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10 **SUPERIOR COURT OF CALIFORNIA**

11 **COUNTY OF ALAMEDA**

12 **UNLIMITED JURISDICTION**

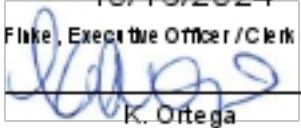
13 MELISSA MORRIS and STEPHANIE  
14 DOUGAL, individually and on behalf of  
15 aggrieved employees and the State of California,

16 Plaintiffs,

17 v.

18 THE REALREAL, INC. and DOES 1 through 10,  
19 inclusive,

20 Defendant.  
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**FILED**  
Superior Court of California  
County of Alameda  
10/16/2024  
Clad Flake, Executive Officer / Clerk of the Court  
By:  Deputy  
K. Ortega

Case No.: 23CV025851

ASSIGNED FOR ALL PURPOSES TO:  
The Honorable Keith Fong  
Department 517

**[REVISED PROPOSED] ORDER  
GRANTING APPROVAL OF PAGA  
SETTLEMENT; FINAL JUDGMENT**

Date: September 24, 2024  
Time: 2:30 PM  
Dept: 517

Reservation No.: 467308311340

Complaint Filed: January 17, 2023  
Trial Date: October 14, 2024

1 **RECITALS**

2 WHEREAS, Plaintiffs Melissa Morris and Stephanie Dougal (the “Plaintiffs”) brought a  
3 representative PAGA action against Defendant The RealReal, Inc. on behalf of the LWDA and  
4 other aggrieved employees.

5 WHEREAS, Defendant denies any wrongdoing, fault, violation of law, or liability for  
6 damages of any sort.

7 WHEREAS, the Parties entered into a Private Attorneys General Act Settlement Agreement  
8 (“Settlement Agreement” or “Settlement”) on July 30, 2024.

9 WHEREAS, the Settlement provides that Defendant will make a non-reversionary payment  
10 of \$500,000 to settle the PAGA claims.

11 WHEREAS, Plaintiffs filed an unopposed motion to approve the Settlement on August 19,  
12 2024, that was heard on September 24, 2024.

13 **FINDINGS AND CONCLUSIONS ON APPROVAL**

14 **THE COURT NOW FINDS AND ORDERS AS FOLLOWS:**

15 1. Plaintiffs’ Motion for Approval of the PAGA Settlement is GRANTED. The  
16 Settlement is ORDERED APPROVED as follows. The terms of the Settlement Agreement are  
17 incorporated, and made part of this Order, as if copied herein, and shall be effective, implemented,  
18 and enforced as provided in the Settlement Agreement. The Parties to the Settlement are directed to  
19 effectuate its terms.

20 2. This Order of Approval and Judgment incorporates the Settlement Agreement, and  
21 the capitalized terms used herein shall have the meanings and/or definitions given to them in the  
22 Settlement Agreement.

23 **Approval of the PAGA Settlement**

24 3. Having reviewed the Settlement Agreement and Plaintiffs’ submissions in support of  
25 approval, and based upon all proceedings herein, the Court finds and concludes that the Settlement is  
26 fair, adequate, and reasonable in all respects and GRANTS approval of the Settlement.

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2 4. Specifically, the Court finds that:

- 3 a. The Settlement was the result of extensive, arm's-length negotiations among the  
4 Parties;
- 5 b. The investigation and discovery conducted by the Parties are sufficient to allow  
6 counsel and the Court to act intelligently and sufficient to allow Plaintiffs'  
7 Counsel to become intimately familiar with the strengths and weaknesses of the  
8 representative claims;
- 9 c. Plaintiffs' Counsel is experienced in similar class and representative litigation,  
10 and strongly endorse the Settlement as an outstanding result.
- 11 d. The Gross Settlement Amount of \$500,000 is fair, reasonable, and adequate,  
12 especially in light of the significant litigation risks had the case not been resolved  
13 through settlement. Moreover, the Settlement is fair, reasonable, and adequate in  
14 view of PAGA's purposes to remediate present labor law violations, deter future  
15 ones, and to maximize enforcement of state labor laws.

16 5. The Court finds that the allocation, distribution and payment methods for the Gross  
17 Settlement Fund provided in the Settlement is fair and reasonable. Accordingly, Court ORDERS the  
18 Parties and the Settlement Administrator to consummate the Settlement and distribute the Individual  
19 and LWDA PAGA Payments pursuant to the terms of the Settlement.

