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Attorneys for Plaintiffs LISA CHILDRESS and JUSTIN AARON HEARD, on behalf of themselves and all others similarly situated,

**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**FOR THE COUNTY OF SAN BERNARDINO**

| | |
|---|---|
| LISA CHILDRESS and JUSTIN AARON HEARD, on behalf of themselves and all others similarly situated,<br><br>Plaintiffs,<br><br>vs.<br><br>FORD MOTOR COMPANY; and DOES 1 through 100, Inclusive,<br><br>Defendants. | **CLASS ACTION**<br><br>Case No. CIVSB2324555<br><br>*Assigned for All Purposes to Hon. Thomas S. Garza, Dept. S27*<br><br>**PLAINTIFF'S NOTICE OF MOTION AND MOTION FOR FINAL APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT AND REQUEST FOR ATTORNEYS' FEES, COSTS, AND CLASS REPRESENTATIVES' ENHANCEMENT AWARDS; MEMORANDUM OF POINTS AND AUTHORITIES**<br><br>Date: November 18, 2026<br>Time: 8:30 a.m.<br>Dept.: S27<br><br>Complaint filed: October 3, 2023<br>Trial Date: None set. |

**TO THE HONORABLE COURT, ALL INTERESTED PARTIES, AND THEIR RESPECTIVE COUNSEL OF RECORD:**

**PLEASE TAKE NOTICE THAT** on November 18, 2026, at 8:30 a.m., or as soon thereafter as the matter may be heard in Department S27 of the San Bernardino County Superior Court, located at 247 West Third Street, San Bernardino, CA, 92415, Plaintiffs Lisa Childress and Justin Aaron Heard ("Plaintiffs") will move for an Order Granting Final Approval of Class Action and PAGA Settlement.

The Motion will be made on the grounds that the proposed Settlement is fair, adequate, reasonable, and in the best interest of the Plaintiffs and all Class Members.

The Motion will be based on this Notice of Motion, the attached Memorandum of Points and Authorities, the Declaration of Class Counsel, and exhibits thereto, including the Declaration of Laura Hodson for Simpluris, Inc., and all other papers and records on file in this action, and on such oral and documentary evidence as may be presented at the hearing on this Motion.

Dated: October 16, 2026

**D.LAW, INC.**

By: _____

David Keledjian, Esq.
David Arakelyan, Esq.
Attorneys for Plaintiffs

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## MEMORANDUM OF POINTS AND AUTHORITIES

## I. INTRODUCTION

Class Counsel has achieved a fair, reasonable, and adequate result in this litigation, reflected in the Class Action and PAGA Settlement Agreement (collectively the "Settlement" or "Settlement Agreement"). The response of 336 Class Members shows that the settlement is in the best interests of the class: zero Class Members opted out of the settlement and there are zero objections. The *highest* estimated Individual Class Payment is approximately $14,209.27, the *average* Individual Class Payment is currently estimated to be approximately $5,886.90, and the *lowest* Individual Class Payment is currently estimated to be approximately $50.21. (See Declaration of Laura Hodson, "Hodson Decl.," ¶ 19.) The settlement of this action is fair, reasonable, and adequate. Accordingly, final approval should be granted.

## II. RELEVANT BACKGROUND

### A. Plaintiffs' Filings with the Court and the Labor and Workforce Development Agency

On July 20, 2023, Plaintiff Childress filed her Class Action Complaint in San Bernardino Superior Court, Case No. CIVSB2316694 ("Childress Class Action"), alleging claims for: (1) failure to pay all minimum wages; (2) failure to provide meal periods, (3) failure to provide rest periods; (4) failure to issue accurate wage statements; (5) failure to pay all final wages; (6) failure to reimburse business expenses; and (7) unfair business practices. On September 22, 2023, Defendant removed the Childress Class Action to the United States District Court for the Central District of California. (Declaration of David Arakelyan ["Arakelyan Decl."], ¶ 2., filed herewith.)

On July 21, 2023, Plaintiff Childress provided written notice to the Labor & Workforce Development Agency (LWDA) and Ford of her intent to pursue PAGA civil penalties for alleged violations of the California Labor Code, as required by Labor Code § 2699.3, predicated on underlying violations of Labor Code sections § 201- 204, 210, 221, 226, 226.7, 512, 516, 558, 1174, 1182.12, 1194, 1194.2, 1197, 1198, 2802, and 2804, et. seq., and the applicable Wage Orders of the Industrial Welfare Commission. (*Id*. at ¶ 3.)

On October 3, 2023, Plaintiff Childress filed a Representative Action Complaint in the San Bernardino Superior Court, Case No. CIVSB2324555 ("Childress PAGA Action"), against Defendant for civil penalties for violations of Labor Code section 2698, et seq., the California Private Attorneys General Act ("PAGA"). On October 6, 2023, Plaintiff Childress submitted a conformed copy of the Childress PAGA Action to the LWDA, pursuant to Labor Code § 2699(l). (*Id*. at ¶ 4.)

