Arrash T. Fattahi (SBN 333676)
arrash.fattahi@wilshirelawfirm.com
Arman A. Salehi (SBN 351112)
arman.salehi@wilshirelawfirm.com
WILSHIRE LAW FIRM
3055 Wilshire Blvd., 12th Floor
Los Angeles, California 90010
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

MARIA GRISELDA CASTILLO, individually and on behalf of all others similarly situated and as an aggrieved employee and Private Attorney General, Plaintiff, v. DONALDSON COMPANY, INC. dba DONALDSON FILTRATION SOLUTIONS, a Delaware Corporation; and DOES 1 through 50, inclusive, *Defendants*.	Case No.: 23STCV07645 [*Assigned to*: Hon. Elihu M. Berle, Dept. 6] **DECLARATION OF ARRASH T. FATTAHI IN SUPPORT OF PLAINTIFF'S MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT** FINAL APPROVAL HEARING Date: July 17, 2025 Time: 9:00 a.m. Department: 6

DECLARATION OF ARRASH T. FATTAHI

I, Arrash T. Fattahi, declare as follows:

1. I am admitted, in good standing, to practice as an attorney in the State of California, and the United States District Courts for the Central, Southern, Eastern, and Northern Districts of California. I am a Junior Partner at Wilshire Law Firm, PLC, counsel of record for Plaintiff Maria Griselda Castillo ("Plaintiff"). I have personal knowledge of the facts set forth in this declaration and could and would competently testify to them under oath if called as a witness. This Declaration is submitted in support of Plaintiff's Motion for Final Approval of Class Action Settlement.

CASE BACKGROUND

2. This is a wage and hour class and Private Attorneys General Act ("PAGA") (Cal. Lab. Code § 2699 *et seq*.) representative action. Plaintiff and putative class members worked in California as hourly-paid or non-exempt employees for Defendant Donaldson Company, Inc. ("Defendant," and together with Plaintiff, the "Parties") during the class period. Defendant is a publicly-traded filtration company headquartered in Minneapolis, Minnesota with over 13,000 employees worldwide.

3. Plaintiff alleges that Defendant's payroll, timekeeping, and wage and hour practices resulted in Labor Code violations. Plaintiff alleges that Defendant failed to pay for all hours worked (including minimum and overtime wages). Plaintiff further alleges that Defendant failed to provide employees with legally compliant meal and rest periods, and Defendant failed to reimburse employees for necessary business-related expenses and failed to pay accrued vacation time. Based on these allegations, Plaintiff asserted related claims for failure to provide accurate wage statements, failure to timely pay wage during employment, failure to pay all final wages at termination, unfair business practices, and civil penalties under PAGA.

4. My office, Wilshire Law Firm, PLC, and Protection Law Group, LLP joined forced to jointly litigate this action.

ENHANCEMENT AWARD FOR PLAINTIFF IS REASONABLE

5. On behalf of my office, I represent that Plaintiff devoted a great deal of time and work assisting counsel in the case, communicated with counsel very frequently for litigation and

to prepare for mediation, and was frequently in contact with Class Counsel during the mediation. Plaintiff's requested enhancement award is reasonable particularly in light of the substantial benefits Plaintiff generated for all class members. Under the settlement agreement, subject to the Court's approval, Defendant agreed to pay a service payment in the amount of $8,500.00 to Plaintiff. This amount is also in exchange for Plaintiff's general release of all claims against Defendant. Plaintiff submitted a declaration in support of Plaintiff's Motion for Preliminary Approval of Class Action Settlement which demonstrated that she devoted a great deal of time on this matter.

6. Throughout this litigation, Plaintiff, who is a former employee of Defendant, have cooperated immensely with my office and have taken many actions to protect the interests of the class. Plaintiff provided valuable information regarding the off-the-clock, meal period, and rest period claims. Plaintiff also informed my office of developments and information relevant to this action, participated in decisions concerning this action, and was available to answer questions during the mediation. The information and documentation provided by Plaintiff was instrumental in establishing the wage and hour violations alleged in this action, and the recovery provided for in the Settlement Agreement would have been impossible to obtain without Plaintiff's participation.

7. At the same time, Plaintiff faced many risks in adding herself and acting as the class representative in this matter. Plaintiff faced actual risks with her future employment, as putting herself on public record in an employment lawsuit could also very well affect their likelihood for future employment. Furthermore, as part of this Settlement, Plaintiff is executing a general release of all claims against Defendant.

8. In turn, class members will now have the opportunity to participate in a settlement, reimbursing them for alleged wage violations they may have never known about on their own or been willing to pursue on their own. If these class members would have each tried to pursue their legal remedies on their own, that would have resulted in each having to expend a significant amount of their own monetary resources and time, which were obviated by Plaintiff being put on the line on behalf of these other class members.

9. In the final analysis, this class action would not have been possible without the aid of Plaintiff, who put her own time and effort into this litigation, sacrificed the value of her own individual claims, and placed herself at risk for the sake of the class members. The requested enhancement award for Plaintiff for her service as the class representative and for her general release of all individual claims is a relatively small amount of money when the time and effort put into the litigation are considered and in comparison to enhancements granted in other class actions. The requested incentive award is therefore reasonable to compensate Plaintiff for active participation in this lawsuit.

THE REQUEST FOR ATTORNEYS' FEES AND COSTS IS REASONABLE

10. The Settlement provides for attorneys' fees payable to Class Counsel in an amount up to 35% of the Settlement Amount, for a maximum fees award of $630,000.00, plus actual costs and expenses not to exceed $30,000.00.

11. The total current lodestar for Wilshire Law Firm, PLC is not less than the following:

Person	**Role**	**Hours**	**Rate**	**Lodestar**
Arrash T. Fattahi	Junior Partner	87	$750	$65,250
Arman A. Salehi	Associate Attorney	15	$500	$7,500
Justin F. Marquez	Senior Partner	36[1]	$1,500	$54,000
Total:		138		$126,750

12. Wilshire Law Firm, PLC has spent approximately 138 hours, for a lodestar of $126,750 litigating this action to bring it to resolution, not including time which will be expended monitoring the administration of the settlement and distribution of funds to the Class Members. The efforts expended by my office to achieve this result include, but are not limited to, the following:

a. the investigation of the matter, including meeting with Plaintiff, reviewing Defendant's policies, and requesting Plaintiff's time and pay records, personnel file,

[1] As stated below, Justin F. Marquez is no longer with Wilshire Law Firm, PLC. I have conservatively estimated 36 hours of work by Mr. Marquez on this matter, which includes, but is not limited to, attending the mediation, discussing the matter with team members, and editing the Motion for Preliminary Approval.

and exploring the corporate structure of Defendant;

b. meeting and conferring with Defendant's counsel regarding the case;

c. meeting and conferring with Defendant regarding mediation, exchange of informal discovery beforehand, and negotiating with opposing counsel regarding the parameters thereof;

d. selecting a mediator and mediation date;

e. working with opposing counsel, co-counsel, and expert consultants for the receipt of a representative sampling and analyzing the same with the aid of expert consultants and Plaintiff to perform analyses of liability and exposure prior to attendance of the mediation in this matter;

f. reviewing policy documents from Defendant and researching applicable defenses;

g. preparation of a mediation brief and damages model for use at mediation;

h. attendance at mediation by all Parties and Counsel;

i. communicating with Plaintiff;

j. negotiating, finalizing and fully executing the settlement agreement;

k. preparing and filing the Motion for Preliminary Approval and supporting documents;

l. communicating with the Settlement Administrator to ensure the Class Notice was properly distributed; and

m. preparing the instant Motion for Final Approval and supporting documents.

13. There are additional hours devoted by me (and by my colleagues) to this litigation that are not reflected in Class Counsel's request for attorneys' fees.

14. I am informed and believe that the fee and costs provision is reasonable. The fee percentage requested is less than that charged by my office for most employment cases. My office invested significant time and resources into the case, with payment deferred to the end of the case, and then, of course, contingent on the outcome.

