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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO

FREDERICK PEREGOY, individually, and on behalf of other members of the general public similarly situated and on behalf of other aggrieved employees pursuant to the California Private Attorneys General Act;

Plaintiff,

vs.

KELLER DRILLING, INC., a California corporation; KELLER GROUP, PLC, an unknown business entity; KELLER FOUNDATIONS, LLC, an unknown business entity; KELLER MANAGEMENT SERVICES, LLC, a Delaware limited liability company; HAYWARD BAKER, INC., an unknown business entity; KELLER NORTH AMERICA, INC., a Delaware corporation; and DOES 1 through 100, inclusive,

Defendants.

Case No.: 37-2023-00049125-CU-OE-CTL

Honorable Katherine A. Bacal
Department C-63

<u>CLASS ACTION</u>

PLAINTIFF'S NOTICE OF MOTION AND MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT, ATTORNEYS' FEES AND COSTS, AND CLASS REPRESENTATIVE SERVICE AWARD; MEMORANDUM OF POINTS AND AUTHORITIES

Date:	August 7, 2026
Time:	1:30 p.m.
Department:	C-63
Complaint Filed:	November 9, 2023
FAC Filed:	February 24, 2025
Trial Date:	None Set

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PLEASE TAKE NOTICE that on August 7, 2026, at 1:30 p.m., in Department C-63 of the above-entitled Court, located at 330 West Broadway, San Diego, California 92101, Plaintiff Frederick Peregoy ("Plaintiff" or "Class Representative") will and hereby does move for an order granting final approval of:

1. Making final the Court's previous preliminary certification of the class for settlement purposes, and approving the Joint Stipulation of Class Action and PAGA Settlement and Release ("Settlement," "Agreement," or "Settlement Agreement"), on the grounds that the Settlement is fair, adequate, and reasonable because, *inter alia*:

- A Net Settlement Amount of approximately **$328,635.39** will be fully distributed to the Class Members who do not submit a valid and timely Request for Exclusion ("Participating Class Member"); and
- **No Objections** and **One (1) Request for Exclusion** were submitted to the settlement administrator, ILYM Group, Inc. ("ILYM Group" or "Settlement Administrator");

2. Awarding payment in the amount of **$245,000.00** to Lawyers *for* Justice, PC ("Class Counsel"), representing thirty-five percent (35%) of the Gross Settlement Amount, for attorneys' fees, which is reasonable and justified on a percentage-basis and also based on a lodestar cross-check;

3. Awarding payment in the amount of **$21,414.61** to Class Counsel for reimbursement of litigation costs and expenses;

4. Awarding payment in the amount of **$9,950.00** to the Settlement Administrator for Settlement Administration Costs;

5. Awarding payment in the amount of **$15,000.00** to Plaintiff Frederick Peregoy, as a Class Representative Service Award; and

6. Approving the allocation of the penalties under the Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq*. ("PAGA"), in the amount of $80,000.00 ("PAGA Payment"), of which 75%, or $60,000.00, will be paid to the California Labor and Workforce Development Agency ("LWDA") ("LWDA Payment") and 25%, or $20,000.00 will be

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distributed to Aggrieved Employees on a *pro rata* basis, based on PAGA Pay Periods during the PAGA Period ("Individual PAGA Payment").

This motion is made pursuant to Rules 3.764, 3.769, and 3.1113(e) of the California Rules of Court, which, respectively, require that a memorandum in support of class certification not exceed 20 pages, require approval by the Court of a class action settlement, and permit the Court to extend the page limit for memoranda, and California Labor Code section 2699(l)(2), which requires approval by the Court of a PAGA settlement. Unless otherwise specified, all citations and references to the Private Attorneys General Act of 2004, California Labor Code sections 2698, et seq. ("PAGA") are to the version of that statute prior to the recent amendment effective July 1, 2024; the amended statute does not apply to the Action, or the Settlement pursuant to California Labor Code section 2699(v)(1), as amended, because the notice to the Labor and Workforce Development Agency was filed prior to June 19, 2024.

This motion is based upon the following Memorandum of Points and Authorities; the Declarations of Class Counsel (Selena Matavosian), Class Representative (Frederick Peregoy), and Settlement Administrator (Nick Castro of ILYM Group, Inc.) in support thereof; the pleadings and other records on file with the Court in this matter; and such evidence and oral argument as may be presented at the hearing on this motion.

Dated: July 16, 2026 **LAWYERS *for* JUSTICE, PC**

By: ______________________
Selena Matavosian
Attorneys for Plaintiff and the Class

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MEMORANDUM OF POINTS AND AUTHORITIES

I. SUMMARY OF MOTION

Plaintiff Frederick Peregoy ("Plaintiff" or "Class Representative") seeks final approval of: (1) the settlement reached between Plaintiff and Defendants Keller Drilling, Inc., Keller Group, PLC, Keller Foundations, LLC, Keller Management Services, LLC, Hayward Baker, Inc., and Keller North America, Inc. (collectively, "Defendants") (collectively with Plaintiff, the "Parties") which provides for Defendants' payment of a Gross Settlement Amount of $700,000.00;[1] (2) attorneys' fees in the amount of $245,000.00, which is thirty-five percent (35%) of the Gross Settlement Amount, and reimbursement of litigation costs and expenses in the amount of $21,414.61 (together, referred to as the "Attorneys' Fees and Costs") to Lawyers *for* Justice, PC ("Class Counsel"); (3) payment in the amount of $9,950.00 to ILYM Group, Inc. ("Settlement Administration Costs"); (4) payment in the amount of $15,000.00 to Plaintiff Frederick Peregoy ("Class Representative Service Award"); and (5) allocation of $80,000.00 for penalties under the Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* ("PAGA Payment").[2]

Plaintiff requests that the Court make final its preliminary certification of the class for settlement purposes. The Settlement resolves the Released Class Claims and provides relief to a class consisting of the following individuals: all current and former non-exempt employees of Defendants within the State of California at any time during the Class Period (i.e., the time period of November 9, 2019 through February 11, 2025) ("Class" or "Class Members").[3]

The Settlement also resolves the Released PAGA Claims pertaining to the employment of the following alleged aggrieved employees: all current and former non-exempt employees of Defendants within the State of California at any time during the PAGA Period (i.e., the time period of September 5, 2022 through February 11, 2025) ("Aggrieved Employees").[4]

---

[1] Joint Stipulation of Class Action and PAGA Settlement and Release ("Settlement," "Agreement," or "Settlement Agreement"), ¶ 7.s.; Declaration of Nick Castro on Behalf of ILYM Group, Inc., Regarding Class Notice and Settlement Administration ("ILYM Decl." or "ILYM Declaration") ¶ 15.
[2] Settlement Agreement, ¶¶ 11-14.
[3] *Id.*, ¶¶ 7.g-h.
[4] *Id.*, ¶¶ 7.a. & 7.dd.

