LONNIE C. BLANCHARD III (SBN 93530)
THE BLANCHARD LAW GROUP, APC
177 East Colorado Blvd., Suite 200
Pasadena, California 91105
Telephone: (213) 599-8255
Email: lonnieblanchard@gmail.com

JEFF HOLMES (SBN 100891)
HOLMES LAW GROUP, APC
2801 Ocean Park Blvd., #1035
Santa Monica, CA 90405
Telephone: 310-396-9045
Email: jeffholmesjh@gmail.com

Attorneys for Plaintiff Matthew Husino

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

| | |
|---|---|
| Matthew Husino, as a private attorney general under the Private Attorneys General Act,<br><br>Plaintiff,<br><br>vs.<br><br>MH Sub I, LLC and Does 1 through 10,<br><br>Defendants. | **Case No. 24TRCV02508**<br>(*Assigned to the Hon. Gary T. Tanaka – Dept. M*)<br><br>**Declaration of Lonnie C. Blanchard III in Support of Motion for Approval of PAGA Settlement**<br><br>Date: June 9, 2026<br>Time: 8:30 a.m.<br>Dept.: M<br>Reservation ID: 851144624026 |

I, Lonnie C. Blanchard III, declare:

1. I am an attorney admitted to practice law in the State of California. I am the sole shareholder and CEO of The Blanchard Law Group, APC and one of the attorneys of record for Plaintiff Matthew Husino in this action. I have personal knowledge of the facts stated in this declaration.

2. Plaintiff has made all appropriate notifications to the California Labor and Workforce Development Agency ("LWDA"), including but not limited to submission of the Settlement pursuant to Labor Code section 2699(l)(2) and the Motion for PAGA Settlement.

**Settlement Agreement**

3. Attached as ***Exhibit 1*** is a copy of the executed PAGA Settlement Agreement and Release ("Settlement Agreement").

4. The key substantive terms of the Settlement, the background of the case, and Defendant's contentions are accurately summarized below and in the Memorandum of Points and Authorities in support of the Motion for Approval of PAGA Settlement.

**Experience of Counsel**

5. I attended UCLA School of Law and graduated in 1980. I was admitted to the California bar in 1980 and have been practicing as a litigation attorney in state and federal courts in California and, on occasion, in other states, since such time. I am also admitted to practice before the United States Supreme Court. The focus of my practice is almost exclusively civil litigation. I have extensive experience in wage and hour litigation, including class and PAGA actions. I also have extensive experience in employment litigation, commercial litigation, and other civil litigation practice areas.

6. I have extensive experience litigating wage and hour class and PAGA actions, FCRA class actions, employee rights' claims, and other claims in federal and state court. I was counsel of record in the following class and/or PAGA proceedings that were finally approved:

- *Adauto v. Door Components Inc.*, et al, Case No. BC469230, California Superior Court, County of Los Angeles
- *Arce v. MV Transportation, Inc.*, et al, Case No. BC457702, California Superior Court, County of Los Angeles