15. It is further estimated that my office will need to expend additional hours to ensure that payments are made to the class. My office also bears the risk of taking whatever actions are

necessary if Defendant fails to pay.

16. We can provide billing records in the event the Court requests them, but we would request the opportunity to redact attorney-client privileged information and any other privileged information.

17. My office has been the only counsel to represent Class Members in this matter and have borne the entire risk and costs of litigation purely on a contingency basis. Our outlay of time and money in this case has been significant. This case required experienced and competent lawyers and expertise in the issues presented herein. Defendant's contentions underscore the risk of prevailing at class certification and trial, and any of these obstacles could have prevented recovery completely. Further, proceeding to trial would have added years to the resolution of this case because of the difficult legal and factual issues raised and the likelihood of appeals. Despite these risks, my office took this case on a contingency basis. Yet, there are only so many cases that my office can take at any one time. Consequently, there were other meritorious cases presented to my office that would have generated substantial fees but were declined and/or could not be focused on during the pendency of this action in order to devote the attention necessary to achieve favorable results. The risk to my office has been very significant, particularly if we would not be successful in pursuing this class action. In that case, we would have been left with no compensation for all the time taken in litigating this case. The contingent risk in these types of cases is very real and they do occur regularly.

18. Because most individuals cannot afford to pay for representation in litigation on an hourly basis, Wilshire Law Firm, PLC, represents virtually all of its employment law clients on a contingency fee basis. Pursuant to this arrangement, we are not compensated for our time unless we prevail at trial or successfully settle our clients' cases. Because Wilshire Law Firm, PLC, is taking the risk that we will not be reimbursed for our time unless our client settles or wins his or her case, we cannot afford to represent an individual employee on a contingency basis if, at the end of our representation, all we are to receive is our regular hourly rate for services. It is essential that we recover more than our regular hourly rate when we win if we are to remain in practice so as to be able to continue representing other individuals in civil rights employment disputes.

19. As of the date of drafting this Motion, my office has incurred approximately $4,340.03 in costs litigating this action, and we anticipate incurring at least $300 in additional costs up to the time the Court enters a judgment in this action and schedules a hearing on distribution. Accordingly, my office respectfully requests reimbursement of $4,640.03 in expenses, which should be reimbursed in full. These expenses were reasonably necessary to the litigation and were actually incurred by my office. Attached as **Exhibit 1** is a list of the costs and the categories of costs for the costs incurred in this case to date.

MY EXPERIENCE AND QUALIFICATIONS

20. Wilshire Law Firm, PLC, was selected by Best Lawyers and U.S. News & World Report as one of the nation's Best Law Firms for every year since 2020 and comprises over 120 attorneys and over 600 employees. Wilshire Law Firm, PLC, is actively and continuously practicing in employment litigation, representing employees in both individual and class actions in both state and federal courts throughout California.

21. Wilshire Law Firm is qualified to handle this litigation because its attorneys are experienced in litigating Labor Code violations in both individual, class action, and representative action cases. Wilshire Law Firm has handled, and is currently handling, numerous wage and hour class action lawsuits, as well as numerous class actions involving consumer rights and data privacy litigation.

22. I graduated from the University of California, Los Angeles with a Bachelor of Arts in Political Science, *summa cum laude*. I received my Juris Doctor from The George Washington University Law School. During law school, I was a member of the student editorial board for the Federal Circuit Bar Journal.

23. My practice is focused on advocating for the rights of consumers and employees in class action litigation and appellate litigation. I am currently the managing attorney in charge of litigating several class action cases in state and federal courts in California.

///

///

///

24. As the attorney responsible for day-to-day management of this matter at the Wilshire Law Firm, PLC, I have over four years of experience litigating wage and hour class actions. Over the last four plus years, I have managed and assisted with the litigation and settlement of several wage and hour class actions. In those class actions, I performed similar tasks as those performed in the course of prosecuting this action.

25. I was also selected as a "Southern California Rising Star" in 2025.

26. My current contingent billing rate of $750.00 per hour is consistent with the legal market, accepted hourly rates, and my expertise and knowledge as it pertains to wage and hour matters. Below is a non-exhaustive list of the cases where I have been appointed as class counsel in my own right (as opposed to being part of a firmwide appointment of counsel):

a. *Kingsbury v. Caravan Foods II, Inc.*, Alameda County, Case No. RG21096357; Motion for Final Approval granted on January 31, 2023.

b. *Frias-Estrada v. Trek Retail Corporation*, Contra Costa County, Case No. MSC20-01916; Motion for Final Approval granted on March 3, 2023.

c. *Reyes v. Everytable, PBC, et al.*, Los Angeles County, Case No. 21STCV35987; Motion for Final Approval granted on May 3, 2023.

d. *Ortiz v. Tara Materials, Inc.*, San Diego County, Case No. 37-2021-0001473-CUOE-CTL; Motion for Final Approval granted on May 30, 2023.

e. *Cruz-Sanchez v. Eagle Lath & Plaster, Inc.*, Sacramento County, Case No. 34-2021-00293739-CU-OE-GDS; Motion for Final Approval granted on May 30, 2023.

f. *Garduno v. New Generation Framing, Inc.*, et al., Stanislaus County, Case No. CV-21-000544; Motion for Final Approval granted on August 11, 2023.

g. *Hernandez, et al. v. Burford Farming Company, Inc.*, Fresno County, Case No. 21CECG03817; Motion for Final Approval granted on August 21, 2023.

h. *Barajas v. Final Phase Construction, Inc.*, San Bernardino County, Case No. CIVSB2118622; Motion for Final Approval granted on September 13, 2023.

i. *Jaimes, et al. v. Infiniti Health LLC*, Los Angeles County, Case No. 22STCV07261; Motion for Final Approval granted on October 17, 2023.

j. *Nunez v. Gabriel Container*, Los Angeles County, Case No. 21STCV09787; Motion for Final Approval granted on November 2, 2023.

k. *Lupercio v. Western CNC, Inc.*, San Diego County, Case No. 37-2021-00010314-CU-OE-CTL; Motion for Final Approval granted on January 26, 2024.

l. *Jackson, et al. v. Apple Valley Communications, Inc.*, et al., San Bernardino County, Case No. CIVSB2124721; Motion for Final Approval granted on February 1, 2024.

m. *Cuadras, et al. v. Guinn Corporation*, Kern County, Case No. BCV-21-101520; Motion for Final Approval granted on February 22, 2024.

n. *Williams v. Total Longterm Care, Inc.*, et al., San Bernardino County, Case No. CIVSB2213347; Motion for Final Approval granted on April 2, 2024.

o. *Meza v. Argus Management Company, LLC, et al.*, Los Angeles County, Case No. 21STCV31612; Motion for Final Approval granted on May 20, 2024.

p. *Wade v. Mallory Safety and Supply LLC*, Siskiyou County, Case No. 23CV00951; Motion for Final Approval granted on July 11, 2024.

q. *Snell v. Shasta Community Health Center*, Shasta County, Case No. CVCV22-199416; Motion for Final Approval granted on November 12, 2024.

r. *Arce v. Sammy's Woodfired Pizza*, San Diego County, Case No. 37-2023-00037670-CU-OE-CTL; Motion for Final Approval granted on January 10, 2025.

s. *Ochoa, et al. v. La Tavola, LLC*, Napa County, Case No. 22CV000862; Motion for Final Approval granted on January 23, 2025.

t. *Brown, et al. v. Fidelity Security Services, Inc.*, Los Angeles County, Case No. 21STCV31617; Motion for Final Approval granted on January 28, 2025.

27. Arman A. Salehi is a second-year Associate Attorney at Wilshire Law Firm, PLC. He was admitted to practice law in the State of California and the Central and Northern Districts of California in February 2024. Arman graduated from the University of California, Los Angeles with a Bachelor of Arts in Sociology. He received his Juris Doctor from the University of California College of the Law, San Francisco (formerly known as UC Hastings). Since November 2023, his practice has mainly been focused on wage and hour class action litigation. His contingent

hourly rate for this matter is $500 per hour.