This matter involved, and the settlement is the product of meaningful and extensive investigations, and review and analysis of a large volume of information, documents, and data exchanged by the Parties in the course of litigation and mediation and settlement negotiations (which involved one full day mediation conducted by David A. Rotman, Esq.).[5]

This case has required 247.70 hours of attorney time by Class Counsel.[6] As will be demonstrated herein, the request for attorneys' fees, which represents thirty-five percent (35%) of the Gross Settlement Amount, is fully supported by the use of the percentage-fee method. Courts have historically awarded fees of up to fifty percent (50%) of the recovery. The requested attorneys' fees are also supported under the lodestar cross-check method.[7]

The requests for Attorneys' Fees and Costs, Class Representative Service Award, Settlement Administration Costs, and allocation for the PAGA Payment were fully disclosed in the Notice of Pendency of Class Action Settlement ("Notice") that was mailed to the Class Members. Most importantly, as of the date of this Motion, *no Class Member has objected to the Settlement or to the contemplated Attorneys' Fees and Costs, Class Representative Service Award, Settlement Administration Costs, or allocation for PAGA Payment.*

The Settlement is fair, adequate, and reasonable, and is the product of arm's-length, good-faith negotiations by experienced counsel presided over by a highly-regarded mediator who is experienced in mediating wage-and-hour class action lawsuits. Accordingly, the Court should grant final approval of the Settlement, and award the Attorneys' Fees and Costs, Class Representative Service Award, Settlement Administration Costs, and allocation for the PAGA Payment in the full amounts requested herein.

In order to efficiently present the Court with adequate information to determine whether to grant final approval of the Settlement, and award Attorneys' Fees and Costs, Class Representative Service Award, Settlement Administration Costs, and allocation for the PAGA Payment, Plaintiff also moves for an order permitting the filing of this single consolidated

[5] Declaration of Selena Matavosian ("Matavosian Decl.") ¶ 9.
[6] Matavosian Decl., Exh. 1.
[7] Applying a modest multiplier of 0.99, the total enhanced lodestar fees are $245,223.00, and Class Counsel seeks an attorneys' fees award of $245,000.00 (equal to 35% of the Gross Settlement Amount).

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memorandum, although it exceeds the page limit established by California Rules of Court, Rule 3.764, instead of filing several separate motions.

II. RELEVANT PROCEDURAL HISTORY AND FACTUAL BACKGROUND SINCE PRELIMINARY APPROVAL

For a discussion of relevant procedural history and facts regarding this matter since preliminary approval, please see the Declaration of Selena Matavosian at paragraphs 2 to 4.

III. THE CLASS SHOULD BE CERTIFIED FOR SETTLEMENT PURPOSES

For the reasons previously addressed by way of Plaintiff's moving and supporting papers for the Motion for Preliminary Approval of Class Action Settlement (namely, that the relevant class certification factors are satisfied, i.e., ascertainability, numerosity, community of interest, typicality, adequacy of representation, superiority, and manageability), as well as the reasons discussed herein regarding the completion of the due process notice procedure, the Court is requested to now make final its preliminary certification of the class for settlement purposes.

IV. SUMMARY OF THE SETTLEMENT TERMS, NOTICE PROCESS, AND PLAN OF DISTRIBUTION

Under the terms of the Settlement Agreement, Defendants have agreed to pay a Gross Settlement Amount of $700,000.00 on a non-reversionary basis,[8] and separately the amounts necessary to pay the employer's share of taxes and contributions in connection with the wages portion of Individual Settlement Shares ("Employer Taxes"). Subject to approval by the Court, the Net Settlement Amount will be calculated by deducting the Attorneys' Fees and Costs, Class Representative Service Award, Settlement Administration Costs, and PAGA Payment.[9] The Net Settlement Amount, which is estimated to be $328,635.39 will be fully distributed to Participating Class Members in accordance with the Settlement Agreement. The PAGA Payment of $80,000.00 will be distributed to the Labor and Workforce Development Agency ("LWDA") (in the amount of $60,000.00) and to the Aggrieved Employees (in the amount of $20,000.00) in accordance with the Settlement Agreement.[10]

[8] Settlement Agreement, ¶ 7.s.
[9] *Id.*, ¶ 7.x.
[10] Settlement Agreement, ¶¶ 7.cc. & 14.

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ILYM Group, Inc. ("Settlement Administrator" or "ILYM Group") will determine each Participating Class Member's (i.e., Class Members who did not timely opt out of the Class Settlement) *pro rata* share of the Net Settlement Amount ("Individual Settlement Share(s)"), according to the following methodology: the Settlement Administrator will divide the final Net Settlement Amount by the Workweeks of all Participating Class Members to yield the "Final Workweek Value," and multiply each Participating Class Member's individual Workweeks by the Final Workweek Value to yield his or her Individual Settlement Share.[11]

The Settlement Administrator will calculate each Aggrieved Employees' *pro rata* share of the twenty-five percent (25%) portion of the PAGA Payment ("Individual PAGA Payment") as follows: the Settlement Administrator will divide the 25% portion of the PAGA Payment that is allocated to the Aggrieved Employees, i.e., $20,000.00, by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period, resulting in the PAGA Pay Period Value and then multiplying the PAGA Pay Period Value by the number of PAGA Pay Periods worked by each individual Aggrieved Employee during the PAGA Period.[12]

Class Members had sixty (60) calendar days from the initial mailing of the Notice ("Response Deadline") to dispute the number of Workweeks and/or the PAGA Pay Periods credited to each of them, opt out of the Class Settlement, and/or object to the Class Settlement.[13] The Response Deadline was June 15, 2026, and the extended Response Deadline was June 30, 2025, for Class Members who were re-mailed the Notice.[14] ***As of the date of this motion, the Settlement Administrator has received one (1) letter indicating a request to be excluded from the Class Settlement ("Request for Exclusion") and zero (0) written objections to the Class Settlement ("Objection") from Class Members***.[15]

Each Individual Settlement Share will be allocated as follows: twenty percent (20%) as wages which will be reported on an IRS Form W-2; and the remaining eighty percent (80%) as interest, penalties, and non-wage damages, which will be reported on an IRS Form 1099.[16] The

[11] *Id*., ¶¶ 7.v & 15.a.ii.
[12] *Id*., ¶¶ 7.t & 15.b.i.
[13] *Id*., ¶ 7.mm.
[14] ILYM Decl., ¶ 11-13; Settlement Agreement ¶ 7.mm.
[15] ILYM Decl., ¶ 11-12.
[16] Settlement Agreement, ¶ 26.

