. 921–22.) Using the same method here and based on firm’s location in Los Angeles, California, the current locality pay differential of the Los Angeles-Long Beach area is 36.47% and of the Washington-Baltimore-Arlington area is 33.94%, which results in a difference of approximately 2.53%. (*Compare* Judiciary Salary Plan of Los Angeles-Long Beach, CA, Effective January 12, 2026 *with* Judiciary Salary Plan of Washington-Baltimore-Arlington, Effective January 12, 2026.) True and correct copies of the Los Angeles-Long Beach and Washington-Baltimore-Arlington salary plans are attached hereto as **Exhibit 7** and **Exhibit 8**, respectively. Based on my 17+ years of experience, my Laffey Matrix rate with a 2.53% adjustment is \$1,044.78 per hour (\$1,019 Laffey Matrix rate + (2.53% x \$1,019)). (*See* Exh. 6.) Accordingly, my current billing rate of \$950 per hour is reasonable.

44. I am experienced in prosecuting and defending employment matters, particularly class actions and PAGA representative actions. My firm has focused a substantial percentage of its practice on wage, hour, and working conditions violations. In addition to the present case, I am also class counsel for other wage and hour class action lawsuits pending in various California counties, including in state and federal courts. The following is a list of some of our recent class action settlements that have received preliminary and final approval: *Aparicio v. Lineage Logistics, LLC* (LASC No. BC722764) (class size approx. 155; lead counsel); *Black v. Mission Healthcare Servs., Inc.* (LASC No. 19STCV04602) (class size approx. 1,000; lead counsel); *Campa v. Bloomingdeals, Inc.* (LASC No. BC700366) (class size approx. 1,500; lead counsel); *Garcia v. Comfy U.S.A. Apparel, Inc.* (LASC No. BC709630) (class size approx. 210; lead counsel); *Gomez v. H Mart Cos., Inc.* (LASC No. BC671525) (class size approx. 2,500; co-counsel); *Jones v. Citiguard, Inc.* (LASC No. BC664890) (class size approx. 587; lead counsel); *Jones v. Fitness Alliance, LLC* (Riverside No. PSC1404079) (class size approx. 1,000; lead counsel); *Lagos v. ThyssenKrupp Elevator Corp.* (LASC No. BC682972) (\$750,000 for 79 class members; lead counsel); *Mark Brulee et al. v. DAL Global Servs., LLC*

(C.D. Cal. Dec. 20, 2018, No. CV 17-6433 JVS(JCGx)) 2018 WL 6616659, at *10 (class size approx. 2,650; lead counsel) (in approving my hourly rate in that case, the Court found: “Class Counsel’s declarations show that the attorneys are experienced and successful litigators. Other courts have approved the attorneys’ current rates for the Moon & Yang, APC attorneys”); *Martinez v. Bail Hotline Bail Bonds, Inc.* (LASC No. BC700131) (class size approx. 173; lead counsel); *Montoya v. Golden 1 Credit Union* (Sacramento No. 34-2018-00228252) (class size approx. 1,900; lead counsel); *Onofre v. Caitac Garment Processing, Inc.* (LASC No. BC702283) (class size approx. 750; lead counsel); *Rodriguez v. Rossmoyne, Inc.* (LASC No. BC699137) (class size approx. 220; lead counsel); *Sison v. Cha Hollywood Med. Ctr., L.P.* (LASC No. BC6441 29) (class size approx. 2,100; co-counsel); *Slaughter v. ACA Sec. Stems, LP* (LASC No. BC699137) (class size approx. 300; lead counsel); *Taylor v. Sherman’s Delicatessen & Bakery, LLC* (LASC No. BC722765) (class size approx. 515; lead counsel); *Vargas v. AMS Paving, Inc.* (LASC No. BC722767) (case size approx. 260; lead counsel); *Vertti v. Bagcraft Papercon III, LLC* (LASC No. 19STCV12729) (class size approx. 260; lead counsel); and *Wallick v. Campbell Soup Supply Co., LLC* (San Joaquin No. STK-CV-UOE-2021-0000865) (class size 435; lead counsel).

ALLEN FEGHALI’S EXPERIENCE AND QUALIFICATIONS

45. Allen Feghali is a Senior Partner at Moon Law Group, PC. He received his B.A. in Global and International Studies in 2011 from UC Santa Barbara, and his J.D. from University of La Verne College of Law in 2014. Mr. Feghali became an Active Member of the State Bar of California in December 2014 and has been an Active Member in good standing continuously since then. He was selected by Super Lawyers as a “Southern California Rising Star” in 2020–2023.