- *Awad v. Elemental Energy, Inc.*, Case No. 1302544, Riverside County Superior Court
- *Ayala v. Denbeste Manufacturing, et al*, Case No. S-1500-CV-275248 WDP, California Superior Court, County of Kern
- *Borchani-Torres v. Eisenhower Medical Center*, Case No. INC1201246, California Superior Court, County of Riverside
- *Browning, et al., v. McCarthy Building Companies, Inc.*, Case No. 5:18-cv-05882-BLF, United States District Court, Northern District of California
- *Brown and Griffin v. Steve's Oilfield Service, Inc.*, et al., Case No. S1500-CV-283801, Kern County Superior Court
- *Camacho v. Shred-it*, Case No. 39-2014-00307879-CU-OE-STK, San Joaquin County Superior Court
- *Cartwright v. Brahma Group, Inc., et al.*, Case No. BCV-18-102027, Kern County Superior Court
- *Cartwright v. Sletten Construction Company, et al.*, Case No. 18CV04532, Santa Barbara Superior Court
- *Deprizito, et al. v. PAMA Management, Inc.*, *et al.*, Case No. BC723619, Los Angeles County Superior Court
- *Erlandsen v. FlexCare, LLC, et al.*, Case No. 1390595, California Superior Court, County of Santa Barbara
- *Espinoza, Wade v. Defender Security Company*, Case No. 2:15-cv-7142-CAS-JC, United States District Court, Central District of California – Western Division
- *Gonzalez v. Corrections Corporation of America*, Case No. 1:16-cv-01891, United States District Court, Eastern District of California
- *Grande v. Lawrence Recruiting Specialists d/b/a LRS Healthcare*, Case No. 57 160 00080 13, American Arbitration Claim
- *Grice v. Pepsi Beverages Company*, Case No. 1:17-cv-08853-JPO, United States District Court, Southern District of New York
- *Haakstad, et al. v. Fondnazio, et al.*, Case No. C15-02074, Contra Costa County Superior Court
- *Hebert v. Barnes & Noble, Inc.*, Case No. 37-2019-00007178-CU-MC-CTL, San Diego County Superior Court
- *Hebert v. Valley Children's Hospital*, Case No. MCV076409, Mader County Superior Court
- *Johnson v. Field Nation, LLC, et al.*, 01-22-0005-2476, American Arbitration Association
- *Judge v. PAMA, et al*, Case No. 72 160 00975 12, American Arbitration Association
- *Kalin, et al. v. Apple Inc.*, Case No. 13-CV-03451-WHA, United States District Court, Northern District of California

- *Kirchner v. Shred-it USA Inc.*, CIV. 2:14-1437 WBS, 2014 WL 6685210 (E.D. Cal. Nov. 25, 2014)
- *Lady v. Sacramento Drilling, Inc., et al*., Case No. CU-18-00150, San Benito County Superior Court
- *Lagos v. The Leland Stanford Junior University*, Case No. 115CV284784, Santa Clara County Superior Court
- *Liggitt v. Trueblue, Inc., et al*., Case No. RIC1509572, Riverside County Superior Court
- *Larroque v. First Advantage LNS Screening Solutions, Inc., et al.*, Case No. CAV 535083, San Mateo County Superior Court
- *Martinez-Taft v. Children's Hospital Central California*, Case No. MCV066748, California Superior Court, County of Madera
- *Meza v. LinkUs Enterprises, Inc., et al*, Case No. S-1500-CV-274733 LHB, California Superior Court, County of Kern
- *Miller v. Mud-Check, Inc., et al*., Case No. BCV-15-100921, Kern County Superior Court
- *Oropeza v. Pick-N-Pull Auto Dismantlers, et al*., Case No. RG11560441, Superior Court of California, County of Alameda
- *Poisson v. Dispatch Transportation, Inc., et al*., Case No. RIC1504851, Riverside County Superior Court
- *Poisson v. Neal Trucking, Inc., et al*., Case No. EDCV13-2241, United States District Court, Central District of California
- *Robinson v. Turning Point of Central California, Inc*., Case No. 14CECG03685, California Superior Court, County of Fresno
- *Sander v. Shipt, Inc*., Case No. RG19031481, Alameda County Superior Court
- *Shakespeare, et al. v. Ameri-Force Craft Services, Inc*., Case No. 37-2021-00013962-CU-OE-CTL, California Superior Court, County of San Diego
- *Shakespeare and Hood v. National Steel and Shipbuilding Company*, Case No. 37-2021-00013962-CU-OE-CTL, San Diego Superior Court
- *Stone v. Universal Protection Service*, Case No. 01-15-0002-7497, American Arbitration Association
- *Syed, et al. v. M-I LLC*, Case No. 1:12-cv-01718-AWI-MJS, United States District Court, Eastern District of California
- *Syed v. M-I LLC, et al*., Case No. 1:14-cv-00742-WBS-BAM, United States District Court, Eastern District of California
- *Terry v. Ulta Salon, Cosmetics & Fragrance, Inc*., Case No. 4:18-cv-07683-JST, United States District Court, Northern District of California
- *Travis v. AMN Staffing Services, LLC, Kaiser Foundation Hospitals*, Case No. 24STCV02711, Los Angeles Superior Court