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Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to Participating Class Members for their Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes and withholdings).[17] Defendants will pay the Employer Taxes in addition to the Gross Settlement Amount.[18] Individual PAGA Payments will be allocated as one hundred percent (100%) penalties, and will be reported on an IRS Form-1099, (if applicable) by the Settlement Administrator.[19]

The Settlement Administrator shall distribute the following payments: Within seven (7) calendar days of the full funding of the Gross Settlement Amount: Individual Settlement Payments to Participating Class Members, Attorneys' Fees and Costs to Class Counsel, Class Representative Service Award to Plaintiff, Individual PAGA Payments to Aggrieved Employees, the LWDA Payment to the LWDA, and Settlement Administration Costs to itself.[20]

Individual Settlement Payment and Individual PAGA Payment checks will be valid and negotiable for one hundred eighty (180) calendar days from the date the checks are mailed, and thereafter, shall be canceled.[21] The funds associated with such canceled checks will be distributed by the Settlement Administrator to The Children's Law Center of California as a *cy pres* recipient pursuant to California Code of Civil Procedure 384.[22] All Participating Class Members and Aggrieved Employees shall be bound by the terms and conditions of this Settlement Agreement regardless of whether or not they cash or otherwise negotiate their Individual Settlement Payment and/or Individual PAGA Payment checks.[23]

V. THE SETTLEMENT ADMINISTRATION PROCESS

The Court directed ILYM Group, Inc. to administer and effectuate the notice and settlement administration process, as set forth in the Court's September 5, 2025 Preliminary Approval Order. On March 5, 2026, ILYM Group, Inc. received a mailing list from Defendants'

[17] Settlement Agreement, ¶ 26.
[18] *Ibid.*
[19] *Ibid.*
[20] *Id.*, ¶ 10.c.
[21] *Id.*, ¶ 20.
[22] *Ibid.*
[23] *Ibid.*

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counsel that contained each Class Members' and Aggrieved Employees' last known full name, last known mailing address, Social Security Number, applicable Workweeks and/or PAGA Pay Periods for each Class Member and/or Aggrieved Employee, and any other information required by ILYM to calculate Workweeks and PAGA Pay Periods (collectively, "Class Data and List").[24]

The Class Data and List contained information for 537 individuals identified as Class Members.[25] The mailing addresses contained in the Class Data and List were processed and updated utilizing the U.S. Postal Service's National Change of Address Database ("NCOA").[26]

On April 15, 2026, ILYM Group mailed the Notice via U.S. First Class Mail, in English and Spanish, to all 537 individuals identified as Class Members in the Class Data and List.[27]

A total of 45 Notices were returned, none of which were returned with a forwarding address.[28] ILYM Group performed a skip-trace search on 45 Notices that were returned to ILYM Group without forwarding addresses, located an updated address for 31 Class Members, and promptly re-mailed the Notice to the updated addresses.[29] There are 14 mailed Notices that remain undeliverable.[30]

The Settlement Administrator has received zero (0) Notice of Objections and one (1) Request for Exclusion from Class Members by the Response Deadline of June 15, 2026 or the extended Response Deadline of June 30, 2026 for those Notices that were re-mailed.[31]

To date, there are 536 Class Members who did not submit a timely and valid Request for Exclusion ("Participating Class Members"), and who will be paid their portion of the Net Settlement Amount. The Net Settlement Amount of approximately $328,635.39 and the PAGA Payment of $80,000.00 will be distributed in accordance with the terms of the Settlement.[32]

VI. THE COURT SHOULD GRANT FINAL APPROVAL OF THE CLASS ACTION SETTLEMENT.

[24] ILYM Decl., ¶ 5; Settlement Agreement, ¶ 7.f.
[25] ILYM Decl., ¶ 5.
[26] *Id.*, ¶ 6.
[27] *Id.*, ¶ 7.
[28] *Id.*, ¶ 8.
[29] *Id.*, ¶ 9.
[30] *Id.*, ¶ 10.
[31] ILYM Decl., ¶ 11-13; Settlement Agreement ¶ 7.mm.
[32] ILYM Decl., ¶¶ 14-15.

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In reviewing a class settlement, the court need not reach any ultimate conclusions on the issues of fact and law that underlie the merits of the dispute. *7-Eleven Owners for Fair Franchising v. Southland Corp.* (2000) 85 Cal.App.4th 1135, 1146. The inquiry is not whether the settlement agreement is the best one that class members could have possibly obtained, but whether the settlement, taken as a whole, is "fair, adequate, and reasonable"—and the trial court has broad discretion to determine this. *Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 52-55. A settlement need not obtain 100 percent of the damages sought in order to be fair, reasonable, and ultimately, meaningful. *Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 251. Even if the proposed settlement affords relief that is substantially narrower than it would be if the case were to be successfully litigated, that is no bar to a class settlement because the public interest may indeed be served by a voluntary settlement in which each side gives ground in the interest of avoiding prolonged litigation. *Id*.

To determine whether the settlement is fair and reasonable, relevant factors to consider are:

> the strength of plaintiffs' case, the risk, expense, complexity and likely duration of further litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the extent of discovery completed and the stage of the proceedings, the experience and views of counsel, the presence of a governmental participant, and the reaction of the class members to the proposed settlement.

Dunk v. Ford Motor Co. (1996) 48 Cal.App.4th 1794, 1801. The list of factors is not exclusive and the court can consider different factors based on the circumstances of each case." *Wershba* at 245. At the final approval stage, a presumption of fairness exists where, as here:

> "(1) the settlement is reached through arm's-length bargaining; (2) investigation and discovery are sufficient to allow counsel and the court to act intelligently; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small."

Id. at 1802. "Due regard should be given to what is otherwise a private consensual agreement between the parties." *Dunk* at 1801.