On September 19, 2023, Plaintiff Heard filed a Class Action Complaint in the San Joaquin Superior Court, Case No. STK-CV-VOE-2023-9958 ("Heard Action"), alleging claims for: (1) failure to pay all minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal periods or pay premium pay in lieth thereof; (4) failure to provide rest periods or pay premium pay in lieth thereof; (5) failure to issue accurate wage statements; (6) failure to pay final wages, (7) failure to maintain records; (8) failure to reimburse business expenses, and (9) unfair business practices. (*Id*. at ¶ 5.)

On September 22, 2023, Defendant removed the Childress Class Action to the United States District Court for the Central District of California. On October 20, 2023, Defendant removed the Heard Class Action to the United States District Court for the Central District of California. (*Id*. at ¶ 6.)

On September 18, 2023, Plaintiff Heard, provided written notice to the Labor & Workforce Development Agency (LWDA) and Ford of his intent to pursue PAGA civil penalties for alleged violations of the California Labor Code, as required by Labor Code § 2699.3. On December 21, 2023, Heard filed a First Amended Complaint, which added a claim for PAGA civil penalties. On February 7, 2024, Plaintiff Heard submitted a conformed copy of his First Amended Complaint to the LWDA, pursuant to Labor Code § 2699(l). (*Id*. at ¶ 7.)

On November 22, 2024, the Court stayed the Childress Class Action, so that the Parties may seek preliminary approval of the Class Action and PAGA Action Settlement in the Childress PAGA Action pending before this Court. (*Id*. at ¶ 8.)

**B. Mediation and Settlement**

The Parties agreed to participate in mediation and informally exchanged information and

documents, including timekeeping and corresponding payroll records for Plaintiffs and all the Class Members along with applicable policy documents, Plaintiffs hired an expert to prepare damage calculations and an exposure analysis for the mediation. (*Id*. at ¶ 9.) On October 18, 2024, the Parties attended mediation with the Hon. Daniel J. Buckley (Ret.), a respected and highly experienced mediator in wage and hour class actions. After further discussions and negotiations, the Parties were able to reach a settlement through a mediator's proposal. (*Id*. at ¶ 10.)

On July 9, 2025, Plaintiff Childress filed the operative First Amended Complaint ("FAC) to add Plaintiff Heard as a named plaintiff and class representative and to add additional allegations and causes of action pled in the Heard Action, which allegations and causes of action were valued and negotiated at the mediation, and to add plaintiff's counsel in the Heard Action as proposed counsel in this Action. On November 18, 2025, Plaintiffs' counsel submitted a conformed copy of the Childress PAGA Action to the LWDA. (*Id*. at ¶ 11.)

The mediation resulted in a Gross Settlement Amount of $3,300,000.00 ("Gross Settlement Amount"), on a class wide and PAGA representative basis. (*Id*. at ¶ 12.) The Settlement Period is defined in the Settlement Agreement as July 19, 2019, through October 21, 2025. (*Id*.) PAGA Members means all current and former hourly-paid, non-exempt employees of Defendants who were employed in the State of California at any time during the PAGA Period (i.e., the period from July 21, 2022, through October 21, 2025). (*Id*.)

## III. THE SETTLEMENT

### A. Benefit to the Class

The Settlement Class consists of all current and former non-exempt, hourly employees of Defendants in California at any time between July 20, 2019, through October 21, 2025 (the "Settlement Period"). There is no claim form requirement, and no residual will revert to Defendants. It is an opt-out class. (Arakelyan Decl., t ¶ 13.)

As the escalator clause was triggered and Defendant chose to shorten the release period. As a result, the Class Period is now from July 20, 2019, through December 22, 2024. (*Id*. at ¶ 14; also, see Hodson Decl., ¶ 6.)

The *highest* estimated Individual Class Payment is approximately $14,209.27, the *average* Individual Class Payment is currently estimated to be approximately $5,886.90, and the *lowest* Individual Class Payment is currently estimated to be approximately $50.21. (See Declaration of Laura Hodson, "Hodson Decl.," ¶ 19.) (Arakelyan Decl., ¶ 15.)

Additional proposed disbursements are as follows:

1) Class Counsel Fees: $1,100,000.00

2) Class Counsel Litigation Expenses Payment: $24,324.57

3) Administration Costs: $7,000.00

4) Class Representatives Enhancement Awards: $10,000 to each Plaintiff (total of $20,000)

5) PAGA Penalties: $165,000 (LWDA Share: $123,750)

After the above deductions from the Gross Settlement Amount of $3,300,000.00, the Net Settlement Amount to be distributed to Participating Class Members is estimated to be $1,983,675.43.[1] (Arakelyan Decl., ¶ 15.)

**B. Preliminary Approval of Settlement and Notice Procedure**

On April 8, 2026, the Court granted Preliminary Approval of this settlement, approved the Notice of Class Action and related forms, appointed Plaintiffs Lisa Childress and Justin Aaron Heard as the Class Representatives, appointed Class Counsel, approved Simpluris ("Simpluris") as the Administrator, and set timelines for the settlement administration process, pursuant to the Settlement Agreement. Simpluris completed the notice procedure per the Settlement terms, including mailing the Court-approved Notice of Class Action Settlement (the "Class Notice") to 336 eligible Class Members. (Arakelyan Decl., ¶ 17; Hodson Decl., ¶ 8.)