- *Tuliau v. The Kroger Co., Ralphs Grocery Company*, Case No. RIC2002168, Riverside Superior Court
- *Watson v. Wells Fargo Bank, N.A*., Case No. BC559193, Los Angeles County Superior Court
- *Weitz v. TakeLessons, Inc*., Case No. 37-2024-00007416-CU-OE-CTL, San Diego Superior Court
- *Wortham, et al. v. Turning Point of Central California, Inc*., Case No. 15CECG02618, California superior Court, County of Fresno

7. I am counsel of record in at least 26 pending class and/or PAGA actions.

**Plaintiff's PAGA Claims**

8. On May 22, 2024, pursuant to Labor Code section 2699.3, subdivision (a), Plaintiff served Defendant and the LWDA with the PAGA Notice. Therefore, this case is a pre-PAGA revision case. On July 29, 2024, Plaintiff commenced the Action by filing the Operative Complaint against Defendant alleging Defendant's violation of the PAGA described therein and in the Introduction of this brief above. On August 30, 2024, Defendant moved to compel Arbitration, which the Court granted on March 17, 2025. Plaintiff initiated Arbitration on June 9, 2025.

9. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all liability for the alleged claims.

10. On January 9, 2026, the Parties participated in an all-day mediation with the Honorable Amy Hogue, judge retired, which ultimately led to this Agreement to settle the Action. Prior to the mediation, Plaintiff obtained through substantial informal discovery and conversations with opposing counsel data and documents from Defendant relating to its policies, procedures, records, and data regarding the Aggrieved Employees.

**Discovery and Investigation**

11. Plaintiff has conducted a formal and informal investigation into the facts of the Action, including extensive review of documents and data provided by Defendant. Such documents include, among other things, policies, agreements, payroll data, pay statements, commission statements and plans, emails, and time records. In this regard, my expert and I have reviewed

and analyzed tens of thousands of rows of data evidencing employee time record data, as well as other information pertinent to Plaintiff's PAGA Claims.

12. The discovery, investigation, and information exchange conducted in this matter, as well as the mediation, meetings, and discussions between myself, Defendant's Counsel, and company representatives have been adequate to give Plaintiff a sound understanding of the merits of Plaintiff's positions and to evaluate the worth of the claims being released by the Settlement. I also have considered the uncertainty and risk of further litigation, the potential outcome, and the difficulties and delays inherent in such litigation.

13. The final settlement was based upon an agreement by counsel that occurred through negotiations after mediation. Based on the foregoing, I believe the Settlement set forth in the Agreement is a fair, adequate, and reasonable settlement and is in the best interests of the State of California and the Aggrieved Employees.

**Summary of Settlement**

14. Defendant agrees to pay $550,000 as the Gross Settlement Amount. None of the Gross Settlement Amount will revert back to Defendant.

15. Plaintiff has individual claims against Defendant. In consideration of Plaintiff's agreement to provide a broad general release, the Parties agree that $10,000 of the Gross Settlement Payment shall be paid to Plaintiff, which Defendant has agreed not to oppose. Any amount not approved by the Court shall be added to the Net Settlement Amount, and the reduction shall not be grounds to object to or terminate the Settlement. The Administrator will send Plaintiff an IRS 1099 Form for this payment. Plaintiff assumes full responsibility and liability for taxes owed on this payment.

16. The settlement provides for a PAGA Counsel Fees Payment of not more than one-third of the Gross Settlement Amount in the amount of $183,333.33 and PAGA Counsel Litigation Expenses Payment of not more than $28,000.00. Defendant will not oppose a request for Court approval of such payments.

17. If the Court approves the PAGA Counsel Fees Payment and/or the PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount.

18. The settlement provides for an Administrator Expenses Payment not to exceed $5,250.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than $5,250.00, the Administrator will allocate the remainder to the Net Settlement Amount.

**Apex Class Action Administration**

19. The Parties have jointly selected Apex to serve as the Administrator and verified that, as a condition of appointment, Apex agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

20. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

21. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

22. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

23. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the

check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

24. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are retuned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

25. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

26. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise. The Administrator shall be responsible for all necessary tax reporting associated with this settlement, including all payments to the Aggrieved Employees.