46. Mr. Feghali began working at Moon Law Group, PC in May 2015, and his practice focuses on advocating for the rights of employees at the trial-court and appellate level. Prior to approximately June 2018, with the exception of a handful of cases, his practice focused on individual FEHA and wrongful termination claims, as well as individual wage-and-hour claims. In June 2018, Mr. Feghali became heavily involved in the firm’s class action practice.

47. Mr. Feghali’s current billing rate is \$900.00 per hour, which is his usual hourly rate in wage and hour litigations. Based on Mr. Feghali’s 11+ years of experience out of law school, his Laffey Matrix rate with a 2.53% adjustment is \$1,044.78 per hour (\$1,019 Laffey Matrix rate + (2.53% x \$1,019)). (See

Ex. 6.) As compared to the Laffey Matrix rate and when considering his experience, Mr. Feghali's billing rate of \$900.00 per hour is reasonable.

48. During Mr. Feghali's tenure with Moon Law Group, PC, he has played a critical role in obtaining outstanding results for employees who have been wronged by their employers. Mr. Feghali's litigation experience includes, but is not limited to:

- (a) In March 2021, Mr. Feghali prepared the briefing in the matter of *Rivera, et al. v. Clearpath Federal Credit Union* (LASC No. 19STCV33504), which resulted in a certification order on all causes of action following contested briefing in a wage-and-hour class action.
- (b) Mr. Feghali prepared the briefing in a contested class certification motion in the matter of *Dawson, et al. v. GoHealth, LLC, et al.* (No. CGC-19-577790), which was argued and taken under submission by the Court on February 3, 2022.
- (c) Mr. Feghali prepared the briefing in a contested class certification motion in the matter of *Brown v. NTI-CA, Inc., et al.* (No. 21STCV04397).
- (d) Mr. Feghali was part of a team that prepared the briefing in a contested class certification motion in the matter of *Thong, et al. v. Outlook Resources, Inc., et al.* (No. 19STCV44400), which was granted in part and denied in part in October 2022.
- (e) Mr. Feghali prepared the briefing which resulted in a remand order in the matter of *Andrade v. Rehrig Pacific Corp.* (C.D. Cal. April 22, 2020, No. CV 20-1448 FMP (RAOx)) 2020 WL 1934954, where defendant removed a wage-and-hour class alleging that Plaintiffs' claims were pre-empted by the Labor Management Relations Act.
- (f) Mr. Feghali briefed, argued, and won the matter of *Lee, et al. v. The Christian Herald, U.S.A., Inc.* (Cal. Ct. App. Dec. 12, 2017, No. B266853) 2017 WL 6333905, at *1. There, the Court of Appeal reversed a dismissal of an individual defendant following the trial court's granting of a demurrer without leave to amend relating to alter ego allegations.
- (g) Mr. Feghali prepared the briefing which resulted in a remand order in the matter of *Sotelo v. Belfor USA Group, Inc.* (C.D. Cal. March 13, 2018, No. 2:17-cv-09056-RSWL-MRWx) 2018 WL 1352910. Defendants there sought to remove the case based on the inclusion of a "sham defendant," but the court agreed with Mr. Feghali's briefing which argued that the

individual defendant, who was alleged to have harassed the Plaintiffs under FEHA, was a proper defendant.

(h) Mr. Feghali has been the lead counsel, or co-lead counsel, in individual cases that settled for \$850,000.00, \$375,000.00, and \$250,000.00. In addition to the foregoing, Mr. Feghali has resolved or assisted in the resolution of approximately 100 cases which has resulted in millions of dollars of unpaid wages being returned to low-wage employees.

(i) Mr. Feghali was part of a team that prepared the briefing in a contested class certification motion in the matter of Hernandez v. CR Laurence, Inc., et al. (No. 20STCV32372), which was granted, in part, and denied, in part, in February 2024.