On or about May 11, 2026, Simplurs received a data file ("Class List") from Defense Counsel that contained names, last known mailing addresses, Social Security numbers, the number of weeks each Class Member worked during the Class Period, and the number of pay

[1] This amount is different from what is stated in the Administrator's Declaration ($1,978,000) as it reflects the deduction of actual litigation costs rather than the amount mentioned in the settlement agreement.

periods that each PAGA Member worked during the PAGA Period. The final mailing list contained 336 individuals identified as Class Members. (Hodson Decl., ¶ 5.)

The mailing addresses contained in the Class List were processed and updated utilizing the National Change of Address Database ("NCOA") maintained by the U.S. Postal Service ("USPS"). The NCOA contains changes of addresses filed with the USPS. If any individual had filed a USPS change of address request, the address listed with the NCOA was utilized in connection with the mailing of the Notices. (*Id*., ¶ 7.) Simpluris was able to locate fifty-one (51) updated addresses using NCOA prior to the mailing of the Class Notice. (*Id*.)

On July 28, 2026, Simpluris mailed the Class Notices via First Class U.S. Mail to 336 Class Members. (*Id*., ¶ 8; **Exhibit A**; Arakelyan Decl., ¶ 18) The Class Notice advised Class Members of their right to opt out of the settlement, object to the settlement, dispute the quantity of Workweeks, or do nothing, and the implications of each such action. The Class Notice also advised Class Members of applicable deadlines and other events, including the date of the Final Approval Hearing, and how Class Members could obtain additional information. The Class Notice advised Class Members that they could submit an exclusion, objection and/or dispute postmarked by September 28, 2026 and extended deadline for remailed Class Notices of October 12, 2026. (Arakelyan Decl., ¶ 18; Hodson Decl., ¶ 13, **Exhibit A**.)

Simpluris performed twenty-two (22) address skip traces on Class Notices returned as undeliverable. The address trace utilizes the Class Member's name, previous address and Social Security Number for locating a current address. Of the 22 traces performed, seventeen (17) more current addresses were obtained, and Class Notices were promptly re-mailed to those Class Members via First Class mail. Of the 22 traces performed, Simpluis did not obtain updated addresses for five (5) undeliverable Class Notices. As of this date, five (5) Class Notices remain undeliverable. (Arakelyan Decl., ¶ 19, Hodson Decl., ¶ 9.)

Re-mailed Class Notices were provided with an extended deadline of October 12, 2026. (See Hodson Decl., ¶ 13.) As of this date, Simpluris has received zero (0) requests for exclusion, zero (0) objections, and zero (0) disputes regarding employment information from Class Members. (*Id*. at ¶¶ 14-16.)

## IV. FINAL SETTLEMENT APPROVAL IS APPROPRIATE

A class action cannot be dismissed or compromised without court approval and notice of any proposed dismissal or compromise must be given to all class members as directed by the court. (*La Sala v. Am. Sav. & Loan Assn*. (1971) 5 Cal.3d 864, 872; see Code Civ. Proc. § 1781(f).) In deciding whether to grant final approval to a proposed class action settlement under Code of Civil Procedure section 382, a court's overriding concern is whether the proposed settlement is "fair, adequate, and reasonable." (*Dunk v. Ford Motor Company* (1996) 48 Cal.App.4th 1794, 1801.)

### A. The Settlement is Entitled to a Presumption of Fairness.

A presumption of fairness exists where: (1) a settlement is reached through arm's length bargaining; (2) investigation and discovery are sufficient to allow counsel and the court to act intelligently; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small. (*Dunk v. Ford Motor Company*, *supra*, 48 Cal.App.4th at p. 1802.)

To prevent fraud, collusion, or unfairness to the class, the settlement or dismissal of a class action requires court approval. (*Malibu Outrigger Bd. of Governors v. Superior Court* (1980) 103 Cal.App.3d 573, 578-579.) The purpose of the requirement is the protection of those class members, including the named plaintiff, whose rights may not have been given due regard by the negotiating parties. (*Officers for Justice v. Civil Serv. Com'n of City and County of San Francisco* (1982) 688 F.2d 615, 624.) The trial court has broad powers to determine whether a proposed class action settlement is fair. (*Mallick v. Superior Court* (1979) 89 Cal.App.3d 434.)

At the Final Approval hearing, the Court should consider the relevant factors, such as the strength of the plaintiff's case, the risk, expenses, complexity, and likely duration of further litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the extent of discovery completed and the stage of the proceedings, the experience and views of counsel, and the reaction of the class members to the proposed settlement. (*Officers for Justice*, *supra*, 688 F.2d at p. 624.) "This list is not exhaustive and should be tailored to each case. Due regard should be given to what is otherwise a private consensual agreement between the parties." (*Dunk*, *supra*, 48 Cal.App.4th at p. 1801.)

**B. The Settlement Was Reached Through Arm's Length Negotiations**

This settlement was reached through arms-length negotiations with an experienced, highly regarded neutral mediator, who is very familiar and experienced with this type of class action in its substance and procedure. The Parties ultimately agreed on the Settlement through the mediator.