**Calculation and Distribution of the Net Settlement Amount**

27. PAGA Penalties shall be the amount of the Net Settlement Amount of which 75% shall be allocated to the LWDA PAGA Payment and 25% shall be allocated to the Individual PAGA Payments. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of Aggrieved Employees' 25% share of PAGA Penalties by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved

Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

**<u>A presumption of fairness is applicable to this Settlement.</u>**

28. The proposed settlement herein is the product of many hours of fact and data analysis and arms-length negotiations between me and Defendant's counsel, which negotiations included a formal, full-day mediation session with the Honorable Amy Hogue, judge retired, a well-known mediator. The information exchanged by the Parties is sufficient to reliably assess the merits of the Parties' respective positions and to compromise the issues on a fair and equitable basis. I have done an extensive investigation, including legal research, reviewing extensive documentation and pay records and analyzing same. In addition, the parties are represented by counsel with significant experience in class action litigation, including employment litigation.

**<u>The risks of litigating this case were substantial.</u>**

29. Plaintiff and I took on substantial risks, including the possibility the Arbitrator finds that plaintiff cannot adequately represent the Aggrieved Employees.

30. In terms of Plaintiff's hours worked claim, Defendant submits that it maintains comprehensive written policies that fully comply with or even exceed the requirements of California law. Defendant carefully tracks employees' time and pays employees precisely according to their time records. Defendant also includes all forms of remuneration when calculating the regular rate of pay.

31. In terms of Plaintiff's meal and rest break claims, Defendant submits that it maintains strong, California-compliant written policies regarding meal and rest periods, automatically pays premiums, and affords employees an opportunity to make time adjustments. Employees also have significant independence and control over their schedules. Defendant submits that establishing liability would require individualized inquiries that would render the claim unmanageable.

32. In terms of Plaintiff's 203 and 204 claims, Defendant submits that it maintains compliant pay practices and timely pays employees during and at the conclusion of employment.

33. In terms of Plaintiff's wage statement claim, Defendant submits that its wage statements comply with the requirements of Labor Code section 226 and derivative penalties cannot be recovered because the wage statements remain an accurate record of wages actually paid.

34. In terms of Plaintiff's 2802 claim, Defendant submits that cell phone and home internet use was not necessary to employees' work. Defendant provides necessary equipment to its employees and office space.

35. In terms of Plaintiff's 246(i) or sick pay claim, Defendant submits that it permissibly combines sick and PTO banks, and Defendant disputes whether a valid PAGA claim lies under this statute.

36. In terms of Plaintiff's non-solicitation claim, Defendant submits that the language challenged by Plaintiff is lawful as it explicitly states that it only applies if the customer's identity qualifies as a trade secret. Defendant also contends that as a matter of law, post-employment employee non-solicitation provisions are not unlawful, and Plaintiff and other employees are time barred from pursuing penalties for this claim.

37. Even if the PAGA claims proceeded expeditiously (without an appeal) and Plaintiff prevailed, there was a significant risk that any potential penalties could be greatly reduced by the Court to a fraction of what theoretically might have been recovered. Courts have abundant discretion to reduce PAGA penalties. Further, even without the risks outlined above, absent this settlement, Aggrieved Employees would run the risk of losing on the merits at trial or on appeal.

**Risk Analysis - The Settlement falls within the range of possible approval.**

38. Based on the analysis of the data and information provided by Defendant, there are 23,590 unique PAGA Pay Periods for 589 Aggrieved Employees for the period from May 22, 2023 through January 9, 2026. Assuming the Court awarded a $100 penalty per weekly pay period for one alleged violation for each Aggrieved Employee, the exposure would be around

$2,359,000. Regarding the total quantity of PAGA Penalties, Defendant contends that stacking and any refusal by the Court to reduce penalties to a smaller more reasonable amount (which is within the Court's discretion under the PAGA) would be unfair and confiscatory.

39. Based on the foregoing, I believe the proposed $550,000.00 settlement is reasonable and provides the certainty of a payment to the State of California and to the Aggrieved Employees and that when measured against the risk of obtaining nothing, such settlement is reasonable and in their best interests. In so concluding, I have considered the uncertainty and risk of further litigation, the potential outcome, the difficulties and delays inherent in such litigation, and believe the settlement is a fair, adequate, and reasonable settlement in the best interests of the State of California and the Aggrieved Employees.