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

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The Parties actively litigated the cases since the initial complaint was filed on November 9, 2023. Class Counsel conducted significant investigation, and extensive informal discovery into the facts of the cases, to assess the veracity, strength, and scope of the claims, and was preparing for class certification and trial prior to reaching the Settlement.[33]

The Parties informally exchanged a volume of information, documents, and data throughout the course of the litigation and in connection with the mediations and settlement negotiations.[34] Class Counsel informally exchanged a large volume of information, documents, and data obtained from Plaintiff, Defendants, and other sources, including: Class Members' and Aggrieved Employees' timekeeping and payroll data, Plaintiff's personnel records, timekeeping, and payroll data, Defendants' Employee Handbooks, policies, procedures, and practices, numerous collective bargaining agreements potentially applicable to the Class Members, and earning statements, among other information and documents.[35] Class Counsel had the opportunity to interview Plaintiff and other percipient witnesses.[36] Class Counsel developed liability, damages, violation, and penalties valuation models in the course of litigation and in connection with the mediation and settlement negotiations, and met and conferred with Defendants' counsel on numerous occasions, e.g., to discuss issues relating to the pleadings, case management, motion practice, informal discovery, and the production of information, documents, and data in the course of litigation and in connection with the mediation and settlement negotiations, and settlement.[37] Other work performed by Class Counsel included, and was not limited to, case strategy and analysis; researching, drafting, reviewing, and/or revising the pleadings, motion-related papers, the mediation briefing and supporting materials, and settlement documents; and preparing for and attending court proceedings, mediation, and settlement negotiations, among other tasks.[38]

The Parties participated in a formal, full-day mediation conducted by David A. Rotman, Esq., who is a well-regarded mediator experienced in mediating complex labor and employment

[33] Matavosian Decl., ¶ 7.
[34] Ibid.
[35] Ibid.
[36] Ibid.
[37] Ibid.
[38] Matavosian Decl., ¶ 7.

matters.[39] In the course of the mediation and settlement negotiations, the Parties exchanged documents and data, and discussed various aspects of the cases, including and not limited to, the risks and delays of further litigation, the risks and expenses to the Parties of proceeding with class certification, representative adjudication, and trial; the law relating to class certification, manageability, off-the-clock theory, regular rates of pay, meal and rest periods (including *inter alia*, on premises breaks), expense reimbursements, recordkeeping and wage statement requirements, representative PAGA claims and penalties, and wage-and-hour law and enforcement; Plaintiff's claims and allegations, and Defendants' defenses thereto, as well as the evidence produced and analyzed; and the possibility of appeals, among other things.[40] During all settlement discussions, the Parties conducted their negotiations at arm's length in an adversarial position.[41] Arriving at a settlement that was acceptable to the Parties was not easy.[42] Defendants and their counsel felt very strongly about Defendants' ability to prevail on the merits and to avoid class certification and representative adjudication and prevail on the merits, while, Plaintiff and Class Counsel believed that they would be able to obtain class certification and prevail at trial.[43] After significant informal discovery and investigations, extensive settlement negotiations, and with the aid of the mediator's evaluation, the Parties agreed that this matter was well-suited for settlement given the legal issues relating to Plaintiff's principal claims, as well as the costs and risks to the Parties that would attend further litigation.[44]

The Settlement takes into account the strengths and weaknesses of each side's position and the uncertainty of how this matter might have concluded at certification, trial, and/or appeals.[45] The Settlement was based on a large volume of facts, evidence, and investigation.[46] Additionally, Class Counsel has extensive experience in handling complex wage-and-hour actions, including significant experience in employment class action litigation.[47]

[39] *Id.*, ¶ 9.
[40] Ibid.
[41] Ibid.
[42] Ibid.
[43] Ibid.
[44] Ibid.
[45] Matavosian Decl., ¶¶ 7 & 9.
[46] *Id.*, ¶¶ 7 & 8.
[47] *Id.*, ¶¶ 14-18.

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

The risks inherent in litigating the claims through certification proceedings, trial, and/or appeals, favor resolving this matter for a Gross Settlement Amount of $700,000.00.[48] The Settlement was calculated using information and data uncovered through extensive case investigation, informal discovery, and the exchange of information in the context of litigation, mediation, and ongoing settlement negotiations.[49] Had the action not settled, Defendants would have vigorously challenged class certification, manageability, and liability. Defendants contended that individualized questions of fact predominated over any common issues, and these issues would pose challenges to certification and representative adjudication. Defendants would have likely argued again at trial, if any, that Plaintiff's claims were not appropriate for class-wide and/or representative adjudication. On the other hand, Defendants also faced the risk of the Court certifying a class and allowing a jury to decide Plaintiff's claims on a class-wide or representative basis. Also, preparation for trial would have been expensive for all Parties.

It is preferable to reach an early resolution of a dispute because such resolutions save time and money that would otherwise go to litigation. If this matter had settled after further litigation, the settlement amount would have taken into account the additional costs incurred, and there might have been less money available for Class Members, Aggrieved Employees, and the State of California after all was said and done. This is not just an abstract contention. The risks and expenses of further litigation outweighed any benefit that might have been gained otherwise. These risks of further litigation include a determination that the claims were unsuitable for class treatment and/or representative adjudication, failure to obtain certification, class de-certification after certification of a class, allowing a jury to decide the claims asserted in this matter, and the real possibility of no recovery after years of litigation. Additionally, the Parties were moving into the phase of the litigation where they would have to conduct a significant amount of discovery, including and not limited to, depositions of Defendants' Person

[48] *Id.*, ¶¶ 11 & 21.
[49] *Id.*, ¶¶ 6-9.

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Most Knowledgeable designees, expert witnesses, and percipient witnesses, such as managers, supervisors, and other current and former employees throughout the State of California. Additional discovery would have certainly arisen, which would have cost the Parties additional time and money. In contrast, the Settlement provides real and significant benefits for the Class, Aggrieved Employees, and the State of California here and now, while avoiding the further expenses, risks, and delay of prolonged litigation with only the possibility of recovery.

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

C. <u>The Settlement Is Fair, Reasonable, and Adequate.</u>

The Settlement, which provides for a Gross Settlement Amount of $700,000.00, represents a fair, reasonable, and adequate resolution of this matter. The Settlement was calculated using information and data uncovered through extensive case investigation, informal discovery, and the exchange of information in the context of litigation, mediation, and extensive settlement negotiations. The Settlement takes into account the potential risks and rewards inherent in any case and, in particular, in this matter. Moreover, considering the facts in this matter, the Gross Settlement Amount represents a considerable recovery.

The Gross Settlement Amount will be fully paid out, in accordance with the terms of the Settlement. As discussed in Section IV, *supra*, each Participating Class Member will be paid a *pro rata* share of the Net Settlement Amount (which is currently estimated to be $328,635.39), based on the number of Workweeks credited to them during the Class Period and each Aggrieved Employee will be paid a *pro rata* share of the 25% share of the PAGA Payment, based on the number of PAGA Pay Periods credited to them during the PAGA Period.[50] The

[50] Settlement Agreement, ¶¶ 15.a & 15.b. The *pro rata* allocation here is a fair and reasonable way to distribute the Net Settlement Amount that is payable to the Participating Class Members and 25% of the PAGA Payment that is payable to the Aggrieved Employees. At the final approval stage, "[a]n allocation formula need only have a

(Footnote continued)

highest Individual Settlement Share to a Participating Class Member is currently estimated to be $3,589.94 and the average Individual Settlement Share is currently estimated to be $613.13.[51] The highest Individual PAGA Payment to an Aggrieved Employee is currently estimated to be $259.35 and the average Individual PAGA Payment is currently estimated to be $68.03.[52] These are significant individual recoveries, particularly in light of the risks of litigation.