20 **Attorneys' Fees and Costs, Settlement Administration Costs, Service Award**

21 6. The Court finds that an attorneys' fees award of 30 % of the Gross Settlement  
22 Amount (*i.e.*, \$150,000) is fair and reasonable, considering the relevant factors.

23 7. Specifically, the Court finds that the percentage method is an appropriate means of  
24 calculating attorneys' fees in this case, where Plaintiff has secured a common fund. When using the  
25 percentage of the recovery approach, this Court's benchmark for fees is 30% of the total fund.

26 8. The Court also finds that a fee of \$150,000 is reasonable based on a lodestar cross-  
27 check. Plaintiffs' Counsel have expended over 628.7 hours representing \$364,222.50 in lodestar fees

1 using their customary and reasonable hourly rates. Plaintiff's lodestar calculation is based on rates  
2 ranging from \$900 per hour for attorneys and \$275-\$325 for support staff. Plaintiffs' counsel's  
3 declaration provided information about counsel's qualifications, experience, the nature of the work  
4 performed, and counsel's timekeeping policies, Counsel's rates and hours thus appear to be  
5 reasonable.

6 9. On this basis, as well as the facts provided for in Plaintiffs' unopposed motion, the  
7 Court APPROVES attorneys' fees of \$150,000.

8 10. The Court further finds that Plaintiffs' Counsel's litigation costs of \$9,044.82 were  
9 reasonable and necessary to the prosecution of the case. The Court APPROVES costs not to exceed  
10 \$9,044.82.

11 11. The Court also finds that the requested payment of up to \$4,950.00 for the  
12 administration costs of Phoenix Class Action Settlement Administrators is reasonable and necessary  
13 to administering the Settlement. The Court therefore APPROVES settlement administration costs not  
14 to exceed \$4,950.

15 12. Accordingly, IT IS HEREBY ORDERED that Plaintiffs' Counsel are awarded a total  
16 of \$150,000.00 for fees and \$9,044.82 for litigation costs, and Phoenix Class Action Settlement  
17 Administrators are awarded costs not to exceed \$4,950.

18 13. The Court finds that the requested service award of \$5,000.00 for each of the  
19 plaintiffs is reasonable and well-justified considering the substantial time and effort that they have  
20 expended prosecuting their claims against their former employer; the outstanding recovery they  
21 achieved; the significant risks that they faced by bringing this case; the size of the service award  
22 relative to the overall settlement value.

23 14. Accordingly, IT IS HEREBY ORDERED that Plaintiffs will each receive a service  
24 award of \$5,000.00.

25 **JUDGMENT**

26 **THE COURT NOW ORDERS AND ADJUDGES AS FOLLOWS:**

27 15. IT IS HEREBY ORDERED that the Effective Date of the Settlement will be sixty-  
28

1 one days after entry of this Order of Approval and Judgment.

2 16. IT IS HEREBY ORDERED that upon the Effective Date of this Settlement, the  
3 Plaintiffs shall be deemed to have released claims as set forth in the Settlement Agreement.

4 17. IT IS HEREBY ORDERED that final judgment be entered on the PAGA claims  
5 asserted in the First Amended Complaint in accordance with the terms of the Settlement and this  
6 Order. By virtue of this Order, upon the Effective Date, Plaintiffs, on behalf of the LWDA, release  
7 the claims that were pled in the First Amended Complaint during the PAGA period of May 10, 2021  
8 to July 27, 2024.

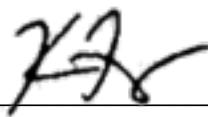
9 18. Pursuant to California Code of Civil Procedure section 128, subdivision (a)(4), the  
10 Court shall retain jurisdiction over the interpretation and implementation of the Settlement  
11 Agreement as well as any and all matters arising out of, or related to, the interpretation,  
12 implementation, or enforcement of the Settlement Agreement and this Order. (See also 7 Witkin,  
13 Cal. Procedure (5th ed. 2008) Judgment, § 80, p. 616 [“a court that renders an equitable decree may  
14 appropriately reserve jurisdiction to take steps to carry it into effect”].)

15 19. This Order of Approval and Judgment is final for purpose of appeal and the Clerk is  
16 hereby directed to enter judgment thereon.

17 20. A compliance hearing is SET for July 24, 2025 at 2:30 P.M. in Department 517, at  
18 which time the Court will consider evidence that the distribution process is complete and that a final  
19 accounting may be approved.

20 **IT IS SO ORDERED**

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23 Dated: October 16, 2024

  
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Hon. Keith Fong  
Judge of the Superior Court  
**Keith Fong / Judge**