49. Since June 2018, Mr. Feghali's practice has shifted to almost exclusively representing employees in wage-and-hour class and representative actions. His fee has been approved by Courts throughout the state. He has participated as lead, or co-lead counsel, in the litigation and resolution of over 100 wage-and-hour class actions, including obtaining preliminary and final approval of settlements. A selection of settled cases wherein Mr. Feghali served as lead or co-lead class counsel includes the following: *Barahona v. Methodist Hosp. of Cal.* (No. 20STCV09876) (\$5,000,000); *Stanley Black & Decker Wage and Hour Cases* (No. JCCP5218) (\$3,500,000); *Vazquez v. St. Mar 2.0 Inc.* (No. 37-2021-00042702-CU-OE-CTL) (\$2,250,000); *Duncan v. Infineon Technologies Americas Corp.* (No. 21STCV16872) (\$2,500,000); *Aquino v. Coast King Packing, LLC* (No. 21CV002448) (\$2,300,000); *Martinez, et al. v. Curative LLC* (No. 21STCV20778) (\$1,500,000); *Calderon v. Installed Building Products* (No. 37-2021-00035844-CU-OE-CTL) (\$1,500,000); *Majdoub v. Argent Hotel Mgmt.* (No. CGC-20-582921) (\$1,800,000); *Fuentes v. Covid Clinic, Inc.* (No. CIVSB2106806) (\$1,526,317.57); *Rahman, et al. v. Gate Gourmet, Inc.* (No. 3:20-cv-03047) (\$3,850,000); *Pagoulatos v. Coast Hills Credit Union* (No. 20CV02801) (\$1,100,000); *Hammers v. Redwood Oil Co., Inc.* (No. SCV-269625) (\$1,180,000); *Cuadras v. R.C. Wendt Painting, Inc.* (No. BC705964) (\$1,400,000); *Zaragoza v. The Roman Catholic Bishop of Fresno* (No. 22CV-00282) (\$1,500,000); *Garcia v. San Jose Water Co.* (22CV396328) (\$1,200,000); *Garcia v. Tri-Valley Plastering, Inc.* (No. 22CECG00591) (\$1,250,000); *Garcia v. Tapia Enter., Inc.* (\$2,137,651 for 507 class members); *Cha v. Center Point, Inc.* (No. CIV2102081) (\$1,000,000); *Sison v. Cha Hollywood Med. Ctr., L.P.* (No. BC644129) (2,137 class members); *Lagos v. ThyssenKrupp Elevator Corp.* (No. BC682972) (\$750,000 for

79 class members); and *Montoya v. Golden 1 Credit Union* (No. 34-2018-00228252) (\$1,250,000).

MARIAM GHAZARYAN'S EXPERIENCE AND QUALIFICATIONS

50. Mariam Ghazaryan received a Bachelor of Arts in Political Science and a minor in International Studies from the University of California, Irvine in 2017, and a Juris Doctorate from Southwestern Law School in 2021. In law school, Ms. Ghazaryan served as a Judicial Extern for the Honorable Michael R. Amerian of the Los Angeles County Superior Court and Articles Editor of the Southwestern Journal of International Law. Ms. Ghazaryan was published in the Southwestern Journal of International Law, Volume 21, No.1, 2021.

51. Ms. Ghazaryan became an Active Member of the State Bar of California in November 2021 and has been an Active Member in good standing continuously since. Ms. Ghazaryan is also a member in good standing with the United States District Court for the Central, Eastern, Southern, and Northern Districts and was selected by Super Lawyers as a "Southern California Rising Star" in 2024.

52. Ms. Ghazaryan is an attorney at Moon Law Group, P.C. and represents employees in all aspects of employment litigation, including wage-and-hour class and representative actions involving claims related to overtime and minimum wages, meal and rest break violations, improper wage statements, the California Private Attorneys General Act, and unfair business practices.

53. Ms. Ghazaryan's current billing rate is \$700.00 per hour, which is her usual hourly rate in wage and hour litigations. Based on Ms. Ghazaryan's nearly 4 years of experience, her Laffey Matrix rate with a 2.5% adjustment is \$640.63 per hour (\$625 Laffey Matrix rate + (2.5% x \$625)). (See Ex. 6.) As compared to the Laffey Matrix rate and when considering her experience, Ms. Ghazaryan's billing rate of \$700.00 per hour is reasonable.

54. During her tenure with Moon Law Group, P.C., Ms. Ghazaryan has played a critical role in obtaining outstanding results for employees who have been wronged by their employers. Ms. Ghazaryan has been involved in all aspects of complex litigation, including assisting in class certification motions in the following cases:

- (a) *Duran v. Sun Valley Group* [certification was granted on multiple wage and hour claims against Sun Valley Group];

- (b) *Beard v. SMS Transportation* [certification was granted for a rest break claim against SMS Transportation. Rest break claims are notably difficult to certify]; and
- (c) *Evans v. Downtown Women's Center* [certification was granted for a regular rate claim against Downtown Women's Center]

55. From November 2021 to the present, Ms. Ghazaryan has participated in the litigation and/or resolution of approximately ninety wage-and-hour class and/or representative actions, including successfully moving the Court for preliminary and final approval of settlements on the first attempt.