Class Counsel believes that the Settlement as a whole is fair, reasonable, and adequate.[53] Although Class Counsel's recommendations are not conclusive, the Court can properly take the recommendations into account, particularly if Class Counsel appears to be competent, has experience with this type of litigation, and significant discovery and investigation have been completed, as is the case here. Conte & Newberg, *Newberg on Class Actions* (4th Ed., 2002) § 11.47. Accordingly, the Court should grant final approval of the Settlement.

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

Class Counsel has extensive experience in employment class action law and complex wage-and-hour litigation.[54] Lawyers *for* Justice, PC has been appointed class counsel in numerous complex wage-and-hour cases, and has recovered millions of dollars for individuals in California.[55] Both Parties' counsel were capable of assessing the strengths and weaknesses of the Class Members' claims against Defendants and the benefits of the Settlement under the circumstances of the lawsuits and in the context of a private, consensual settlement agreement.

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

The Settlement has been well received by the Class – ***not a single Class Member objected to the Settlement.***[56] Specifically, no objections have been made as to the Gross Settlement Amount or contemplated Attorneys' Fees and Costs, Class Representative Service Award, Settlement Administration Costs, and allocation for the PAGA Payment. California

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reasonable, rational basis [to warrant approval], particularly if recommended by experienced and competent class counsel." *In re American Bank Note Holographics, Inc., Securities Litigation* (S.D.N.Y. 2001) 127 F.Supp.2d 418, 429-30.

[51] ILYM Decl., ¶ 15.

[52] ILYM Decl., ¶ 16.

[53] Matavosian Decl., ¶ 21.

[54] *Id*., ¶¶ 14-18.

[55] Ibid.

[56] ILYM Decl., ¶ 12.

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courts have consistently found that a small number of objectors indicates support for a settlement and strongly favors final approval.[57]

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

VII. THE ATTORNEYS' FEES REQUESTED SHOULD BE APPROVED.

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

Under the terms of the Settlement Agreement, Defendants will pay a Gross Settlement Amount of $700,000.00.[58] The requested attorneys' fees are thirty-five percent (35%) of the total value of the monetary settlement.[59] In light of Class Counsel's successful prosecution and resolution of this matter, the requested attorneys' fees are appropriate and reasonable.

Where the amount of a settlement is a "certain easily calculable sum of money," California courts may calculate attorneys' fees as a reasonable percentage of the settlement. Weil and Brown, California Practice Guide, *Civil Procedure Before Trial*, Chapter 14, § 14:145; *In re Bluetooth Headset Prods. Liab. Litig.* (9th Cir. 2011) 654 F.3d 935, 942 (The percentage method is particularly appropriate where a monetary settlement has been recovered and "the benefit [recovered can be] easily quantified."); *see also Laffitte v. Robert Half Int'l Inc.* (2016) 1 Cal.5th 480, 503; *Dunk* at 1808. Courts may calculate and award attorneys' fees as a percentage of a monetary fund that has, by litigation, been preserved or recovered for the benefit of others. *Laffitte* at 486 & 506. Trial courts "retain the discretion to forgo a lodestar cross-check and [may] use other means to evaluate the reasonableness of a requested percentage fee." *Id.* (internal quotes omitted); see also *Wershba*, *supra*, 91 Cal.App. 4th at 253.

Courts award fees as an economic incentive for lawyers to pursue litigation that will enhance and facilitate access to the judicial system for meritorious claims, deter wrongdoing, and address multiple similar alleged wrongs that would not be economically feasible to pursue

[57] *Wershba*, *supra*, 91 Cal.App.4th at 250-51 (final approval granted despite 20 objectors); *7-Eleven Owners*, *supra*, 85 Cal.App.4th at 1152-53 (final approval granted despite 9 objectors).
[58] Settlement Agreement, ¶ 7.s.
[59] *Id.*, ¶ 11.

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individually, such as here. See A. Conte, *Attorney Fee Awards* (2d ed. 1993) 104, at 6.

The percentage fee method is preferred in representative actions because "it better approximates the workings of the marketplace than the lodestar approach." *Lealao v. Beneficial Cal., Inc.* (2000) 82 Cal.App.4th 19, 49. California law provides that the award for attorneys' fees should be equivalent to fees freely negotiated in the legal marketplace and paid in comparable litigation based on the result achieved and risk incurred. *Id.* at 47-50; *Laffitte* at 503. In cases where the settlement agreement provides that the defendant will pay the plaintiff's attorneys a percentage of the fund created by the settlement, use of that percentage method is appropriate. *Lealao* at 32. Fee awards that are too small will "chill the private enforcement essential to the vindication of many legal rights and obstruct the representative actions that often relieve the courts of the need to separately adjudicate numerous claims." *Id.* at 53. Therefore, fees in representative actions should approximate the probable terms of a contingent fee contract negotiated by a sophisticated attorney and client in comparable litigation. *Id*. at 48. "The ultimate goal . . . is the award of a 'reasonable' fee to compensate counsel for their efforts, irrespective of the method of calculation." *Consumer Privacy Cases* (2009) 175 Cal.App.4th 545, 557-58 (quoting *Apple Computer, Inc. v. Superior Court* (2005) 126 Cal.App.4th, 1253, 1270).

Class Counsel's application for attorneys' fees in light of the facts and circumstances surrounding the case is well-within the range of reasonableness. Courts have awarded fees as high as 50% of the settlement in complex actions, depending on the circumstances of the case.[60]

Class Counsel has performed significant work in this matter, as discussed in the Declaration of Selena Matavosian with the very real possibility of an unsuccessful outcome and no fee recovery of any kind.[61] In the present matter, Class Counsel has borne all of the risks and costs of litigation and will not receive any compensation until recovery is obtained.[62] Class Counsel is experienced in complex wage-and-hour litigation and used that experience to obtain

[60] *See In re Ampicillin Antitrust Litig.* (D.D.C. 1981) 526 F.Supp. 494 (awarding attorneys' fees in the amount of 45% of the $7.3 million total settlement amount); *Beech Cinema, Inc. v. Twentieth-Century Fox Film Corp.* (S.D.N.Y. 1979) 480 F.Supp. 1195 (awarding approximately 53% of the settlement as attorneys' fees). California courts routinely approve attorneys' fees awards "average[ing] around one-third of the recovery." *Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 66 n.11 (lower court found the range of contingency fees in marketplace to be 20%-40% and determined such a percentage fee was appropriate).
[61] Matavosian Decl., ¶¶ 10-11.
[62] *Id*., ¶¶ 10-11, & 19.