**Attorney's Fees and Litigation Costs to Plaintiff's Counsel**

40. Defendant agrees not to oppose an award of attorney's fees to my firm of up to $183,333.33 of the Settlement Amount, which is one-third of the Settlement Amount, to compensate and reimburse me for all the work already performed by me in this case and all the work remaining to be performed. These fees shall be in addition to the payment of litigation costs and expenses incurred by my firm as substantiated by my declaration. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount.

**A one-third fee is appropriate in this case**

41. The request for attorney's fees of one-third of the $550,000 gross settlement is fair and reasonable. This amount is well-earned, supported by controlling case law, and is within the fee range awarded by courts in similar complex cases. The one-third fee award is also in line with other fee awards in California class and PAGA actions.

42. I am being paid entirely on contingency and have not been paid any attorney's fees since assuming representation of Plaintiff. The work I performed was extensive. In litigating this case against Defendant, I faced serious risks, including the risk that Plaintiff's theory of

liability may ultimately be rejected by the Court or the possibility the Arbitrator finds that plaintiff cannot adequately represent the Aggrieved Employees. Despite the risks I faced, I nevertheless achieved a favorable result. I took on this representation aware of the risks involved and with the full intention of seeing the case to the end, including through any appeals. Also, I was opposed by attorneys from an experienced and well-qualified defense firm with the resources of a corporate client at its disposal.

43. Given the highly uncertain current landscape of the legal issues involved, coupled with the ensuing risks of lengthy appeals and risk of no recovery, the result achieved shows that the amounts allocated to both attorney's fees and costs under the Settlement warrant the Court's approval.

44. Cases which result in no recovery also demonstrate why the percentage approach is essential to plaintiff-side firms that engage in contingency practice on behalf of low-wage workers: for every successful case, there are always others that will be vigorously pursued for years only to result in no recovery or diminished recovery for the Aggrieved Employees or counsel. Indeed, I have spent years litigating other cases on behalf of workers without compensation, at considerable expense. In the practice of my contingency work, I have incurred substantial dollars in out-of-pocket expenses, much of which have not been repaid, to pursue litigation on behalf of workers in various types of employment cases, including unpaid wages, meal and rest period violations, and misclassification.

45. In sum, a plaintiffs-side contingency practice on behalf of low wage workers who could not afford to pay out-of-pocket for counsel, such as myself, is made possible by the nature of contingency fee work. Thus, in considering the fairness and reasonableness of the proposed attorney's fees in this case, the Court should consider the nature of my practice, which is only made possible by this contingency fee structure.

46. My substantial experience in wage and hour, class actions and PAGA cases made this settlement possible. My skill and extensive experience in this area of law allowed me to leverage a settlement in this case. I have extensive experience in wage and hour litigation,

including class and PAGA actions and other civil litigation practice areas. I have been counsel of record and briefed numerous appeals and extraordinary writ petitions and was counsel of record in numerous class and PAGA actions that have been approved by many Courts.

**The risks of litigating this case were substantial.**

47. There are many risks inherent in litigating a PAGA action and issues involved therein that can result in no recovery whatsoever to the Aggrieved Employees or myself. For this reason and the reasons mentioned above, courts routinely find that this factor supports a higher fee request.

**Counsel have extensive experience in this field of law.**

48. My firm's substantial experience in wage and hour, class actions and PAGA cases made this settlement possible. My skill and extensive experience in this area of law allowed me to leverage a settlement in this case. I have extensive experience in wage and hour litigation, including class and PAGA actions and other civil litigation practice areas. I have been counsel of record and briefed numerous appeals and extraordinary writ petitions and was counsel of record in numerous class and PAGA actions that have been approved by many Courts.

**Plaintiff's Counsel incurred a financial burden in litigating this case on a contingency fee basis.**

49. The contingent nature of litigating a class action and the financial burden assumed typically justifies a higher percentage of the fund as well since counsel litigates with no payment and no guarantee that the time or money expended will result in any recovery. As with virtually all work handled by me, I accepted this case on a fully contingent arrangement with no payment up front and have borne the expenses, costs, and risks associated with litigating this case. Plaintiff attorneys who accept cases on contingency often spend years litigating cases (typically while incurring significant out-of-pocket expenses for experts, transcripts, document production, mediator fees, *inter alia*), without receiving any ongoing payment for their work. Sometimes fees and expenses are recovered -- other times nothing is recovered. As discussed *supra*, I have litigated many cases for years only to lose on appeal and receive nothing for many hours of work. Substantial fee awards encourage counsel to take on risky cases on behalf of clients who cannot pay hourly rates and would therefore not have realistic