MITCHELL H. MILLET'S EXPERIENCE AND QUALIFICATIONS

56. Mitchell H. Millet received a Bachelor of Arts in Philosophy and a minor in Business Law from the University of Southern California in 2018, and a Juris Doctorate from Loyola Law School, Los Angeles, in 2022.

57. Mr. Millet has been an active member in good standing of the State Bar of California since October 2024. Mr. Millet is also a member in good standing with the United States District Court for the Southern, Central, and Eastern Districts of California.

58. Mr. Millet is an associate attorney at Moon Law Group, P.C., and he represents employees in employment litigation, including wage-and-hour class and representative actions involving claims related to violations of the California Labor Code and pursuant to the California Private Attorneys General Act.

59. Mr. Millet's current billing rate is \$450.00 per hour, which is his usual hourly rate in wage and hour litigation matters. Based on Mr. Millet's 1 year of experience as a practicing attorney, his Laffey Matrix rate with a 2.5% adjustment is \$520.70 per hour (\$508 Laffey Matrix rate + (2.5% x \$508)). (See Ex. 6.) As compared to the Laffey Matrix rate and when considering his experience, Mr. Millet's billing rate of \$450.00 per hour is reasonable.

PAGA COUNSEL'S EXPERIENCE AND QUALIFICATIONS

60. As demonstrated by the foregoing, my office is qualified to handle this litigation because we are experienced in litigating Labor Code and Wage Order violations in individual, class, and representative actions. The attorneys at my office have been appointed as lead or co-lead counsel in numerous wage-and-hour class and/or PAGA actions in state and federal courts by way of motion

1 for settlement approval. Including myself, Moon Law Group, PC is currently comprised of roughly
2 35 attorneys, all of whom are actively and continuously practicing employment litigation,
3 representing almost entirely employee-plaintiffs, in both individual and class and/or PAGA actions,
4 in this Superior Court and other Superior Courts throughout the State, in the Courts of Appeal, and
5 in various federal courts. The attorneys at my firm have a high level of skill, knowledge, and
6 experience in areas of wage-and-hour class and PAGA actions, and labor and employment law
7 generally, the substantive (state and federal) and procedural law of which is frequently.

8 61. Moon Law Group, PC has been engaged in the practice of employment and labor law
9 for over a decade and presently focuses exclusively on plaintiffs' employment law. The firm and its
10 lawyers have tried both bench and jury trials (representing both plaintiffs and defendants) in
11 employment-related matters. As noted above, my firm has been appointed lead or co-lead class
12 counsel in federal and state courts in California. Also, the firm and its lawyers have successfully
13 settled hundreds of cases during that time, including wage-and-hour class and/or PAGA actions.

14 62. The foregoing experience of myself and other attorneys of Moon Law Group, PC is
15 helpful in assessing the reasonableness of settlements, such as the one at issue here, and from this
16 experience we concluded that this litigation could not have been settled on better terms than
17 provided under the proposed Settlement.

18 63. I do not believe that I or any other attorneys of my firm have any conflicts of interest
19 with the named Plaintiff, Aggrieved Employees, or the proposed Administrator. I am not related to
20 Plaintiff. I respectfully submit that Moon Law Group, PC is competent and well suited to act as
21 PAGA Counsel in this action, and we have and will continue to vigorously represent the interests
22 of the Aggrieved Employees.

23 REQUEST FOR ATTORNEYS' FEES AND COSTS

24 64. In line with the Settlement, my firm requests an award of attorneys' fees in an amount of one-
25 third of the GSA (i.e., \$91,666.66), plus reimbursement for actual litigation costs in the amount of \$15,711.79.
26 (See Settlement, ¶ 3.1.1.)

27 65. The requested PAGA Counsel Fees Payment can be justified under either the common fund
28 or lodestar method. However, we base the requested award on the common fund method. Nonetheless, the

lodestar method can be used to cross-check the reasonableness of the award calculated under the common fund method.