**C. Sufficient Discovery and Investigation Have Been Completed.**

The stage of the proceedings and the amount of discovery completed when the settlement was reached are important factors in determining the fairness, reasonableness, and adequacy of a settlement. (*Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 128.)

Here, the Settlement was reached through arm's-length negotiation with an experienced mediator. Before mediation, the Parties engaged in informal discovery, and Defendants provided timekeeping and corresponding payroll records for Plaintiffs and all the Class Members along with applicable policy documents. Plaintiffs hired Berger Consulting Group ("BCG"), an expert data analysis group to prepare damage calculations and an exposure analysis for the mediation. The Parties ultimately attended a mediation session with a well-respected mediator, the Hon. Daniel J. Buckley (Ret.), and were able to reach a settlement on a class wide basis. (Arakelyan Decl., ¶¶ 9 – 10.)

Based on that experience, the information produced by Defendants, and the expert's calculations, Class Counsel was able to negotiate a sizable recovery for the Class Members.

**D. Class Counsel is Experienced and Endorses the Settlement.**

Experienced counsel, operating at arm's length, have weighed all of the foregoing factors and endorse the proposed settlement. The view of the attorneys actively conducting the litigation is "entitled to significant weight." (*Fisher Bros. V. Cambridge-Lee Industries, Inc.* (E.D. Pa. 1985) 630 F.Supp.482, 488.) "The recommendations of plaintiffs' counsel should be given a presumption of reasonableness." (*In re Omnivision Techs., Inc.* (N.D. Cal. 2008) 559 F. Supp. 2d 1036, 1043; see *Dunk, supra*, 48 Cal.App.4th at p. 1801.)

Class Counsel has extensive experience in class actions and employment litigation, and specifically in wage and hour class actions. (Arakelyan Decl., ¶¶ 34 – 50; Declaration of Fawn F.

Bekam, ¶¶ 1 – 8.) Class Counsel is experienced and qualified to evaluate the class claims and viability of the defenses. (*Id*.) The recovery for each Class Member is substantial, given the risks inherent in litigation and the defenses asserted.

Class Counsel remain convinced the Settlement is in the best interest of the Class based on a detailed knowledge of the issues, risks of loss, and the negotiations. Nothing has changed since the Court granted Preliminary Approval of the Settlement to negate the presumption of fairness. The affirmative defenses asserted by Defendants, the uncertainty of achieving certification, the prospect of a potential adverse summary judgment ruling, the difficulties of complex litigation, the lengthy process of establishing specific damages, and the perils of litigation affecting the value of the claims, as well as the risks of loss at trial and the various possible delays and appeals were carefully considered by Class Counsel in arriving at the proposed Settlement. (Arakelyan Decl. ¶ 21.) Thus, this Settlement is fair, adequate, and reasonable and in the best interests of the Class.

## V. THE COURT SHOULD APPROVED THE REQUESTED ATTORNEYS' FEES

### A. Plaintiffs Are Entitled to Attorneys' Fees Under California Law.

California law, the court is empowered to award reasonable attorneys' fees and costs when a litigant proceeding in a representative capacity has achieved a "substantial benefit" for a class of persons. (*Serrano v. Priest* (1977) 20 Cal.3d 25, 38 ("*Serrano III*").) There are two methods of calculating attorneys' fees in civil class actions: (1) the lodestar/multiplier method, and (2) the percentage of recovery method. (*Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 254; *see also Vizcaino v. Microsoft Corp.* (9th Cir. 2002) 290 F.3d 21043, 1047 [citing *In re Wash. Pub. Power Supply Sys. Litig.* (9th Cir.1994) 19 F.3d 1291, 1295–96].)

Class Counsels' fee request is justified under either method. Class Counsel obtained an excellent result for the Class after thorough investigation, litigation, mediation, and finally, negotiation of a settlement. Class Counsel has also expended a substantial amount of work in the case. The positive reaction of the Class further demonstrates that Class Counsel's fee request is reasonable in light of the results achieved.

///

**B. Class Counsel Requests an Award of Fees Based on the Common Fund Doctrine.**

Class Counsel seek a fee award for the successful prosecution and resolution of this action, calculated as a percentage of the total value of benefits to Class Members by the settlement, which is an appropriate method for determining an award of attorneys' fees. (*Serrano v. Priest* (1977) 20 Cal.3d 25, 34; *Vincent v. Hughes Air West, Inc.* (9th Cir. 1977) 557 F.2d 759, 769.) The purpose of this equitable doctrine is to avoid unjust enrichment of counsel and to "spread litigation costs proportionally among all the beneficiaries so that the active beneficiary does not bear the entire burden alone." (*Vincent v. Hughes Air West, Inc., supra,* 557 F.2d at p. 769.)