access to courts. That access is particularly important for the effective enforcement of public protection statutes, such as the wage laws at issue here. By incentivizing Plaintiff attorneys to take on risky, high-stakes, and important litigation and devote themselves to it aggressively and fully, fee awards serve an important purpose and extend the access of top legal talent to constituencies such as low-wage workers who would otherwise never be able to confront large corporations, which are often represented by top-rated and top-billing attorneys. The fees awarded in this case will be used to support future cases on behalf of workers in California as well as providing compensation for counsel for past and future cases where the risks result in no reward.

**The Fee Request is Justified by a Lodestar Analysis.**

50. My requested attorney's fees are also justified under the lodestar method. California courts have the discretion to employ (or decline to employ) a "lodestar cross-check" on a request for a percentage of the fund fee award. Plaintiff submits that a cross-check is not necessary in this case because courts recognize that the lodestar cross-check can reward unnecessary overbilling, inflation of timekeeping records, and inefficient litigation.

51. Using our normal hourly rates, the "lodestar" fees incurred by us (excluding paralegal hours for my firm and The Blanchard Law Group, APC), and reasonably estimated to be incurred through the conclusion of the case are:

| Attorney | Years of Experience | Hours | Rate | Fees |
|---|---|---|---|---|
| Lonnie C. Blanchard III | Since 1980 | 262 | $1,141 | $298,942.00 |
| Peter R. Dion-Kindem | Since 1980 | 39.75 | $1,141 | $45,354.75 |
| | | | **Total:** | **$344,296.75** |
| | | | Fees Sought: | $183,333.33 |
| | | | Multiplier: | **0.53** |

52. It is important to note that Co-Counsel Peter R. Dion-Kindem, Esq. passed away on March 23, 2025. Prior to his passing, Mr. Dion-Kindem devoted an amount of time to investigating and advancing this action. The lodestar submitted here includes 39.75 hours reasonably expended by Mr. Dion-Kindem through March 14, 2025. These time records were maintained

contemporaneously and reviewed by me. Pursuant to a written assignment to my firm, the Fees attributable to Mr. Dion-Kindem's work are payable to my firm.

53. Through my practice, I have become familiar with the fees charged by attorneys in wage and hour class actions in Southern California with comparable experience to PAGA Counsel. Mr. Blanchard has obtained this familiarity in several ways: (1) by reviewing attorney fee applications and awards filed in other class action and PAGA cases in southern California; (2) by reviewing declarations regarding prevailing market rates and other factors filed in other class action and PAGA cases in southern California; (3) by reviewing surveys and articles on attorney's fees in legal newspapers, journals, and treatises and (4) by discussing fees in class action and PAGA cases with other attorneys. Based on this information, PAGA Counsel's current rates are consistent with the market rate for attorneys with comparable expertise, experience, and qualifications practicing in wage and hour class and PAGA actions.

54. Numerous courts have approved attorney's fee awards in other cases for attorneys with less years of experience than PAGA Counsel.

55. Attached hereto as ***Exhibit 2*** is a true and correct copy of the 6/01/24 - 5/31/25 Laffey Matrix for attorney billing rates in major U.S. Cities. This has been used by courts in determining appropriate rates when calculating fee awards. The rates are adjusted based on the location of where the fees were incurred.

56. For an attorney of my experience (20+ years), the index demonstrates a rate of $1,141 per hour for attorneys in the District of Columbia. Attached hereto as ***Exhibit 3*** is a true and correct copy of the locality pay salary table demonstrating a locality pay of 33.94% for the District of Columbia. Attached hereto as ***Exhibit 4*** is a true and correct copy of the locality pay salary table for Los Angeles, which has a 36.47% locality payment. Using the differential on locality pay between the District of Columbia and Los Angeles yields a multiplier of 2.53% (36.47 – 33.94). When applied to the Laffey Matrix, this multiplier yields an hourly rate for attorneys with 20+ years practicing in Los Angeles of approximately $1,170 per hour. My requested $1,141 rate is therefore supported by the Laffey Matrix and compares favorably to

the hourly rates being charged by other attorneys with my experience in class actions. This rate is reasonable for the level of services provided by me and my experience. The article attached hereto as ***Exhibit 5*** states that half of the AMLAW 50 law firm have partner rates of more than $1000 per hour and some have rates as high as $3000 per hour.