28. Justin F. Marquez *was* a Senior Partner at Wilshire Law Firm, PLC.[2] He graduated from the University of California, Los Angeles's College Honors Program in 2004 with Bachelor of Arts degrees in History and Japanese, *magna cum laude* and *Phi Beta Kappa.* As an undergraduate, he also received a scholarship to study abroad for one year at Tokyo University in Tokyo, Japan. He received his Juris Doctor from Notre Dame Law School in 2008. He has received numerous awards for his legal work. From 2017 to 2020, Super Lawyers selected him as a "Southern California Rising Star," and from 2022 to 2025, he was selected as a "Southern California Super Lawyer." He was selected as one of the "Best Lawyers in America" from 2023 to 2025. In 2016 and 2017, the National Trial Lawyers selected him as a "Top 40 Under 40" attorney. In 2024, he, along with his colleagues at Wilshire Law Firm, PLC, received a CLAY (California Lawyer Attorneys of the Year) award for his work on a false advertising case against Apple which ultimately led to a $25 million settlement. His contingent hourly rate while at Wilshire Law Firm, PLC was $1,500 per hour. The reasonableness of Wilshire Law Firm, PLC's hourly rates is also supported by several surveys of legal rates, including the following:

a. The 2022 Real Rate Report survey compiled by Wolters Kluwer, which presents the real market rates of Los Angeles area attorneys who practice litigation. For that category, the third quartile 2022 rate was $1,045 per hour for partners and $855 for associates. Likewise, page 32 of the Report describes the rates charged by 183 Los Angeles partners with "21 or more years of experience" and "Fewer than 21 years." For those categories, the third quartile Los Angeles partner rate in 2022 were $1,133 per hour for 21 or more years and $1,075 for attorneys with fewer than 21 years. A true and correct copy of portions of the 2022 Real Rate Report is attached hereto as **<u>Exhibit 2</u>**.

b. In an article entitled "Big Law Rates Topping $2,000 Leave Value 'In Eye of Beholder,'" written by Roy Strom and published by Bloomberg Law on June 9, 2022, the author describes how Big Law firms have crossed the $2,000-per hour

[2] Justin F. Marquez no longer works for Wilshire Law Firm, PLC.

rate. The article also notes that law firm rates have been increasing by just under 3% per year. A true and correct copy of this article is attached hereto as **Exhibit 3**.

I declare under penalty of perjury under the laws of the State of California and the United States that the foregoing is true and correct.

Executed on May 21, 2025, at Los Angeles, California.