The Common Fund Doctrine is predicated on the principle of preventing unjust enrichment. When a litigant's efforts create or preserve a fund from which others derive benefits, the Court may spread litigation costs proportionally among all the beneficiaries to compensate those who created the fund. "Where the lawsuit results in the recovery of a fund or property benefitting others as well as the plaintiff (e.g., a class action), the court has inherent equitable power to order Plaintiff's attorney's fees paid out of the common fund or property." (*Serrano, supra,* 20 Cal.3d at p. 35.)

Such fee spreading assures that all those benefited by the litigation pay their fair share of obtaining the recovery. (*Lealao v. Beneficial Calif., Inc.* (2000) 82 Cal.App.4th 19, 26.) "Percentage fees have traditionally been allowed in such common fund cases." (*Id.* at p. 27.) The California Supreme Court has long approved of awarding fees as a percentage of the settlement. (*Serrano, supra,* 20 Cal.3d at p. 35.) California courts have been expressly authorized to award attorneys' fees so as "**to ensure that the fee awarded is within the range of fees freely negotiated in the legal marketplace incomparable litigation**." (*Lealao*, *supra*, 82 Cal.App.4th at p. 50, emphasis added.) As *Lealao* explained, in a representative action, courts must consider the amount of attorney fees typically negotiated in comparable litigation: "Given the unique reliance of our legal system on private litigants to enforce substantive provisions of law through class and derivative actions, attorneys providing the essential enforcement services must be provided incentives roughly comparable to those negotiated in the private bargaining that takes

place in the legal marketplace, as it will otherwise be economic for defendants to increase injurious behavior. It has therefore been urged (most persistently by Judge Richard Posner) that in defining a 'reasonable fee' in such representative actions the law should 'mimic the market.'" (*Id.* at p. 47.)

In this case, the fees are being paid from the common fund; accordingly, the fee should be awarded to mimic fees freely negotiated in the legal marketplace for comparable common fund cases under *Lealao*. As *Lealao* acknowledged, in cases like this, the percentage-of-the-benefit approach should be considered, because "it better approximates the workings of the marketplace than the lodestar approach." (*Lealao, supra,* 82 Cal.App.4th at p. 49; see also *Apple Computer, Inc. v. Superior Court* (2005) 126 Cal.App.4th 1253, 1270 [observing that "attorney fees awarded under the common fund doctrine are based on a 'percentage-of-the-benefit' analysis"].)

In *Laffitte v. Robert Half International Inc.* (2016) 1 Cal.5th 480, 503, the California Supreme Court affirmed that trial courts may grant attorneys' fees in a common fund case based on a percentage of the recovery. *Lafitte* held that, "when class action litigation establishes a monetary fund for the benefit of the class members, and the trial court in its equitable powers awards class counsel a fee out of that fund, the court may determine the amount of a reasonable fee by choosing an appropriate percentage of the fund created. The recognized advantages of the percentage method—including relative ease of calculation, alignment of incentives between counsel and the class, a better approximation of market conditions in a contingency case, and the encouragement it provides counsel to seek an early settlement and avoid unnecessarily prolonging the litigation…—convince us the percentage method is a valuable tool that should not be denied our trial courts." (*Ibid*.)

Thus, California courts have affirmed the continued validity of percentage fee awards in class action cases. Under these principles, a percentage of the common fund fee award is properly based on the total settlement. Class Counsel's application for an award of attorneys' fees in an amount of one-third of the settlement amount created on behalf of the Class is reasonable and fair.

Numerous other courts have recognized the advantages of awarding fees as a percentage of the common fund over the alternative lodestar approach, which usually involves wading through voluminous and often indecipherable time records. (*See*, *e.g.*, *In re Activision Securities Litigation* (N.D. Cal. 1989) 723 F.Supp. 1373, 1375; *see also Lealao, supra,* 82 Cal. App 4th at p. 28 [discussing findings of task force commissioned by the Third Circuit, which concluded that the percentage method is superior].) The Ninth Circuit routinely uses the percentage of the common fund approach to determine the award of attorney's fees. (*See*, *e.g.*, *In re Pacific Enterprises Securities City and County of San Francisco Litigation* (9th Cir. 1994) 47 F.3d 373, 378-79 [approving attorney's fee of 33 1/3%].)

Class Counsel seeks a fee award calculated as a percentage of the Gross Settlement Amount for the successful prosecution and resolution of this action. For Class Counsel, the fees here were wholly contingent in nature, and the case presented far more risk than the usual contingent fee case. There was the prospect of the enormous cost inherent in class action litigation, as well as a long battle with a corporate defendant. Class Counsel risked their time, money, and resources to ensure the successful litigation of this action on behalf of the Class Members. Accordingly, the requested percentage of the common fund is appropriate, and Class Counsel respectfully requests that the Court enter an Order to that effect. (Arakelyan Decl. ¶ 30.)

Moreover, the Class Notice mailed to Class Members stated the amount of fees being requested by Class Counsel. Not a single Class Member objected to an award of fees in the amount requested to date. (*Id*. at ¶ 28.)