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a significant settlement recovery for Plaintiff, the Class, and the State of California.[63] Considering the amount of fees requested, work performed, risks incurred, results obtained, and experience of Class Counsel in handling similar matters, Plaintiff maintains that the requested attorneys' fees are reasonable and should be awarded.

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

The percentage method is consistent with, and is intended to mirror, the practice in the private marketplace where contingent-fee attorneys typically negotiate percentage-fee arrangements with their clients. The named plaintiff's agreement to pay a contingent fee is powerful evidence of a reasonable fee. One of the best ways to demonstrate the value of counsel's work to the class is to review the consideration agreed to be paid by the named plaintiff. If the named plaintiff has employed counsel on a contingency-fee basis, it would indeed be inequitable for the members of the class, who will enjoy the benefits of the settlement without incurring the risks of bringing the claim, to pay less than the named plaintiff. In this case, Plaintiff has agreed to a contingency fee agreement of at least thirty-five percent (35%) of the recovery.[64]

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

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[63] *Id.*, ¶¶ 14-18.
[64] Matavosian Decl., ¶ 10.

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

The factors which courts consider in determining whether fee awards are reasonable, all of which support the fee award requested by Class Counsel, are: the time and labor required; the novelty and difficulty of the questions involved; the skill requisite to perform the legal services properly; the preclusion of other employment by the attorney due to the acceptance of the case; the customary fee; whether the fee is fixed or contingent; the time limitation imposed by the client or the circumstances; the amount involved and results obtained; the experience, reputation, and ability of the attorney; the undesirability of the case; the nature and length of the professional relationship with the client; and awards in similar cases. *Camden I Condominium Association, Inc. v. Dunkel* (11th Cir. 1991) 946 F.2d 768, 772. Some of the most relevant factors to this Court's fee determination will be addressed below.

The award of attorneys' fees in the amount of 35% of the Gross Settlement Amount, which is currently estimated to be $245,000.00, is commensurate with the time, effort, and expense dedicated to this matter, the contingent nature of Class Counsel's fee recovery and the risks taken, the skill and determination required, the results that Class Counsel has achieved, and the value of the settlement that Class Counsel has obtained in this matter.

1. Time & Labor.

Class Counsel used its experience and skills, and dedicated the full extent of resources, to litigate and bring this matter to a successful conclusion.[65]

As outlined in the Declaration of Selena Matavosian, Class Counsel has fully and actively participated in litigation of this matter.[66] Prior to commencing the lawsuits, Class Counsel had conducted a significant amount of investigation into the factual and legal issues, Defendants' business and their operations, and employment policies, practices, and procedures.[67] During the litigation of this matter, Class Counsel had the opportunity to interview Plaintiff and other percipient witnesses; reviewed and analyzed of a large volume of

[65] Matavosian Decl., ¶¶ 7-9, & 12.
[66] *Id.*, ¶¶ 7-9; Exh. 1.
[67] Matavosian Decl., ¶ 6.

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information, documents and data obtained from Defendants, Plaintiff, and other sources; and prepared liability, damages, penalties, and valuation calculations.[68] Class Counsel also met and conferred with Defendants' counsel on numerous occasions e.g., to discuss issues relating to the pleadings, case management, motion practice, informal discovery, and the production of information, documents and data among other things, and prepared for and attended court proceedings, mediation, and settlement negotiations.[69]

Counsel has dedicated staffing and monetary resources necessary to prosecute this matter diligently and with maximum efficiency and has fully and actively participated in the litigation process.[70] The Attorney Task and Time Chart, which is attached as "**EXHIBIT 1**" to the accompanying Declaration of Selena Matavosian, sets forth in detail the hours that attorneys at Lawyers *for* Justice, PC have spent performing tasks in this matter.[71] Class Counsel has spent **247.70** hours performing tasks and to obtain a significant recovery in this matter.[72] These hours were required to bring this matter to its successful conclusion. In light of the value of Class Counsel's work and the carrying of costs involved in litigating this matter, the requested attorneys' fees are fair, adequate, and reasonable.

2. The Skill Required to Perform Legal Services Properly.

The skill required to properly litigate this matter is evident from the results achieved, the steps necessary to reach those results, and that Defendants retained well-respected counsel to represent it.

Class Counsel exercised its skill to perform significant investigation, analysis, and research prior to filing the cases, during the litigation, and prior to and during the mediation and settlement negotiations. Class Counsel took steps to prepare the matter for class certification and representative adjudication and had every intention of taking this matter to trial on a class-wide basis if Defendants did not offer an appropriate class-wide settlement. Despite all of the obstacles that had to be overcome, as demonstrated in the Declaration of Selena Matavosian,

[68] *Id.*, ¶ 7.
[69] Ibid.
[70] *Id.*, ¶ 12; Exh. 1.
[71] *Id.*, Exh. 1.
[72] *Id.*, ¶ 12; Exh. 1.

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Class Counsel used its extensive experience in the handling of class actions and complex wage-and-hour matters in order to obtain the Settlement with maximum efficiency.[73]

3. Whether the Fee Is Fixed or Contingent.

Plaintiff entered into a contingency fee agreement with Class Counsel, and the representation of the Class provided by Class Counsel has been wholly contingent.[74] Class Counsel has invested **247.70** hours of time to obtain relief on behalf of Plaintiff, the Class, and the State of California.[75] Class Counsel has also incurred litigation costs and expenses in the amount of $21,414.61.[76] Thus, Class Counsel has borne all of the risks and costs of litigation and will not receive any compensation until recovery is obtained.[77]

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

> A contingent fee must be higher than a fee for the same legal services paid as they are performed. The contingent fee compensates the lawyer not only for the legal services he renders but for the loan of those services. A lawyer who both bears the risk of not being paid and provides legal services is not receiving the fair market value of his work if he is paid only for the second of these functions. If he is paid no more, competent counsel will be reluctant to accept fee award cases.

Cates v. Chiang (2013) 213 Cal.App.4th 791, 823 (internal quotes and citations omitted). Class Counsel litigated this matter on a contingent basis with all of the concomitant risk factors inherent in such an uncertain undertaking. Had Class Counsel not been successful, the time that Class Counsel has devoted to litigating this matter would have been for naught, and would not have produced any fee or any reimbursement of costs or expenses. *See Vizcaino v. Microsoft* (9th Cir. 2002) 290 F.3d 1043, 1048-49 (discussing the risks of engaging in litigation without certainty of compensation).

4. The Amount Involved and the Results Achieved.

The Settlement represents an excellent resolution of this matter, given the risks inherent in litigating the matter through class certification proceedings, trial, and/or appeals. Had this

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[73] Matavosian Decl., ¶¶ 14-18.
[74] *Id.*, ¶ 10.
[75] *Id.*, ¶ 12; Exh. 1.
[76] *Id.*, ¶ 19.
[77] Ibid.