Arrash T. Fattahi

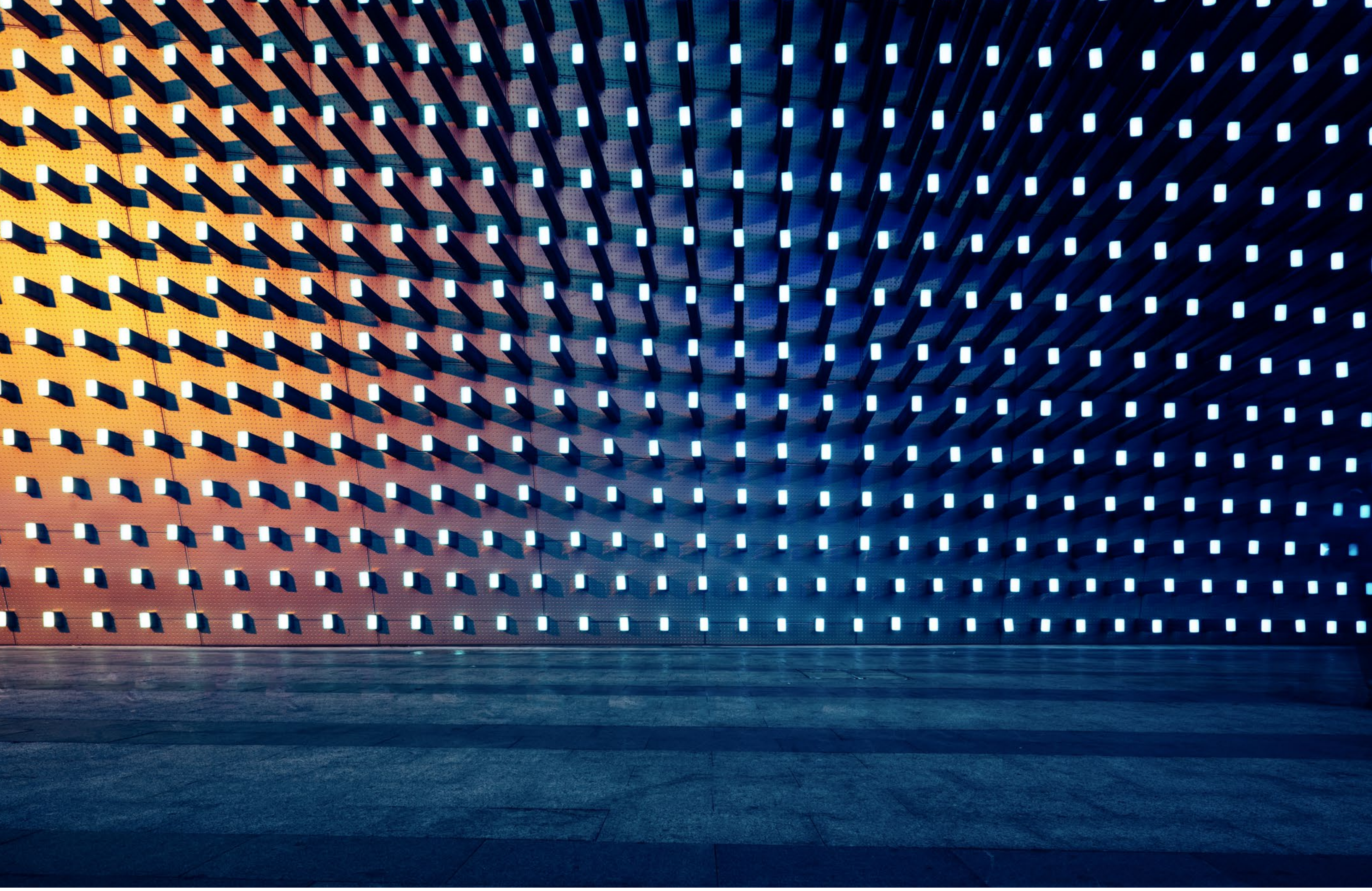
Exhibit 1

Wilshire Law Firm, PLC
Transaction Detail by Account
All Transactions

5/21/2025
Accrual Basis

Type	Date	Num	Memo	Amount	Balance
COS					
Legal Expenses					
	6/6/2023	848413295	Legal Research	38.17	38.17
	7/7/2023	848582696	Legal Research	18.22	18.22
	8/14/2023	INV92675-01	Legal Research	1,700.00	1,700.00
	9/13/2023	7072D9F3-0005-B	Legal Research	68.50	68.50
	9/13/2023	7072D9F3-0005-D	Legal Research	68.50	68.50
	9/13/2023	7072D9F3-0005-C	Legal Research	68.50	68.50
	11/15/2023	7072D9F3-0006-C	Legal Research	95.89	95.89
	11/15/2023	7072D9F3-0006-D	Legal Research	95.89	95.89
	11/15/2023	7072D9F3-0006-A	Legal Research	68.50	68.50
	11/15/2023	7072D9F3-0006-B	Legal Research	82.20	82.20
Total LEGAL EXPENSES				2,304.37	2,304.37
Process Service & Fees					
	6/14/2023		Attorney Services	32.40	32.40
	6/14/2023		Attorney Services	42.40	42.40
	8/15/2023	21010178	Attorney Services	18.69	18.69
	8/17/2023		Attorney Services	7.80	7.80
	9/8/2023	298900	Attorney Services	39.75	39.75
	11/14/2023	21629209	Attorney Services	39.28	39.28
	12/7/2023	21785522	Attorney Services	18.69	18.69
	12/12/2023	308788	Attorney Services	141.00	141.00
	2/13/2024	71598	Attorney Services	151.00	151.00
	3/12/2024	318505	Attorney Services	171.00	171.00
	6/6/2024	328979	Attorney Services	135.00	135.00
	7/5/2024		Attorney Services	2.00	2.00
	9/3/2024	340063	Attorney Services	135.00	135.00
	11/5/2024	24075835	Attorney Services	22.41	22.41
	11/6/2024	24090525	Attorney Services	44.09	44.09
	11/14/2024	24136046	Attorney Services	43.06	43.06
	11/27/2024	24230684	Attorney Services	21.37	21.37
	11/29/2024		Attorney Services	10.80	10.80
	12/5/2024	351627	Attorney Services	159.00	159.00
	12/27/2024	24398588	Attorney Services	23.44	23.44
	2/11/2025	24689837	Attorney Services	23.44	23.44
	3/3/2025		Attorney Services	2.00	2.00
	3/4/2025	24845556	Attorney Services	23.44	23.44
	3/5/2025	368837	Attorney Services	147.00	147.00
	3/14/2025		Attorney Services	9.00	9.00
	4/8/2025	380807	Attorney Services	51.00	51.00
ROCESS SERVICE & FILING FEES				1,514.06	4,520.70
Other Costs					
	5/4/2022		Case Administration Fee for In-House Services	500.00	500.00
	7/11/2022	E-1343098	Postage Cost	6.57	6.57
	7/11/2022	E-1343098	Postage Cost	6.57	6.57
	7/11/2022	E-1343098	Postage Cost	6.57	6.57
	2/7/2024	E-3190272	DocuSign Envelope	1.89	1.89
Total OTHER COSTS				521.60	521.60
TOTAL				**4,340.03**	**4,340.03**

Exhibit 2



ELM Solutions

2022 Real Rate Report®

The industry's leading analysis of law firm rates, trends, and practices

Wolters Kluwer

wolterskluwer.com

Table of Contents - 2022 Real Rate Report

Report Use Considerations

2022 Real Rate Report

- Examines law firm rates over time
- Identifies rates by location, experience, firm size, areas of expertise, industry, and timekeeper role (i.e., partner, associate, and paralegal)
- Itemizes variables that drive rates up or down

All the analyses included in the report derive from the actual rates charged by law firm professionals as recorded on invoices submitted and approved for payment.

Examining real, approved rate information, along with the ranges of those rates and their changes over time, highlights the role these variables play in driving aggregate legal cost and income. The analyses can energize questions for both corporate clients and law firm principals.

Clients might ask whether they are paying the right amount for different types of legal services, while law firm principals might ask whether they are charging the right amount for legal services and whether to modify their pricing approach.

Some key factors[1] that drive rates[2]:

Attorney location - Lawyers in urban and major metropolitan areas tend to charge more when compared with lawyers in rural areas or small towns.

Litigation complexity - The cost of representation will be higher if the case is particularly complex or time-consuming; for example, if there are a large number of documents to review, many witnesses to depose, and numerous procedural steps, the case is likely to cost more (regardless of other factors like the lawyer's level of experience).

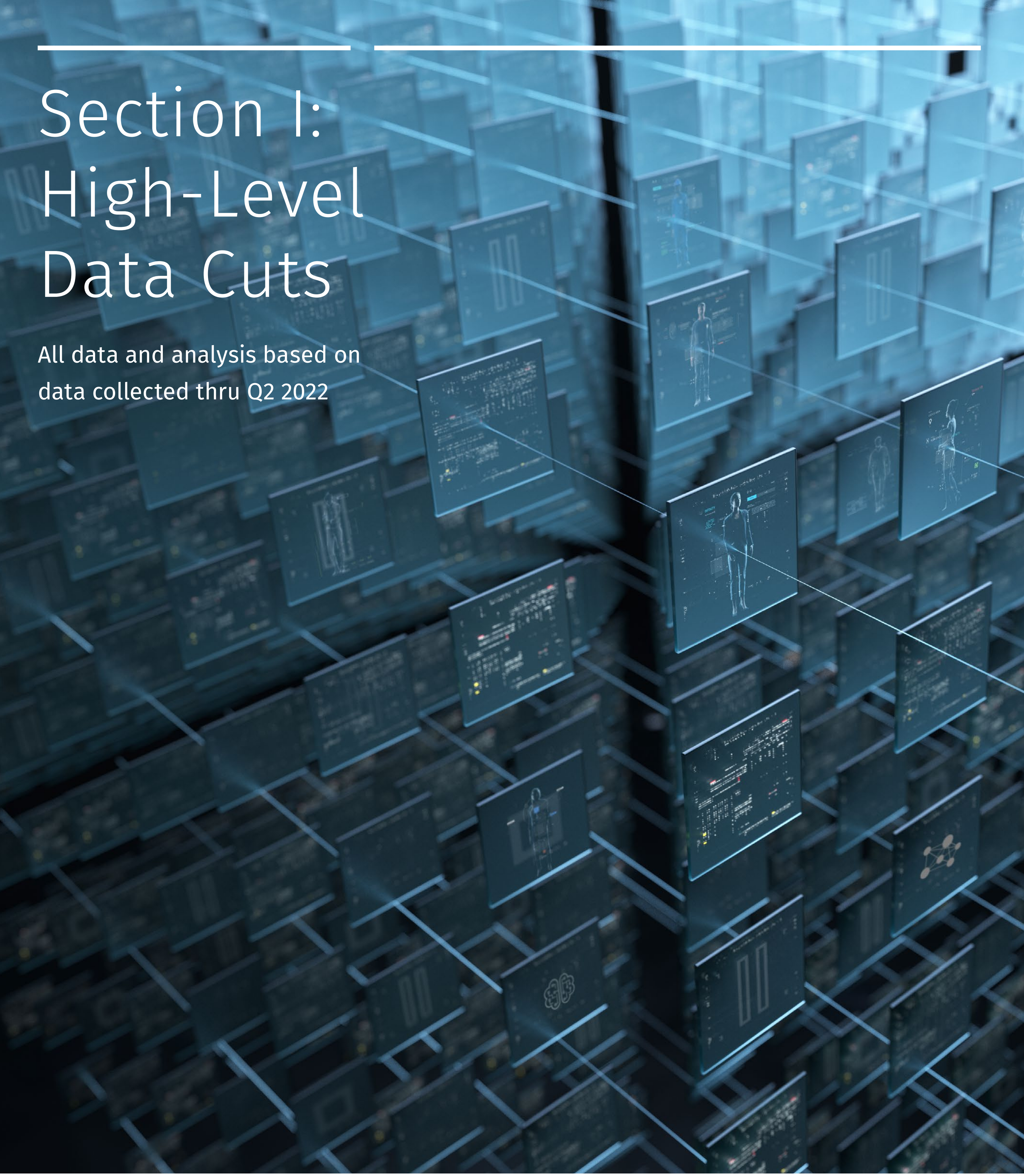
Years of experience and reputation - A more experienced, higher-profile lawyer is often going to charge more, but absorbing this higher cost at the outset may make more sense than hiring a less expensive lawyer who will likely take time and billable hours to come up to speed on unfamiliar legal and procedural issues.

Overhead - The costs associated with the firm's support network (paralegals, clerks, and assistants), document preparation, consultants, research, and other expenses.

Firm size – The rates can increase if the firm is large and has various timekeeper roles at the firm. For example, the cost to work with an associate or partner at a larger firm will be higher compared to a firm that has one to two associates and a paralegal.