66. The total current lodestar for Moon Law Group, PC is *not less than* the following:

Attorney	Rate	Hours	Lodestar
Kane Moon	\$950.00	20.4	\$19,380
Allen Feghali	\$900.00	19.2	\$17,280
Mariam Ghazaryan	\$700.00	30.3	\$21,210
Mitchell H. Millet	\$450.00	27.98	\$12,591
	Total:	97.88 hours	\$70,461

67. In addition to my firm's lodestar, co-counsel have collectively expended approximately 25.5 hours litigating this matter, resulting in a lodestar of \$20,047.50. (Declaration of Peggy J. Reali, ¶ 10; Declaration of Walter L. Haines, ¶¶ 8-9.) There are additional hours devoted to this litigation by the attorneys and legal assistants in my office that are not reflected in the foregoing lodestar, including additional attorney time that will be spent to obtain and monitor approval of the Settlement and requested awards, oversee the settlement administration process and distribution of funds, respond to inquiries, and communicate with Plaintiff regarding the case. I estimate that my office will commit *no less than* 10 hours, although likely more time, to these additional tasks, which are hours not included in the foregoing lodestar total. My office also bears the risk of taking whatever actions are necessary if Defendants fail to pay. At my \$950.00 hourly rate, these additional 10 hours results in a lodestar of **\$9,500.00**.

68. "California case law permits fee awards in the absence of detailed time sheets." (*Wershba v. Apple Comp., Inc.* (2001) 91 Cal.App.4th 224, 255.) The Court "should defer to the winning lawyer's professional judgment as to how much time he was required to spend on the case." (*Moreno v. City of Sacramento* (9th Cir. 2008) 534 F.3d 1106, 1112.) We can provide complete, detailed billing records in the event the Court requests them but would request the opportunity to redact attorney-client privileged information and any other privileged information.

69. The lodestar method requires the Court to determine a "touchstone" or lodestar figure based on a compilation of time spent and reasonable hourly compensation for each attorney. (*Graham v.*

1 *DaimlerChrysler Corp.* (2004) 34 Cal.4th 553, 579.) Generally, hours are reasonable if they were “reasonably
2 expended in pursuit of the ultimate result achieved in the same manner that an attorney traditionally is
3 compensated by a fee-paying client.” (*Hensley v. Eckerhart* (1983) 461 U.S. 424, 431.)

4 (a) Number of Hours Expended by My Office is Reasonable: As set forth in this declaration,
5 my office expended a significant amount of time litigating the case to achieve an excellent result on
6 behalf of the Aggrieved Employees. To date, my office has spent no less than **97.88 hours** litigating
7 this case. In the event the Court grants settlement approval, my office will spend additional time
8 related to this litigation, including to monitor administration of the settlement after approval,
9 committing no less, although likely more, than **10** hours to those additional tasks. The number of
10 hours that my office has and will devote to this case is reasonable. (*See, e.g., Ketchum III v. Moses*
11 (2001) 24 Cal.4th 1122, 1133 [fee award should be fully compensatory and, “absent circumstances
12 rendering the award unjust, an attorney fee award should ordinarily include compensation for *all* the
13 hours *reasonably spent*”] [emphasis in original]; *Serrano v. Unruh* (1982) 32 Cal. 3d 621, 624
14 [counsel are entitled to compensation for all hours reasonably expended]; *Hensley, supra*, 461 U.S.
15 at pp. 435–36; *Caudle v. Bristow Optical Co.* (9th Cir. 2000) 224 F.3d 1014, 1028; *Cabrales v. Cty.*
16 *of L.A.* (9th Cir. 1991) 935 F.2d 1050, 1052–53.) As discussed above, my office was required to
17 expend considerable time and resources to investigate, litigate, and successfully settle these claims
18 for the benefit of the Aggrieved Employees.

19 (b) The Attorneys’ Hourly Rates are Reasonable: “[T]he established standard when determining
20 a reasonable hourly rate is the ‘rate prevailing in the community for similar work performed by
21 attorneys of comparable skill, experience, and reputation.’” (*Camacho v. Bridgeport Fin., Inc.* (9th
22 Cir. 2008) 523 F.3d 973, 979 [quoting *Barjon v. Dalton* (9th Cir. 1997) 132 F.3d 496, 502].) This
23 rule applies even when, as here, the attorneys representing a named plaintiff perform the work on a
24 contingent fee basis. (*See, e.g., Robertson v. Fleetwood Travel Trailers of Cal., Inc.* (2006) 144
25 Cal.App.4th 785, 818; *Blanchard v. Bergeron* (1989) 489 U.S. 87, 96.) These hourly rates are
26 reasonable in light of the significant experience, expertise, and skill my firm brought to this action.
27 Rates are reasonable if they are “within the range of reasonable rates charged by and judicially
28 awarded comparable attorneys for comparable work.” (*Children’s Hosp. & Med. Ctr. v. Bonta*

(2002) 97 Cal.App.4th 740, 783.) The trial court may “find hourly rates reasonable based on evidence of other courts approving similar rates.” (*Parkinson v. Hyundai Motor Am.* (C.D. Cal. 2010) 796 F.Supp.2d 1160, 1172.) The attorneys at Moon Law Group, PC are experienced litigators who specialize in employment law, with a substantial wage-and-hour class action practice. The hourly rates of each attorney are also reasonable as compared to their respective Laffey Matrix rates as explained *supra*. Moreover, these rates are not opposed or challenged, and have been approved by other courts, as explained *supra*.