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matter not settled, Defendants would have vigorously challenged certifiability, manageability, and liability. Defendants, however, faced risks if the Court certified a class and allowed a jury to decide the claims. Additionally, preparing this matter for trial would have been expensive for the Parties. The Settlement at this stage is preferred over continued litigation because such resolutions save time and money that would otherwise go to litigation. The risks and expenses of further litigation outweighed any benefit that might have been gained otherwise. The Settlement provides an immediate recovery, as opposed to an uncertain result in the future after costly, risk, and prolonged litigation involving expert discovery, trial preparation, class certification proceedings, and appellate review of those proceedings.

The results achieved, in light of the difficulties inherent in similar cases and the specific difficulties faced in this matter, are considerable.[78] Class Counsel obtained a settlement of $700,000.00.[79] The Settlement has yielded a positive response from the Class Members—no Class Members objected to the Class Settlement.[80]

5. The Reputation and Ability of the Attorneys.

Lawyers *for* Justice, PC is a recognized class action law firm that employed its attorneys' knowledge, skills, and experience in bringing this case to a successful conclusion.[81] Class Counsel has years of complex and class action litigation experience, has recovered millions of dollars on behalf of thousands of individuals in California, and has successfully handled numerous significant wage-and-hour class action and complex cases.[82]

C. <u>The Lodestar Methodology Also Justifies Approval of the Requested Fees.</u>

While the percentage-of-the-benefit approach is endorsed as the better approximation of the workings of the marketplace than the lodestar approach, courts may also use the lodestar method to "cross-check" the results of the other.[83] The lodestar is calculated based on reasonable

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[78] Matavosian Decl., ¶¶ 7-9.
[79] Settlement Agreement, ¶ 7.s.
[80] ILYM Decl., ¶ 12.
[81] Matavosian Decl., ¶¶ 14-18.
[82] Ibid.
[83] *Laffitte*, *supra*, 1 Cal.5th at 505 (explaining that "[a] lodestar cross-check is simply a quantitative method for bringing a measure of the time spent by counsel into the trial court's reasonableness determination" and "the lodestar calculation . . . does not override the trial court's primary determination of the fee as a percentage" and "does not impose an absolute maximum or minimum on the potential fee award."); *see also, e.g.*, *Vizcaino*, 290 F.3d at 1050 ("[W]hile the primary basis of the fee award remains the percentage method, the lodestar may provide a useful perspective on the reasonableness of a given percentage award.").

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hours at reasonable prevailing hourly rates for the attorneys, and counsel is entitled to compensation for every hour reasonably spent on the matter. *Ketchum v. Moses* (2001) 24 Cal.4th 1122, 1131-33. The reasonableness of hours is assessed by "the entire course of the litigation, including pretrial matters, settlement negotiations, discovery, litigation tactics, and the trial itself[.]" *Vo v. Las Virgenes Municipal Water Dist.* (2000) 79 Cal.App.4th 440, 447.

As discussed above in Part VII.B.1, *infra*, and also discussed in the Declaration of Selena Matavosian, Class Counsel expended significant time and labor in this highly contested matter.[84] Class Counsel has been actively involved in the prosecution of the cases, and the work performed in said cases has precluded other employment.[85] Class Counsel bore the risk that, despite all of its efforts and skills employed, there may be no recovery.[86] Ultimately, Class Counsel was successful in reaching a settlement of $700,000.00.[87] The Attorney Task and Time Chart sets forth in detail the numerous tasks that Class Counsel performed in this matter, and the time required for completing those tasks.[88] The chart demonstrates that Class Counsel has spent a total of **247.70** hours litigating this matter and finalizing the Settlement.[89] In light of the facts and circumstances of this matter, as well as the results that Class Counsel has achieved, Class Counsel has spent a reasonable number of hours performing work on this matter. In addition, Class Counsel will continue to perform work on this matter through the date of final approval and in connection with the implementation of the Settlement.

As set forth in the Declaration of Selena Matavosian, the professional background and experience of Class Counsel support a reasonable rate of compensation of at least $1000 per hour for services provided by Class Counsel.[90] While the circumstances of every case are unique, the fact remains that the work performed by Class Counsel in this matter justify the requested attorneys' fees.

Applying the rate of $1000 per hour to 247.70 hours worked by Class Counsel, would

[84] Matavosian Decl., ¶¶ 11-12; Exh. 1.
[85] *Id.*, ¶ 11.
[86] *Id.*, ¶¶ 10, 11, & 19.
[87] Settlement Agreement, ¶ 7.s.
[88] Matavosian Decl., Exh. 1.
[89] *Id.*, ¶ 12.
[90] Matavosian Decl., ¶ 13.

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place a base lodestar value of $247,700.00 on the services provided by Class Counsel.

It also bears noting that a court may apply a multiplier in consideration for risk, efficiency, and/or obtaining a substantial result, to enhance the lodestar for purpose of cross-check. See *Ketchum* at 1133-34 (holding that a risk multiplier may be applied to compensate contingency fee attorneys at a fair market rate).[91] The risks involved, skill required, complexity of the matter, and results obtained warrant upward enhancement of the lodestar.[92] In determining whether or not to enhance the lodestar, California courts take into account multiple factors, many of which were specifically addressed above in §§ VII.B, *infra*. See, *Cates* at 822-23. Multiple factors warrant enhancement of the lodestar in this matter, including the following: the time and labor required; the skill requisite to perform the legal services properly; the preclusion of other employment by the attorney due to the acceptance of these cases; the contingent nature of the fee; the amount involved and results obtained; the experience, reputation, and ability of the attorney; and awards in similar cases. *Ketchum* at 1134. Therefore, a multiplier of 0.99 should be applied. Applying the rate of $1000 per hour to 247.70 hours for services provided by Class Counsel results in a base lodestar value of $247,700.00 for the work performed by Class Counsel, and applying a modest multiplier of 0.99[93], the total enhanced lodestar fees are $245,223.00.

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[91] Courts have approved fee awards with multipliers of 2 and even higher. See, e.g., *City of Oakland v. Oakland Raiders* (1988) 203 Cal.App.3d 78 (affirming a 2.34 multiplier without remand); *Wershba*, *supra*, 91 Cal.App.4th at 255 ("Multipliers can range from 2 to 4 or even higher."); *Sutter Health Uninsured Pricing Cases* (2009) 171 Cal.App.4th 495, 512 (applying a 2.52 multiplier on a lodestar cross-check); *Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 66 (applying a 2.5 multiplier in a consumer class action).