1 **David Goguen, J.D., University of San Francisco School of Law (2020) Guide to Legal Services Billing Retrieved from:** https://www.lawyers.com/legal-info/research/guide-to-legal-services-billing-rates.html

2 **Source: 2018 RRR.** Factor order validated in multiple analyses since 2010



Section I: High-Level Data Cuts

All data and analysis based on data collected thru Q2 2022

Section I: High-Level Data Cuts

Cities
By Matter Type

2022 - Real Rates for Associate and Partner — **Trend Analysis - Mean**

City	Matter Type	Role	n	First Quartile	Median	Third Quartile	2022	2021	2020
Jackson MS	Litigation	Associate	56	$55	$225	$250	$178	$203	$175
	Non-Litigation	Partner	24	$315	$420	$485	$418	$394	$375
		Associate	25	$55	$126	$255	$155	$125	$259
Kansas City MO	Litigation	Partner	74	$413	$450	$556	$472	$450	$450
		Associate	50	$252	$329	$385	$319	$316	$305
	Non-Litigation	Partner	101	$411	$487	$615	$519	$487	$464
		Associate	73	$250	$320	$385	$322	$312	$285
Las Vegas NV	Non-Litigation	Partner	20	$350	$425	$525	$440	$422	$432
		Associate	11	$238	$267	$368	$301	$297	$282
Little Rock AR	Non-Litigation	Partner	11	$215	$215	$308	$264	$256	$298
Los Angeles CA	Litigation	Partner	322	$516	$725	$1,045	$799	$739	$702
		Associate	408	$400	$615	$855	$642	$606	$564
	Non-Litigation	Partner	521	$596	$868	$1,201	$903	$902	$858
		Associate	667	$441	$603	$845	$653	$712	$648

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner — **Trend Analysis - Mean**

City	Matter Type	Role	n	First Quartile	Median	Third Quartile	2022	2021	2020
Minneapolis MN	Non-Litigation	Associate	83	$340	$421	$528	$425	$408	$384
Nashville TN	Litigation	Partner	24	$275	$320	$456	$363	$378	$403
	Non-Litigation	Partner	78	$412	$484	$576	$505	$481	$470
		Associate	59	$270	$330	$384	$340	$315	$285
New Orleans LA	Litigation	Partner	47	$290	$332	$412	$343	$330	$340
		Associate	42	$231	$243	$340	$278	$290	$275
	Non-Litigation	Partner	32	$295	$347	$405	$419	$380	$391
		Associate	21	$244	$250	$278	$273	$303	$258
New York NY	Litigation	Partner	614	$475	$675	$1,088	$808	$784	$746
		Associate	631	$323	$460	$729	$545	$527	$509
	Non-Litigation	Partner	1,376	$765	$1,235	$1,638	$1,189	$1,139	$1,090
		Associate	1,809	$550	$776	$1,050	$796	$766	$716
Oklahoma City OK	Non-Litigation	Partner	14	$235	$338	$393	$337	$319	$311
Omaha NE	Litigation	Partner	12	$293	$339	$353	$329	$338	$341

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner — **Trend Analysis - Mean**

City	Matter Type	Role	n	First Quartile	Median	Third Quartile	2022	2021	2020
Rochester NY	Non-Litigation	Partner	12	$270	$360	$488	$386	$341	$446
		Associate	13	$220	$310	$375	$314	$278	$287
Sacramento CA	Non-Litigation	Partner	11	$381	$437	$682	$534	$559	$516
Salt Lake City UT	Litigation	Partner	14	$246	$353	$468	$363	$333	$379
	Non-Litigation	Partner	42	$297	$371	$447	$391	$363	$353
		Associate	22	$220	$240	$270	$248	$247	$228
San Diego CA	Litigation	Associate	23	$151	$225	$300	$255	$258	$264
	Non-Litigation	Partner	89	$332	$540	$1,066	$699	$667	$649
		Associate	71	$250	$325	$424	$373	$378	$351
San Francisco CA	Litigation	Partner	143	$423	$675	$995	$742	$711	$691
		Associate	98	$325	$430	$731	$525	$517	$470
	Non-Litigation	Partner	221	$475	$750	$950	$758	$746	$741
		Associate	151	$338	$486	$702	$545	$563	$507
San Jose CA	Litigation	Partner	33	$654	$921	$1,133	$916	$907	$864

Section I: High-Level Data Cuts

Cities

By Matter Type

2022 - Real Rates for Associate and Partner — **Trend Analysis - Mean**

City	Matter Type	Role	n	First Quartile	Median	Third Quartile	2022	2021	2020
San Jose CA	Litigation	Associate	22	$461	$580	$745	$608	$593	$498
	Non-Litigation	Partner	50	$660	$864	$1,303	$969	$985	$887
		Associate	46	$380	$460	$775	$616	$639	$567
Seattle WA	Litigation	Partner	76	$497	$655	$760	$635	$567	$510
		Associate	61	$394	$468	$530	$447	$453	$395
	Non-Litigation	Partner	148	$410	$526	$760	$571	$547	$547
		Associate	113	$310	$395	$502	$422	$401	$377
St. Louis MO	Litigation	Partner	46	$260	$350	$435	$376	$373	$388
		Associate	17	$197	$225	$250	$228	$237	$232
	Non-Litigation	Partner	57	$352	$419	$540	$451	$446	$473
Tampa FL	Litigation	Partner	31	$369	$508	$595	$490	$467	$452
		Associate	15	$269	$298	$368	$316	$302	$306
Trenton NJ	Non-Litigation	Partner	21	$408	$600	$700	$569	$620	$581
		Associate	12	$480	$495	$500	$448	$376	$387

Section I: High-Level Data Cuts

Cities

By Years of Experience

2022 - Real Rates for Associate **Trend Analysis - Mean**

City	Years of Experience	n	First Quartile	Median	Third Quartile	2022	2021	2020
Kansas City MO	3 to Fewer Than 7 Years	15	$270	$325	$360	$318	$295	$283
	7 or More Years	28	$292	$334	$391	$333	$312	$302
Los Angeles CA	Fewer Than 3 Years	63	$429	$595	$654	$556	$524	$488
	3 to Fewer Than 7 Years	144	$486	$688	$838	$662	$626	$530
	7 or More Years	171	$351	$550	$840	$600	$634	$586
Miami FL	3 to Fewer Than 7 Years	19	$300	$360	$457	$380	$331	$313
	7 or More Years	36	$295	$450	$595	$460	$433	$385
Minneapolis MN	Fewer Than 3 Years	11	$374	$405	$446	$408		$230
	3 to Fewer Than 7 Years	27	$340	$451	$510	$421	$358	$356
	7 or More Years	27	$423	$468	$585	$478	$438	$392
Nashville TN	7 or More Years	12	$219	$245	$345	$282	$266	$262
New Orleans LA	3 to Fewer Than 7 Years	12	$232	$243	$265	$261	$242	$245
	7 or More Years	18	$243	$312	$343	$306	$318	$294
New York NY	Fewer Than 3 Years	142	$443	$622	$775	$629	$600	$652