(c) Application of a Multiplier is Warranted (But Not Requested): Once this lodestar figure has been determined, the Court may take into account other “enhancement” factors to adjust the lodestar award. As the California Supreme Court has held, contingency fees should be higher than fees for the same legal services paid concurrently with the provision of the services. (*Ketchum III, supra*, 24 Cal.4th at pp. 1132–33; *see also Fischel v. Equitable Life Assurance Soc’y of the U.S.* (9th Cir. 2002) 307 F.3d 997, 1008.) “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.” (*Ketchum*, 24 Cal.4th at p. 1133.) Application of that rule is particularly appropriate where the case is brought to redress important rights of vulnerable persons. (*Id.*) A risk enhancement is “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.” (*Id.* at p. 1138.) **Multipliers normally range from two to four or higher.** (*Wershba, supra*, 91 Cal.App.4th at p. 255; *see also Vizcaino v. Microsoft Corp.* (9th Cir. 2002) 290 F.3d 1043, 1051, n.6 [“most” common fund cases apply a multiplier of 1.0–4.0]; *Been v. O.K. Indus., Inc.* (E.D. Okla. 2011, No. CIV–02–285–RAW) 2011 WL 4478766, *11 [citing a study “reporting [an] average multiplier of 3.89 in survey of 1,120 class action cases” and finding that a multiplier of 1.22 would be “per se reasonable”].) Factors considered in determining whether a lodestar multiplier is appropriate generally include: (1) the risks presented by the contingent nature of the case; (2) the novelty and difficulty of the questions involved and the skill requisite to perform the legal service properly; (3) the nature of the opposition; (4) the

preclusion of other employment by the attorney due to acceptance of the case; and (5) the result obtained and the importance of the lawsuit to the public. (*Serrano v. Ivy Baker Priest* (1977) 20 Cal. 3d 25, 48–49 [hereinafter “*Serrano III*”].) All these factors favor approval of a multiplier along the lines of those approved in the cases above. To date, my office has incurred no less than **\$70,461** in attorneys’ lodestar fees, anticipates incurring at least another \$9,500.00 in lodestar fees, and has advanced **\$15,711.79** in actual litigation costs. Thus, after reimbursement of our out-of-pocket expenses, the fee request of \$91,666.66 represents a multiplier of **.98** of the lodestar fees incurred to-date in prosecuting this case (**\$70,461 + \$20,047.50**).

1) *Risks presented by the contingent nature of the case:* The major consideration in determining the necessity of a multiplier is the contingent nature of the award. (*Ketchum III, supra*, 24 Cal.4th at pp. 1132–33; *see also Fischel, supra*, 307 F.3d at p. 1008.) In determining what multiplier to award, the probability of success must be assessed *ex ante*, that is, as viewed from the outset of the case. (*See, e.g., Harman v. Lyphomed, Inc.* (7th Cir. 1991) 945 F.2d 969, 976.) Further, the possibility of no recovery is only one of the uncertainties involved in taking on such a case. Other uncertainties are the amount that will be recovered, uncertainty as to the cost, both in effort and expenses, and uncertainty about how much time will pass before the recovery is obtained. (*See, e.g., Ketchum*, 24 Cal.4th at pp. 1132–1133, 1138.) My office’s outlay of time and money in this case has been significant. In all, my office has spent *no less than 97.88 hours* to date investigating, analyzing, researching, litigating, and negotiating a favorable resolution of this case, in addition to *a minimum of 10 hours* that will be spent following final settlement approval, including to monitor settlement administration and distribution of funds, and has incurred \$15,711.79 in necessary litigation costs. Unsettled legal issues also presented risks to the claims in this case. My office bore the substantial risk of an uncertain outcome in agreeing to prosecute this PAGA action on a contingency fee basis, as well as the difficulties and delay inherent in such litigation. There was the prospect of the enormous cost inherent in PAGA representative action litigation, as well as extensive negotiations with a corporate Defendants who vigorously opposed Plaintiff’s claims and right to pursue his individual or

1 class action claims in state court. My office risked significant time and expense to ensure a
2 successful settlement. As detailed *supra*, the risks presented in this case were significant, and
3 Defendants' defenses posed serious risks to the success of this PAGA matter on the merits,
4 assuming we were first successful at proving the merits of Plaintiff's individual claims at
5 arbitration. These risks illustrate the recognition by the California Supreme Court in
6 *Ketchum III* that, if multipliers are not awarded to PAGA counsel in the cases that are
7 successfully settled, counsel's fees are essentially being cut because the lodestar in and of
8 itself would not account for contingent risk.