Finally, the necessity and financial burden of private enforcement render an award appropriate. Without the incentive of an attorneys' fee award, Plaintiffs could not have afforded to hire counsel to pursue this case, as the cost of litigating this matter far outweighed Plaintiffs' potential recovery. (*See Ryan v. California Interscholastic Federation* (2001) 94 Cal.App.4th 1033, 1044 ["As to the necessity and financial burden of private enforcement, an award is appropriate where the cost of the legal victory transcends the claimants' personal interest; in other words, where the burden of pursuing the litigation is out of proportion to the plaintiff's individual stake in the matter."].)

**C. Optional Lodestar Cross-Check Confirms Reasonableness of Fees.**

California courts have been expressly authorized to award attorneys' fees so as "to ensure that the fee awarded is within the range of fees freely negotiated in the legal marketplace in comparable litigation." (*Lealao, supra*, 82 Cal.App.4th at p. 50.) Specifically, *Lealao* holds that if the court sets fees under a lodestar, the multiplier should consider what counsel would have earned on the free market. The free market is determined by the percentage of the common fund, not the lodestar amount. (*Ibid*.) Accordingly, whatever method the court uses to set fees, the Court is encouraged to look to what the free market would bear under any circumstances. Even if the Court awards fees under the lodestar method, under *Lealao*, the lodestar fees can be adjusted by a multiplier to reflect the percentage of the fund. (*Id*. at pp. 19, 50.)

Once the Court establishes the lodestar amount, it may enhance the fee award by a multiplier in order to make an appropriate fee award. (*Serrano, supra*, 20 Cal. 3d at p. 48.) The pertinent factors include the difficulty of the questions involved and the skill in presenting them, the contingent nature of the fee award, the extent to which the litigation precluded other employment, and the percentage-of-the-fund the attorney would have received on the fair market. (*Ibid.; Lealao, supra*, 82 Cal.App.4th at p. 49.) However, this list is not exhaustive, and the Court can consider other factors it deems important in setting the multiplier. (*Id.* at p. 40.)

In this case, by the time of the Final Approval hearing, Class Counsel will have worked a total of 587.25 hours (356.7 Abramson + 230.55 D.Law) on this case, with a lodestar of approximately $464,604.80 ($226,435.00 Abramson + $238,169.80 D.Law) (excluding litigation support hours). (Arakelyan Decl., ¶ 32, Ex. C, Time Records; Declaration of Fawn F. Bekam, ¶ 11.). The fee request of $1,100,000.00, results in a multiplier of 2.37 excluding paralegal support ($1,100,000 divided by $464,604.80). The efficiency with which settlement was reached, the excellent results and quality of the settlement, and the contingent risk support the reasonableness of Class Counsel's fee request. (*Id*.).

Class Multipliers are routine in class actions such as this one. In *Ketchum*, the California Supreme Court re-affirmed the importance of multipliers in cases where the party seeking fees is not paid on a fee-for-service basis: "The purpose of a fee enhancement, or so-called multiplier,

for contingent risk is to bring the financial incentives for attorneys enforcing important constitutional rights . . . into line with incentives they have to undertake claims for which they are paid on a fee-for-services basis." *Ketchum v. Moses* (2001) 24 Cal.4th 1122, 1132.

"Multipliers can range from 2 to 4, or even higher." *Wershba v. Apple Computer, Inc*., 91 Cal.App.4th 224, 255 (2001). "The customary range for multipliers is between 1.0 and 4.0." *Kim v. Space Pencil, Inc.,* 2012 WL 5948951, at * 7 (N.D. Cal. Nov. 28, 2012) (citing *Vizcaino, supra,* 290 F.3d at 1051 n. 6). In *Vizcaino,* 290 F.3d 1043, the court approved a multiplier of 3.65, and in an appendix to the opinion, determined that a range of multipliers in common fund cases is generally between 0.6 and 19.6, with most cases having multipliers between 1.0 and 4.0, and a bare majority between 1.5 and 3.0. *Id.* at 1052.

**D. Class Counsel's Hourly Rates Are Reasonable.**

D. Law requests an hourly rate of $1,552 for Managing Partner David Yeremian, $1,345 for Managing Attorney Emil Davtyan, $1,177 for Senior Counsel David Keledjian, $750 for attorney David Arakelyan, $559 for attorney Svetlana Hovhannisyan, and $610 for former Attorney Kevin Burns. (Arakelyan Decl., ¶¶ 34 – 50.) Abramson requests an hourly rate of $850 for partner Fawn F. Fekam, $725 for former Senior counsel Tuvia Korobkin, $700 for former Senior Counsel Neil M. Larsen, $400 for associate attorney Jennifer S. Rivera, and $650 for attorney Lisa B. Itturiaga. (Declaration of Fawn F. Bekam, ¶¶ 4 – 8, 11.)

A reasonable hourly rate is the prevailing rate charged by attorneys of similar skill and experience in the relevant community. (*PLCM Group, Inc. v. Drexler* (2000) 22 Cal.4th 1084, 1095.) The moving party meets its burden in this regard by submitting "declarations evidencing the reasonable hourly rate for their services and establishing the number of hours spent working on the case" as "California case law permits fee awards in the absence of detailed time sheets." (*Wershba*, 91 Cal.App.4th at 254-55; *Dunk v. Ford Motor* (1996) 48 Cal.App.4th 1794, 1810; *Nightengale v. Hyundai Motors America* (1994) 31 Cal.App.4th 99, 103.) The hours spent and the reasonable hourly compensation are computed to arrive at a "lodestar" figure which may then be augmented or diminished by the court taking into account various "multiplier" factors. (*See Ramos v. Countrywide Home Loans, Inc.* (2000) 82 Cal.App.4th 615, 622 (citing *Serrano*, 20

Cal.3d at 48-49).)