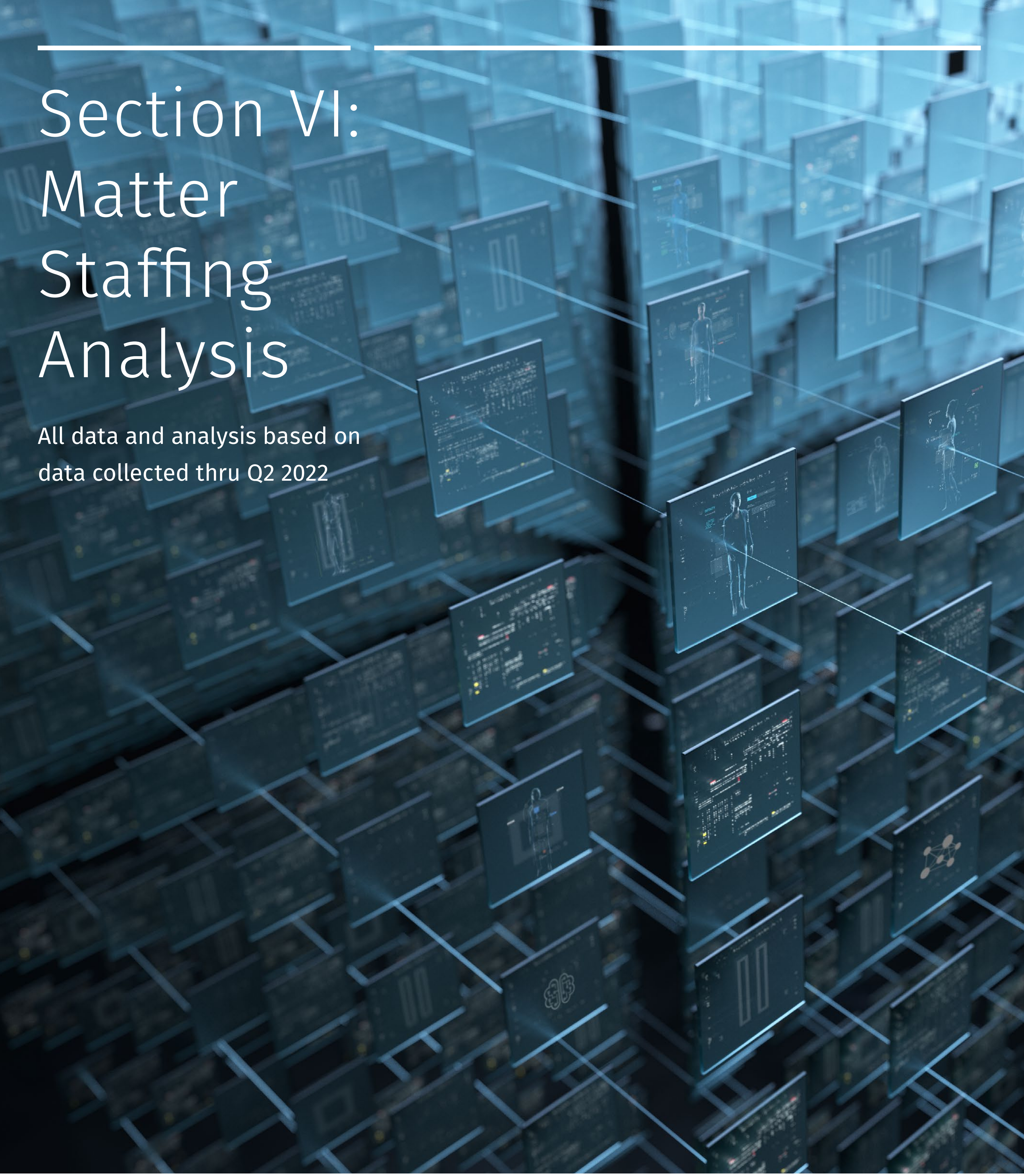
Section I: High-Level Data Cuts

Cities

By Years of Experience

2022 - Real Rates for Partner | **Trend Analysis - Mean**

City	Years of Experience	n	First Quartile	Median	Third Quartile	2022	2021	2020
Kansas City MO	Fewer Than 21 Years	46	$400	$450	$537	$473	$411	$397
	21 or More Years	68	$440	$553	$658	$539	$497	$491
Las Vegas NV	Fewer Than 21 Years	12	$284	$381	$495	$389	$349	$343
	21 or More Years	13	$350	$425	$515	$468	$456	$472
Los Angeles CA	Fewer Than 21 Years	183	$533	$801	$1,075	$804	$797	$682
	21 or More Years	333	$550	$765	$1,133	$863	$842	$808
Memphis TN	Fewer Than 21 Years	14	$288	$331	$380	$345	$317	$328
	21 or More Years	15	$355	$415	$425	$394	$382	$375
Miami FL	Fewer Than 21 Years	57	$370	$450	$598	$490	$498	$443
	21 or More Years	104	$388	$581	$749	$584	$580	$536
Milwaukee WI	21 or More Years	16	$302	$454	$613	$589	$515	$530
Minneapolis MN	Fewer Than 21 Years	36	$470	$530	$607	$532	$486	$499
	21 or More Years	84	$507	$675	$796	$656	$620	$589
Nashville TN	Fewer Than 21 Years	28	$375	$405	$535	$449	$405	$397