9 2) *Difficulty of the questions involved and the skill required:* My office is
10 comprised of skilled attorneys who have had success in wage-and-hour class and PAGA
11 actions. This case required experienced and competent lawyers, as well as expertise in the
12 issues presented herein. To obtain such an attorney on the free market, a client must pay the
13 market rate. While most class/PAGA actions are complex and involve some risk, my office
14 had to overcome several major obstacles in prosecuting this case, as explained *supra*.
15 Defendants' contentions underscore the risk of prevailing at trial, and any of these obstacles
16 could have prevented recovery completely.

17 3) *Vigorous opposition by Defendants:* Counsel who skillfully overcome
18 difficult issues or uncompromising opposition in the litigation are entitled to a fee
19 enhancement. (*Serrano III*, *supra*, 20 Cal.3d at 49.) Here, before eventually agreeing to a
20 settlement, Defendants asserted a vigorous defense and challenged Plaintiff's ability to
21 litigate his individual and class action claims. The settlement effort was protracted, with
22 extended discussions and instances in which it appeared the Parties would not reach a
23 settlement. Further, proceeding to arbitration, and if successful, then trial would have added
24 years to the resolution of this case because of the difficult legal and factual issues raised and
25 the likelihood of appeals. Indeed, even if Plaintiff prevailed on the representative PAGA
26 claims at trial, assuming he was first successful at arbitration, Defendants would likely have
27 mounted an appeal.
28

1 4) *The extent to which litigation precluded other employment would justify an*
2 *enhancement:* There are only so many cases that my office can take at any one time.
3 Consequently, there were other meritorious cases presented to my office that would have
4 generated substantial fees, but were declined, during the pendency of this action in order to
5 devote the attention necessary to achieve favorable results.

6 5) *The result obtained would justify an enhancement:* The results obtained in
7 litigation can properly be used to enhance a lodestar calculation where an exceptional effort
8 produced excellent results. (*Graham, supra*, 34 Cal.4th at p. 582.) Here, the final maximum
9 settlement figure is **\$275,000.00**, which represents roughly **80%** of the total realistic
10 recovery. Considered against the size of the Aggrieved Employees, the risks posed by
11 continued litigation, and the importance of the employment rights and a speedy recovery,
12 the relief provided under the Settlement represents a very strong result for the Aggrieved
13 Employees and LWDA.

14 6) *The use of a multiplier is permitted in PAGA actions:* PAGA provides that
15 “[a]ny employee who prevails in any action shall be entitled to an award of reasonable
16 attorney’s fees and costs.” (Lab. Code § 2699(k)(1).) Although, PAGA does not provide a
17 specific standard for evaluating attorneys’ fees in connection with a settlement of PAGA
18 claims, California Courts have employed a lodestar analysis and use of multipliers for this
19 purpose. “Where a settlement produces a common fund for the benefit of the entire class,
20 courts have discretion to employ either the lodestar method or the percentage-of-recovery
21 method. . . . To guard against an unreasonable result, the Ninth Circuit encourages district
22 courts to “cross-check[] their calculations against a second method. . . . Accordingly, the
23 Court calculates attorneys’ fees in the instant case using the percentage-of-recovery method
24 and then cross-checks its calculations against the lodestar method.” (*Hermosillo v. Davey*
25 *Tree Surgery Co.* (N.D. Cal. July 7, 2021) No. 18-CV-00393-LHK, 2021 WL 2826697, at
26 *1 [quoting *In re Bluetooth Headset Prods. Liab. Litig.* (9th Cir. 2011) 654 F.3d 935, 942,
27 944–45].)

1 70. I am informed and believe that the fees and costs provision under the Settlement is reasonable.
2 My office invested significant time and resources into the case, with payment deferred to the end of the case,
3 and then, of course, contingent on the outcome.