The Court may consider other factors when determining a reasonable hourly rate, such as the nature of the work performed, the relevant area of expertise, and the attorney's customary billing rates. (*Flannery v. California Highway Patrol* (1998) 61 Cal App.4th 629, 632.) One difficulty in determining the hourly rate of attorneys of similar skill and experience in the relevant community is the scarcity of hourly fee-paying clients in class action litigation. As a practical matter, few if any consumers pay attorneys' fees on an hourly basis for such extensive litigation, thus retainer agreements in such cases are based on a contingency fee relationship. Although there is no customary billing rate, the nature of class action work should be strongly considered by the Court.

Class Counsel's rates are consistent with surveys relied on by other courts. (*Martinez v. Helzberg's Diamond Shops* (C.D. Cal., Sept. 24, 2021, No. EDCV201085PSGSHKX) 2021 WL 9181893, at *10; *Gutierrez v. Chopard USA Ltd.* (2022) 82 Cal.App.5th 383, 387 [Unruh Act case affirming award based on Laffey Matrix, available at http://www.laffeymatrix.com/see.html].) (Arakelyan Decl., ¶ 33.)

In sum, Class Counsel are attorneys who command a high rate based on their skill and experience. They have had success in class actions, are held in high regard by the legal community, and practice in a niche area. This case required attorneys with great skills and financial backing. To obtain such an attorney on the free market, a client must pay appropriate compensation. Therefore, Class Counsel's requested rate is fair and reasonable.

**E. Class Counsel's Hours Are Reasonable.**

"Testimony of an attorney as to the number of hours worked on a particular case is sufficient evidence to support an award of attorney fees, even in the absence of detailed time records." (*Martino v. Denevi* (1986) 182 Cal. App. 3d 553, 559.)

Reasonable hours include, in addition to time spent during litigation, the time spent before the action is filed, including time spent interviewing the clients, investigating the facts and the law, and preparing the initial pleadings. (*New York Gaslight Club, Inc. v. Carey* (1980) 447 U.S. 54, 62.) Further, the fee award should include fees incurred to establish and defend the

attorneys' fee claim. (*Serrano v. Unruh* (1982) 32 Cal.3d 621, 639.)

Here, Class Counsels' hours are fair and reasonable. By the time of the Final Approval hearing, Class Counsel will have worked a total of 587.25 hours (356.7 Abramson + 230.55 D.Law) on this case, with a lodestar of approximately $464,604.80 ($226,435.00 Abramson + $238,169.80 D.Law) (Arakelyan Decl., ¶ 32, Ex. C; Declaration of Fawn F. Bekam, ¶ 11.) Class Counsel requests that the Court find that these hours were reasonably expended in this litigation.

## VI. THE COURT SHOULD APPROVE THE REQUEST FOR REIMBURSEMENT OF COSTS.

The request for reimbursement of reasonably incurred litigation costs is fair and reasonable. Class Counsel seeks reimbursement of costs of $24,324.57 ($14,642.20 – D.Law and $9,682.37 Abramson) in litigation expenses, which include anticipated filing costs of $97.16 for this motion (Arakelyan Decl., ¶ 26, Exhibit. B, Itemized Costs; Declaration of Fawn Bekam, Exhbit 1.) Class Counsel's request for reimbursement of reasonably incurred, out-of-pocket litigation costs. Thus, $25,324.57 should therefore be granted per the parties' Settlement Agreement.

The Administration Costs decreased from the original estimate of $8,000 in the Settlement Agreement to $7,000. The revised Administration Costs are $7,000. (Arakelyan Decl. ¶ 27, Hodson Decl. ¶ 22.)

These costs are all litigation related. The authority for the Court to award this is the parties' Settlement Agreement and the applicable Labor Code provisions.

## VII. THE CLASS REPRESENTATIVES' ENHANCEMENT AWARDS ARE REASONABLE AND SHOULD BE APPROVED.

A class representative is generally entitled to a fee for service to the Class. (*Clark v. American Residential Services LLC* (2009) 175 Cal.App.4th 785, 804.) "Since without a named plaintiff there can be no class action, such compensation as may be necessary to induce him to participate in the suit." (*Clark v. Am. Residential Services LLC* (2009) 175 Cal.App.4th 785, 804.) "[T]he rationale for making enhancement or incentive awards to named plaintiffs is that they should be compensated for the expense or risk they have incurred in conferring a benefit on

other members of the class." (*Id.* at 806.) "An incentive award is appropriate 'if it is necessary to induce an individual to participate in the suit."' (*Cellphone Term. Fee Cases* (2010) 186 Cal. App. 4th 1380, 1394, quoting *Clark*, *supra*, 175 Cal. App. 4th at 804.)