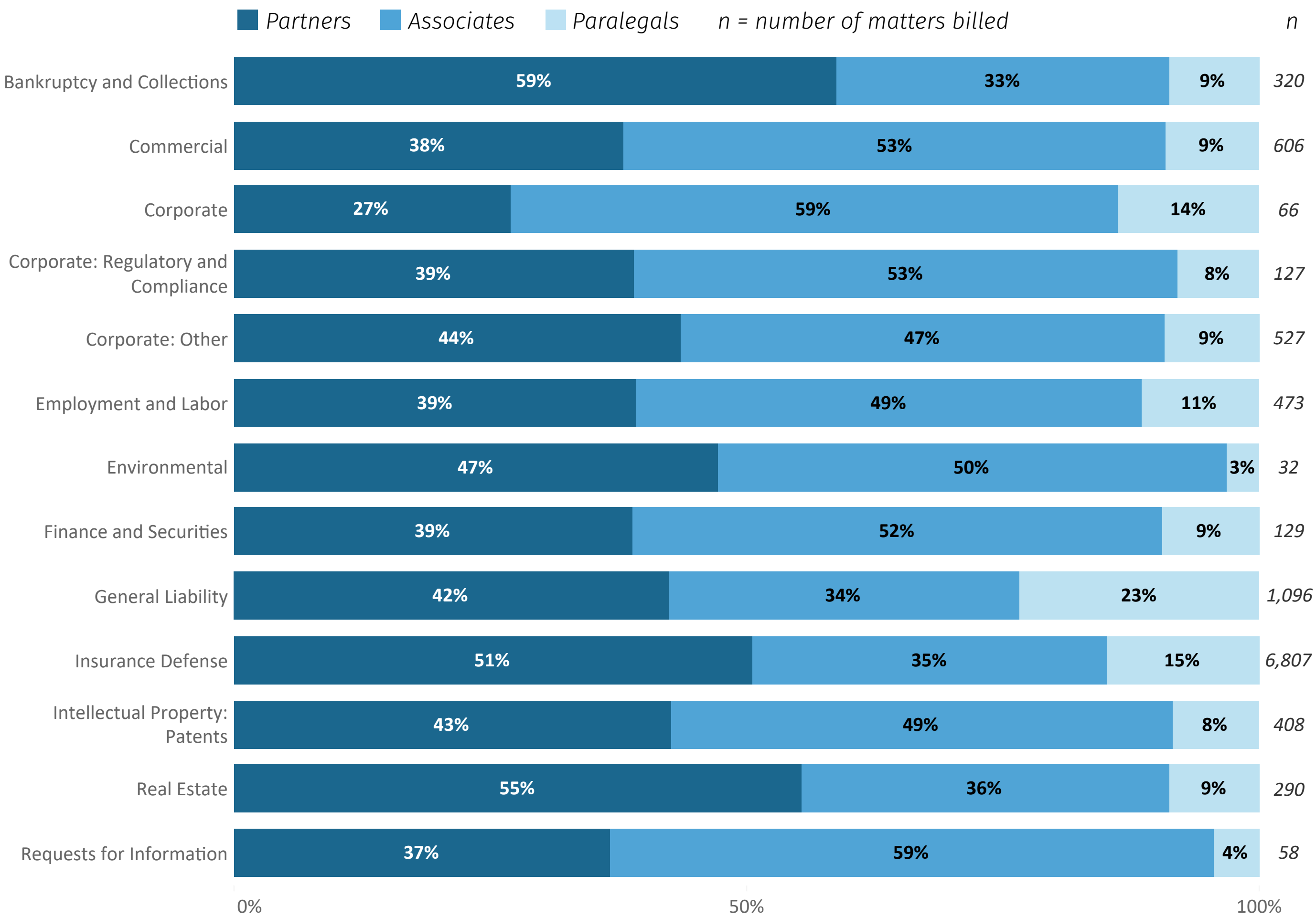
Section VI: Matter Staffing Analysis

All data and analysis based on data collected thru Q2 2022

Section VI: Matter Staffing Analysis

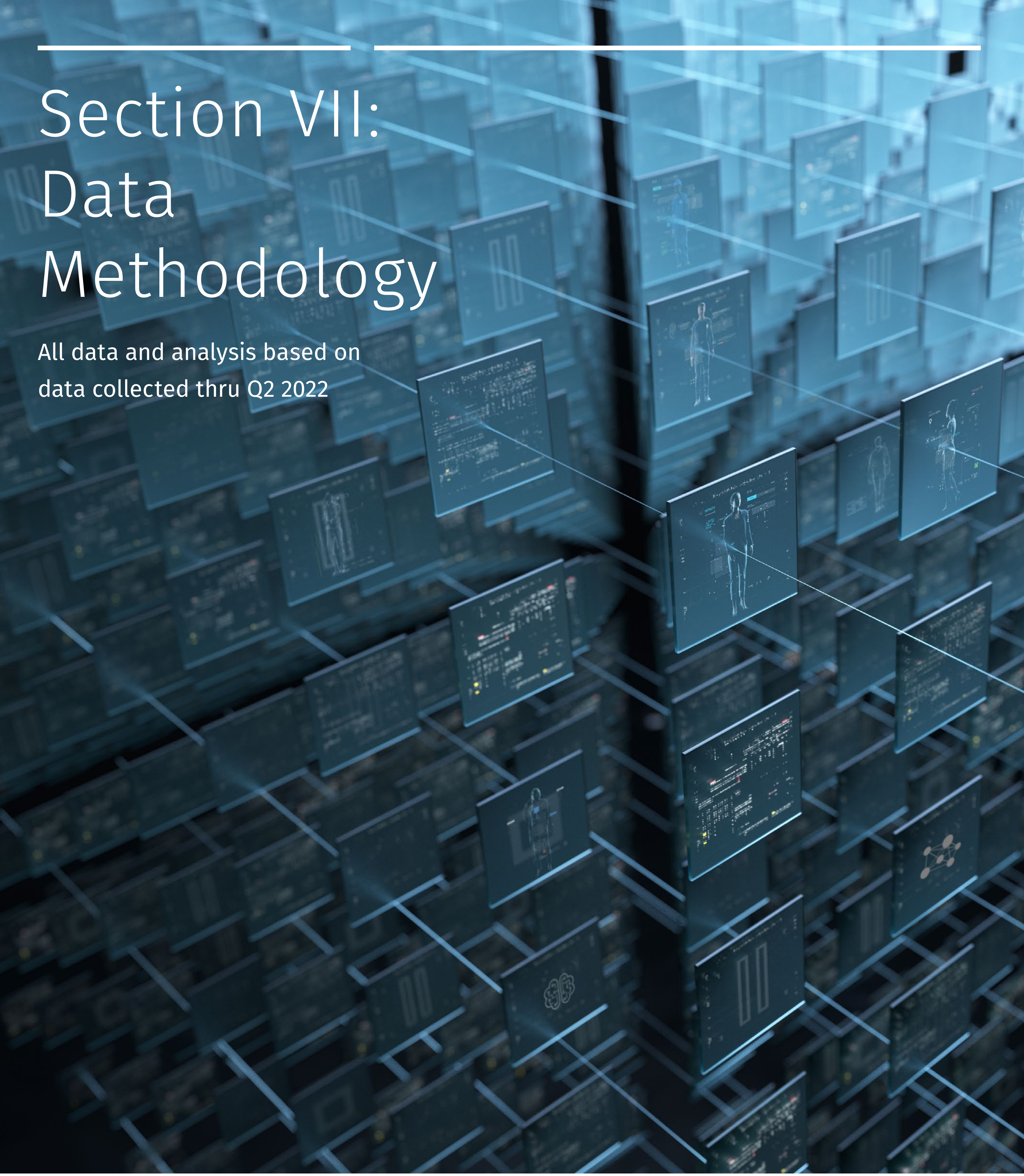
Long Litigation Matters, More Than 100 Total Hours Billed

2019 to 2022 -- Percentage of Hours Billed per Matter



Section VII: Data Methodology

All data and analysis based on data collected thru Q2 2022



Appendix: Data Methodology

Invoice Information

Data in Wolters Kluwer ELM Solutions' reference database and the 2022 Real Rate Report were taken from invoice line-item entries contained in invoices received and approved by participating companies.

Invoice data were received in the Legal Electronic Data Exchange Standard (LEDES) format (LEDES.org). The following information was extracted from those invoices and their line items:

- Law firm (which exists as a random number in the ELM Solutions reference database)
- Timekeeper ID (which exists as a random number in the ELM Solutions reference database)
- Matter ID (which exists as a random number in the ELM Solutions reference database)
- Timekeeper's position (role) within the law firm (partner, associate, paralegal, etc.)
- Uniform Task-Based Management System Code Set, Task Codes, and Activity Codes (UTBMS.com)
- Date of service
- Hours billed
- Hourly rate billed
- Fees billed

Non-Invoice Information

To capture practice area details, the matter ID within each invoice was associated with matter profiles containing areas of work in the systems of each company. The areas of work were then systematically categorized into legal practice areas. Normalization of practice areas was done based on company mappings to system-level practice areas available in the ELM Solutions system and by naming convention.

The majority of analyses included in this report have been mapped to one of 11 practice areas, further divided into sub-areas and litigation/non-litigation (for more information on practice areas and sub-areas, please refer to pages 232-234).

To capture location and jurisdiction details, law firms and timekeepers were systematically mapped to the existing profiles within ELM Solutions systems, as well as with publicly available data sources for further validation and normalization. Where city location information is provided, it includes any address within that city's defined Core-Based Statistical Area (CBSA) as defined by the Office of Management and Budget (OMB). The CBSAs are urban centers with populations of 10,000 or more and include all adjacent counties that are economically integrated with that urban center.

Where the analyses focus on partners, associates, and paralegals, the underlying data occasionally included some sub-roles, such as "senior partner" or "junior associate." In such instances, those timekeeper sub-roles were placed within the broader partner, associate, and paralegal segments.

Demographics regarding law firm size, location, and lawyer years of experience were augmented by incorporating publicly available information.

Appendix: Data Methodology

A Note on US Cities

Principal City	CBSA Name
Hartford, CT	Hartford-East Hartford-Middletown, CT
Honolulu, HI	Urban Honolulu HI
Houston, TX	Houston-The Woodlands-Sugar Land, TX
Indianapolis, IN	Indianapolis-Carmel-Anderson, IN
Jackson, MS	Jackson, MS
Jacksonville, FL	Jacksonville, FL
Kansas City, MO	Kansas City, MO-KS
Lafayette, LA	Lafayette, LA
Las Vegas, NV	Las Vegas-Henderson-Paradise, NV
Lexington, KY	Lexington-Fayette, KY
Little Rock, AR	Little Rock-North Little Rock-Conway, AR
Los Angeles, CA	Los Angeles-Long Beach-Anaheim, CA
Louisville, KY	Louisville/Jefferson County, KY-IN
Madison, WI	Madison, WI
Memphis, TN	Memphis-Forrest City, TN-MS-AR
Miami, FL	Miami-Fort Lauderdale-Pompano Beach, FL
Milwaukee, WI	Milwaukee-Waukesha, WI
Minneapolis, MN	Minneapolis-St. Paul-Bloomington, MN-WI
Nashville, TN	Nashville-Davidson-Murfreesboro-Franklin, TN
New Haven, CT	New Haven-Milford, CT
New Orleans, LA	New Orleans-Metairie, LA
New York, NY	New York-Newark-Jersey City, NY-NJ-PA
Oklahoma City, OK	Oklahoma City, OK
Omaha, NE	Omaha-Council Bluffs, NE-IA
Orlando, FL	Orlando-Kissimmee-Sanford, FL
Philadelphia, PA	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD
Phoenix, AZ	Phoenix-Mesa-Chandler, AZ
Pittsburgh, PA	Pittsburgh, PA
Portland, ME	Portland-South Portland, ME
Portland, OR	Portland-Vancouver-Hillsboro, OR-WA
Providence, RI	Providence-Warwick, RI-MA
Raleigh, NC	Raleigh-Cary, NC
Reno, NV	Reno-Carson City-Fernley, NV

Appendix: Data Methodology

Bankruptcy and Collections

Chapter 11
Collections
General/Other
Workouts and Restructuring

Commercial (Commercial Transactions and Agreements)