4 71. The risk to my office has been very significant, particularly if we would not be successful in
5 pursuing this representative action. In that case, we would have been left with no compensation for all the
6 time taken in litigating this case. Indeed, I have taken on a number of class and/or PAGA action cases that
7 have resulted in thousands of attorney hours being expended and ultimately having the defendant company
8 going bankrupt. The contingent risk in these types of cases is very real and occurs regularly. Furthermore, we
9 were precluded from focusing on, or taking on, other cases which could have resulted in a larger, and less
10 risky, monetary gain.

11 72. Because most individuals cannot afford to pay for legal representation on an hourly basis, Moon
12 Law Group, PC represents virtually all its employment law clients on a contingency fee basis, including
13 Plaintiff in this action. Pursuant to this arrangement, we are not compensated for our time unless we prevail
14 at trial or our clients' cases are successfully settled. Because Moon Law Group, PC is taking the risk that we
15 will not be reimbursed for our time unless our client settles or wins his or her case, we cannot afford to
16 represent an individual employee on a contingency basis if, at the end of our representation, all we are to
17 receive is our regular hourly rate for services. It is essential that we recover more than our regular hourly rate
18 when we win if we are to remain in practice so as to be able to continue representing other individuals in civil
19 rights employment disputes.

20 73. My office invested significant time and resources into the case, with payment deferred to the end
21 of the case, and then, of course, contingent on the outcome. My office's efforts have included, and will include
22 following an approval order, without limitation, the following:

- 23 a. Numerous interviews with Plaintiff and review of documents provided by him;
- 24 b. Legal research and investigation regarding the Defendants' practices at numerous points in
25 the litigation;
- 26 c. Preparation and submission of Plaintiff's PAGA Notice;
- 27 d. Preparation of multiple drafts of the original class action complaint and subsequent amended
28 complaint, as well as finalization and filing of said complaints;

- e. Extensive meet-and-confer discussions with Defendants' counsel regarding the arbitration agreement and the impact on Plaintiff's class action claims;
- f. Informal discovery activity;
- g. Extensive meet-and-confer discussions with Defendants' counsel regarding mediator selection and production of relevant documents and information in preparation for mediation through informal discovery;
- h. Analysis of Defendants' informal discovery production and preparation of a damages model with the aid of a statistics expert;
- i. Research and preparation of Plaintiff's mediation brief;
- j. Attendance and active participation at a full day of mediation;
- k. Drafting, negotiating, and reviewing multiple drafts of the Settlement and its attachment;
- l. Preparation and submission of the instant motion for settlement approval and accompanying filings;
- m. Anticipated preparation for and attendance at the hearing on the motion for approval, monitoring approval of the Settlement and requested awards, and overseeing the administration process and distribution of funds; and
- n. Communications with Plaintiff throughout the case.

74. As of the drafting of this motion, my office has incurred **\$15,711.79** in expenses litigating this action without any reimbursement. These expenses were reasonably necessary to the litigation and were actually incurred by my office. These to-date expenses are summarized as follows:

- (a) "LWDA Fee": a one-time cost for submitting Plaintiff's PAGA Notice to the LWDA;
- (b) "One Legal - Complaint": the initial case filing fee for initiating Plaintiff's action;
- (c) "Berger Consulting Group": costs of expert review of discovery for mediation;
- (d) "Marc Feder Mediator": a one-time cost for mediation services;
- (e) "ACE": costs for purchasing court documents, and for filing and serving various documents during this Action.

75. We anticipate incurring additional costs up to and after Settlement approval, including filing costs for the approval motion and any notice of entry of approval order and judgment. However, at this time,

1 we are only requesting reimbursement of our to-date costs (\$15,711.79). Moreover, because our costs are
2 below the maximum allocation (\$20,000.00) under the Settlement, the difference (\$20,000.00 - \$15,711.79
3 = \$4,288.21) will revert to PAGA Penalties. (Settlement, ¶ 3.1.1.) I respectfully submit that our
4 reimbursement request is fair and reasonable.

5 76. Through the efforts of my office and Plaintiff in this case, a fair and reasonable resolution has
6 been reached that includes a non-reversionary payment by Defendants of at least \$275,000.00 to compensate
7 Aggrieved Employees for Defendants' alleged employment practices. I am informed and believe that, without
8 the efforts of my office or Plaintiff, the Labor Code and Wage Order violations alleged in this action would
9 have gone completely unremedied.

10 I declare under penalty of perjury under the laws of the State of California that the foregoing is true
11 and correct. Executed on July 14, 2026, at Los Angeles, California.

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14 _____
Kane Moon
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