"[C]riteria courts may consider in determining whether to make an incentive award include: 1) the risk to the class representative in commencing suit, both financial and otherwise; 2) the notoriety and personal difficulties encountered by the class representative; 3) the amount of time and effort spent by the class representative; 4) the duration of the litigation and; 5) the personal benefit (or lack thereof) enjoyed by the class representative as a result of the litigation. [Citation.]" (*Van Vranken v. Atlantic Richfield Co.* (N.D.Cal.1995) 901 F.Supp. 294, 299; see *Rodriguez v. West Publishing Corp.* (9th Cir. 2009) 563 F.3d 948, 958 [class representative enhancements "are intended to compensate class representatives for work done on behalf of the class, to make up for financial or reputational risk undertaken in bringing the action, and, sometimes, to recognize their willingness to act as a private attorney general"].)

The request for the Enhancement Awards of $10,000 to each Plaintiff (total of $20,000) are fair and reasonable given the exceptional result achieved on behalf of the Class. (Arakelyan Decl., ¶ 24.) The Enhancement Awards are based on their contribution to the Class, risks incurred, stress, benefit of the Settlement to the Class Members, and all other factors presented to the Court and set forth in their declarations in support of Plaintiffs' Motion for Preliminary Approval. (See Declaration of Class Representative Justin A. Heard in Support of Plaintiffs' Motion for Preliminary Approval ["Heard Decl."]; Declaration of Class Representative Lisa Childress in Support of Plaintiff's Motion for Preliminary Approval ["Childress Decl."]). This Settlement had a great result: 100% of the money will be paid out because there is no reversion to Defendants, and all of Class Members who received the Class Notice to date are participating in the settlement. There are zero requests for exclusion to the class portion of the Settlement. (Arakelyan Decl., ¶ 20; Hodson Decl. ¶¶ 14 – 16.)

Class Representatives have worked hard at every step of this litigation, remaining in contact with Class Counsels' office throughout the litigation and the settlement process. The Class Representatives were instrumental in initiating this action on behalf of the Class. They

provided all documents in their possession and answered questions. They identified relevant witnesses and spoke with other employees regarding their experiences working for Defendants. They also reviewed numerous pages of documents, participated in the mediation, and reviewed settlement documents. The Class Representatives have helped with all aspects of this litigation and have been diligent and acted above and beyond what is expected of class representatives throughout all stages of the litigation, up to and including Preliminary and Final Approval. As detailed in the Heard Decl., Plaintiff Heard has spent approximately 40 hours on this case. As detailed in the Childress Decl., Plaintiff Childress has spent approximately 40 – 45 hours on this case. (Heard Decl. ¶ 10; Childress Decl. ¶ 5.).

There are few individuals who are willing to act as a class representative and provide the work, diligence, and willingness to assume a substantial risk should Defendants prevail in the case. Here, Plaintiffs' willingness to assume the financial risk is significant. California law states that the losing party must pay the prevailing party's cost. As such, if Plaintiffs have not prevailed in this case, Plaintiffs would have been subjected to a cost award in the amount of tens of thousands of dollars. Lastly, there has been no objection to the amount requested for the Class Representatives' Enhancement Awards. Accordingly, based on the Plaintiffs' contributions and service to the Class, the Class Representatives' Enhancement Awards of $10,000 each (total $20,000) are reasonable and should be approved.

## VIII. THE COURT SHOULD GRANT FINAL APPROVAL OF THE PAGA PORTION OF THE SETTLEMENT

Settlements to resolve PAGA claims also require court approval. (Labor Code § 2699(l)(2).). In compliance with Labor Code §2699(l)(2), Plaintiffs have provided the proof of service of the Settlement Agreement and this Motion to the LWDA. (Manus Decl., ¶ 18, Ex. 5.) PAGA civil penalties recovered on the State's behalf are intended to "remediate present violations and deter future ones, not to redress employees' injuries." (*Amaro v. Anaheim Arena Management, LLC* (2021) 69 Cal.App.5th 521, 542.) The standard for evaluating a PAGA settlement is not whether the employees are fully compensated for their injuries, but "whether it is fair, reasonable, and adequate in view of PAGA's purposes to remediate present labor law

violations, deter future ones, and to maximize enforcement of state labor laws." (*Moniz v. Adecco USA, Inc.,* (2021) 72 Cal.App.5th 56, 77, *disapproved of on other grounds by Turrieta v. Lyft, Inc.*, 16 Cal. 5th 664 (2024)).

The Settlement provides for $165,000.00 including $123,750.00 (75%) in PAGA civil penalties to the LWDA and $41,250 (25%) to the Aggrieved Employees. This PAGA Penalties payment under the Settlement remediates labor law violations that otherwise may have gone unremedied due to Defendant's substantial defenses to liability and the merits of the claims.

## X. CONCLUSION

For the foregoing reasons, Plaintiffs respectfully requests that the Court grant final approval of the Class Action and PAGA Settlement.

Dated: October 16, 2026

**D.LAW, INC.**

By: _____

David Arakelyan, Esq.
Attorneys for Plaintiffs