[92] Even when courts have opted to award fees in settlement fund cases based on time reasonably expended on the action, courts have generally awarded these fees based on the actual time expended (the lodestar) in conjunction with a multiplier of between 2 and 4. *Kerr v. Screen Extras Guild, Inc.* (9th Cir. 1975) 526 F.2d 67. Adjustment of the base lodestar figure to compute an award of attorneys' fees for a claim under the California Labor Code is appropriate. See *Id.*, at 1135-36; *Serrano v. Priest* (1977) 20 Cal.3d 25, 48-49. Courts frequently apply multipliers to enhance the lodestar to reflect the risks involved, the complexity of the litigation, and the other relevant facts. *Vizcaino*, 290 F.3d at 1051; *Graham v. DaimlerChrysler Corp*. (2004) 34 Cal.4th 553, 579 ("One of the most common fee enhancers [...] is for contingency risk."). Such an enhancement "mirrors the established practice in the private legal market of rewarding attorneys for taking the risk of nonpayment by paying them a premium over their normal hourly rates for winning contingency cases." *Vizcaino*, 290 F.3d at 1051; *accord Ketchum*, 24 Cal.4th at 1132-33. A risk multiplier also serves to bring the financial incentives for enforcing important rights "into line with incentives [attorneys] have to undertake claims for which they are paid on a fee-for-services basis." *Ketchum* at 1132.

[93] Larger multipliers have been awarded in similar cases, and the total amount of fees sought by Class Counsel is also reasonable compared to fees awarded in similar cases. Courts routinely enhance lodestar amounts based on multipliers that "range from **2 to 4 or even higher**." *Wershba, supra*, 91 Cal.App.4th at 255 (emphasis added); *see also, e.g., Chavez v. Netflix, Inc*. (2008) 162 Cal.App.4th 43, 66 (approving multiplier of **2.5**); *Vizcaino,* 290 F.3d at 1051 (approving multiplier of **3.65**); *Wal-Mart Stores, Inc. v. Visa U.S.A., Inc.* (2d Cir. 2005) 396 F.3d 96, 123 (approving multiplier of **3.5**); *Craft v. County of San Bernardino* (C.D. Cal. 2006) 624 F.Supp.2d 1113, 1125 (awarding multiplier of **5.2** and referring to other cases with cross-check multipliers ranging from **4.5 to 19.6**).

The lodestar method as a cross-check to the percentage award sought herein, strongly supports the reasonableness of the requested attorneys' fees. The nature of the work performed, skill exercised, and the outcome in this matter—which involves an outstanding monetary recovery involving a Gross Settlement Amount of $700,000.00 (with a Net Settlement Amount of approximately $328,635.39 to be paid to Participating Class Member (with gross Individual Settlement Shares averaging approximately $613.13), payment of $20,000.00 to Aggrieved Employees, and payment of $60,000.00 to the State of California)—support the percentage fee sought. Accordingly, the Court is respectfully requested to award attorneys' fees in the amount of $245,000.00 to Class Counsel.

VIII. REIMBURSMENT OF CLASS COUNSEL'S LITIGATION COSTS AND EXPENSES SHOULD BE APPROVED.

The Settlement provides for reimbursement of litigation costs and expenses of up to $30,000.00. As set forth in the Declaration of Selena Matavosian, Class Counsel only seeks reimbursement of $21,414.61 in litigation costs and expenses incurred in this matter.[94] This amount was reasonable and necessary in the prosecution of this matter and to obtain the Settlement, and is less than the maximum amount allocated under the Settlement Agreement.[95] The cost savings of $8,585.39 will be part of the Net Settlement Amount, which will be distributed to Participating Class Members in accordance with the Settlement.[96] Accordingly, Plaintiff requests that the Court award litigation costs and expenses in the amount of $21,414.61 to Class Counsel.

IX. THE SETTLEMENT ADMINISTRATION COSTS SHOULD BE APPROVED.

As set forth in the accompanying ILYM Declaration, the total costs incurred and to be incurred by ILYM for the notice and settlement administration process are $9,950.00.[97] The costs incurred and to be incurred include, but are not limited to, establishing and maintaining a settlement fund account; establishing and maintaining a calendar of administrative deadlines and responsibilities; processing, issuing, and transmitting settlement payments; distributing

[94] Matavosian Decl., ¶ 19.
[95] Matavosian Decl., ¶ 19.
[96] Ibid.
[97] ILYM Decl., ¶ 17.

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notice of the Settlement to the Class; receiving and validating Requests for Exclusions, Notices of Objections, and/or disputes to Workweeks and/or PAGA Pay Periods Disputes submitted by Class Members; calculating Employer Taxes and providing appropriate forms and calculations to Defendants; providing counsel with weekly reports; and other tasks as the Parties mutually agree or the Court orders ILYM to perform.[98]

Accordingly, the Court should grant final approval of payment to ILYM Group, a necessary third-party for its handling of the notice and settlement process, in the amount of $9,950.00.

X. THE CLASS REPRESENTATIVE SERVICE AWARD SHOULD BE APPROVED.

Plaintiff requests a Class Representative Service Award in the amount of $15,000.00 to himself, for his efforts and work spearheading the prosecution of this matter and serving as the Class Representative, as well as his broader individual waiver and release of claims with a California Civil Code Section 1542 waiver. Such enhancement awards are common, and the one requested here is reasonable.[99]

Plaintiff spent a substantial amount of time and effort providing the facts and evidence necessary to support the prosecution of the claims.[100] Plaintiff was available whenever Class Counsel needed him and actively tried to obtain, and gave, information to support the pursuit of this matter.[101]

Accordingly, it is appropriate and just for Plaintiff Frederick Peregoy to receive $15,000.00 as a reasonable Class Representative Service Award, in addition to his individual settlement payment(s).

XI. CONCLUSION

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[98] *Id.*, ¶ 3.
[99] Vranken v. Atlantic Richfield Co. (N.D. Cal. 1995) 901 F.Supp. 294, 299 (Relevant factors considered by courts are the financial and other risk to, the notoriety and personal difficulties encountered by, and the amount of time and efforts spent by the class representative, as well as the duration of the litigation and the personal benefit (or lack thereof) enjoyed by the class representatives as a result of the litigation; approving $50,000 participation award to a single class representative based on such factors).
[100] Matavosian Decl., ¶ 20; Declaration of Frederick Peregoy ("Peregoy Decl."), ¶¶ 3-5.
[101] Ibid.

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For the foregoing reasons, the Court is respectfully requested to grant final approval of the Settlement, approve and award Attorneys' Fees and Costs to Class Counsel, the Class Representative Service Award to Plaintiff, Settlement Administration Costs to the Settlement Administrator, and the PAGA Payment, in their entirety, as sought herein; and permit the filing of a memorandum that exceeds the page limit.

Dated: July 16, 2026 **LAWYERS *for* JUSTICE, PC**

By: Selena
Selena Matavosian
Attorneys for Plaintiff and the Class

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