Contract Breach or Dispute
General, Drafting, and Review
General/Other

Corporate[1]

Antitrust and Competition
Corporate Development
General/Other
Governance
Information and Technology
Mergers, Acquisitions, and Divestitures
Partnerships and Joint Ventures
Regulatory and Compliance
Tax
Treasury
White Collar/Fraud/Abuse

Employment and Labor

ADA
Agreements
Compensation and Benefits
Discrimination, Retaliation, and Harassment/EEO
Employee Dishonesty/Misconduct
ERISA
General/Other
Immigration
Union Relations and Negotiations/NLRB
Wages, Tips, and Overtime
Wrongful Termination

Environmental

General/Other
Health and Safety
Superfund
Waste/Remediation

Finance and Securities

Commercial Loans and Financing
Debt/Equity Offerings
Fiduciary Services
General/Other
Investments and Other Financial Instruments
Loans and Financing
SEC Filings and Financial Reporting
Securities and Banking Regulations

General Liability

Asbestos/Mesothelioma
Auto and Transportation
Consumer Related Claims
Crime, Dishonesty and Fraud
General/Other
Personal Injury/Wrongful Death
Premises
Product and Product Liability
Property Damage
Toxic Tort

1 All references to “Corporate: General/Other” in the Real Rate Report are the aggregation of all Corporate sub-areas excluding the Mergers, Acquisitions, and Divestitures sub-area and the Regulatory and Compliance sub-area.

Exhibit 3

Business & Practice

Big Law Rates Topping $2,000 Leave Value ‘In Eye of Beholder’

By Roy Strom

Column
June 9, 2022, 2:30 AM

Welcome back to the Big Law Business column on the changing legal marketplace written by me, Roy Strom. Today, we look at a new threshold for lawyers’ billing rates and why it’s so difficult to put a price on high-powered attorneys. Sign up to receive this column in your inbox on Thursday mornings. Programming note: Big Law Business will be off next week.

Some of the nation’s top law firms are charging more than $2,000 an hour, setting a new pinnacle after a two-year burst in demand.

Partners at Hogan Lovells and Latham & Watkins have crossed the threshold, according to court documents in bankruptcy cases filed within the past year.

Other firms came close to the mark, billing more than $1,900, according to the documents. They include Kirkland & Ellis, Simpson Thacher & Bartlett, Boies Schiller Flexner, and Sidley Austin.

Simpson Thacher & Bartlett litigator Bryce Friedman, who helps big-name clients out of jams, especially when they’re accused of fraud, charges $1,965 every 60 minutes, according to a court document.

In need of a former acting US Solicitor General? Hogan Lovells partner Neal Katyal bills time at $2,465 an hour. Want to hire famous litigator David Boies? That’ll cost $1,950 an hour (at least). Reuters was first to report their fees.

Eye-watering rates are nothing new for Big Law firms, which typically ask clients to pay higher prices at least once a year, regardless of broader market conditions.

“Value is in the eye of the beholder,” said John O’Connor, a San Francisco-based expert on legal fees. “The perceived value of a good lawyer can reach into the multi-billions of dollars.”

Kirkland & Ellis declined to comment on its billing rates. None of the other firms responded to requests to comment.

Charge It Up

Big Law firms are crossing the $2,000-an-hour threshold after two years of surging rates driven by an increase in demand for lawyers.

Firm	Highest Billing Rate
Hogan Lovells	$2,465
Latham & Watkins	$2,075
Kirkland & Ellis	$1,995
Simpson Thacher & Bartlett	$1,965
Boies Schiller Flexner	$1,950
Sidley Austin	$1,900

Source: Court documents

Bloomberg Law

Law firms have been more successful raising rates than most other businesses over the past 15 years.

Law firm rates rose by roughly 40 percent from 2007 to 2020, or just short of 3 percent per year, Thomson Reuters Peer Monitor data show. US inflation rose by about 28% during that time.

The 100 largest law firms in the past two years achieved their largest rate increases in more than a decade, Peer Monitor says. The rates surged more than 6% in 2020 and grew another 5.6% through November of last year. Neither level had been breached since 2008.

The price hikes occurred during a once-in-a-decade surge in demand for law services, which propelled profits at firms to new levels. Fourteen law firms reported average profits per equity partner in 2021 over $5 million, according to data from The American Lawyer. That was up from six the previous year.

The highest-performing firms, where lawyers charge the highest prices, have outperformed their smaller peers. Firms with leading practices in markets such as mergers and acquisitions, capital markets, and real estate were forced to turn away work at some points during the pandemic-fueled surge.

Firms receive relatively tepid pushback from their giant corporate clients, especially when advising on bet-the-company litigation or billion-dollar deals.

The portion of bills law firms collected—a sign of how willingly clients pay full-freight—rose during the previous two years after drifting lower following the Great Financial Crisis. Collection rates last year breached 90% for the first time since 2009, Peer Monitor data show.

Professional rules prohibit lawyers from charging “unconscionable” or “unreasonable” rates. But that doesn’t preclude clients from paying any price they perceive as valuable, said Jacqueline Vinaccia, a San Diego-based lawyer who testifies on lawyer fee disputes.

Lawyers’ fees are usually only contested when they will be paid by a third party.

That happened recently with Hogan Lovells’ Katyal, whose nearly $2,500 an hour fee was contested in May by a US trustee overseeing a bankruptcy case involving a Johnson & Johnson unit facing claims its talc-based powders caused cancer.

The trustee, who protects the financial interests of bankruptcy estates, argued Katyal’s fee was more than $1,000 an hour higher than rates charged by lawyers in the same case at Jones Day and Skadden Arps Slate Meagher & Flom.

A hearing on the trustee’s objection is scheduled for next week. Hogan Lovells did not respond to a request for comment on the objection.

Vinaccia said the firm’s options will be to reduce its fee, withdraw from the case, or argue the levy is reasonable, most likely based on Katyal’s extensive experience arguing appeals.

Still, the hourly rate shows just how valuable the most prestigious lawyers’ time can be—even compared to their highly compensated competitors.

“If the argument is that Jones Day and Skadden Arps are less expensive, then you’re already talking about the cream of the crop, the top-of-the-barrel law firms,” Vinaccia said. “I can’t imagine a case in which I might argue those two firms are more reasonable than the rates I’m dealing with.”

Worth Your Time

On Cravath: Cravath Swaine & Moore is heading to Washington, opening its first new office since 1973 by hiring former heads of the U.S. Securities and Exchange Commission and Federal Deposit Insurance Corporation. Meghan Tribe reports the move comes as Big Law firms are looking to add federal government expertise as clients face more regulatory scrutiny.

On Big Law Promotions: It’s rare that associates get promotions to partner in June, but Camille Vasquez is now a Brown Rudnick partner after she shot to fame representing Johnny Depp in his defamation trial against ex-wife Amber Heard.

On Working From Home: I spoke this week with Quinn Emanuel’s John Quinn about why he thinks law firm life is never going back to the office-first culture that was upset by the pandemic. Listen to the podcast here.

00:00:00

That's it for this week! Thanks for reading and please send me your thoughts, critiques, and tips.

To contact the reporter on this story: Roy Strom in Chicago at rstrom@bloomberglaw.com

To contact the editors responsible for this story: Chris Opfer at copfer@bloomberglaw.com; John Hughes at jhughes@bloomberglaw.com

Documents

Trustee's Objection

Related Articles

Overworked Big Law Can't Find Enough Lawyers With Demand Surging Dec. 9, 2021, 3:00 AM

Never Underestimate Big Law's Ability to Raise Billing Rates Aug. 12, 2021, 3:00 AM

Law Firms

Simpson Thacher
Hogan Lovells
Jones Day
Skadden
Sidley Austin
Quinn Emanuel
Cravath Swaine & Moore
Latham & Watkins
Kirkland & Ellis
Boies Schiller Flexner

Topics

expert fees
compensation of bankruptcy attorney
acquisitions
U.S. trustees
financial markets
client-paid legal fees
data breaches

Companies

Johnson & Johnson
Thomson Reuters Corp