57. Our current $1,141 hourly rate compares favorably to the hourly rates being charged by other attorneys with my experience in class and PAGA actions and is reasonable for the level of services provided by us and our experience. In *Nitsch v. DreamWorks Animation SKG Inc.* (N.D. Cal., June 5, 2017, No. 14-CV-04062-LHK) 2017 WL 2423161, at *9, an employment class action, the court found that hourly rates of up to $1,200 per hour for plaintiffs' class action lawyers based in California were "fair, reasonable, and market-based, particularly for the 'relevant community' in which counsel work." (*See also Fleming v. Impax Laboratories Inc.* (N.D. Cal., July 15, 2022, No. 16-CV-06557-HSG) 2022 WL 2789496, at *9 (approving attorney hourly rates of up to $1,325 in a securities class action, and citing cases in this District approving attorney hourly rates of up to $1,600); *Cottle v. Plaid Inc.* (N.D. Cal., July 20, 2022, No. 20-CV-03056-DMR) 2022 WL 2829882, at *11 (approving attorney hourly rates of up to $1,025); *Hadsell v. City of Baldwin Park*, Los Angeles Super. Ct. No. BC548602 (partner rates of $1,100 approved); *Indep. Living Center of S. Cal. v. Kent*, 2020 U.S. Dist. Lexis 13019 (C.D. Cal. 2020) (partner rates of $1,025 approved); *Nozzi v. Housing Auth.*, 2018 U.S. Dist. LEXIS 26049 (C.D. Cal. 2018) (partner rates of $1,150 approved); *Banas v. Volcano Corporation* (N.D. Cal. 2014) 47 F.Supp.3d 957 (approving partner rates of $1,095); see also *U.S. Bank National Association v. Dexia Real Estate Capital Markets* (S.D.N.Y., Nov. 30, 2016, No. 12 CIV. 9412 (PAE)) 2016 WL 6996176, at *8 (10 years ago, approving rates of up to $1,055 per hour for seasoned partners).)

58. The proposed attorney's fees award would result in a negative multiplier of only ***.53***. State and federal court in California have "routinely awarded" multipliers. Indeed, courts will often award higher multipliers where the circumstances warrant it because of the excellent results obtained, complexity of the case, and risks involved. Multipliers in the range of 5x to 10x are

not uncommon, and some courts have even been known to award higher multipliers. The cases cited in the brief support the multiplier here.

59. My office reasonably and necessarily will have incurred at least 262 hours in this litigation through the time this matter is completed, which does not include any paralegal time.

60. The time I spent on this case is consistent with the level of effort necessary to bring this legally complex and data intensive case to a resolution and was reasonable and necessary. In addition, many of the factors supporting a multiplier are present here, including the risk of an uncertain result, the contingent nature of the work, and most significantly here, the result obtained.

**Attorney Costs**

61. The out-of-pocket costs incurred by my office are directly related to this litigation. These costs are of the type we charge to our individual clients, and we do not charge for items which are part of our business overhead (*e.g.*, phone usage, *etc*.). The firm does not incur expenses in this or any case unless we believe that they are necessary to the prosecution of the case. Except for office photocopies and scanning, we bill every expenditure in the case to the client/case in the exact amount that we are charged; we do not charge anything for interest, carrying, or accounting for these expenditures. These costs were all necessary and reasonable to prosecute this litigation.

62. The total amount of costs incurred by my firm in connection with the litigation and those I estimate will be incurred hereafter for which it is now seeking reimbursement are:

| Category | Cost |
|---|---:|
| Atty. Service | $72.61 |
| Expert Fees | $10,455.00 |
| Research | $6.20 |
| Filing Fees | $1,095.80 |
| Mediation | $11,750.00 |
| Travel | $1,600.00 |
| **Grand Total** | **$24,979.61** |

**Uncashed Checks**

63. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such

checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

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

Dated: March 25, 2026

Lonnie C. Blanchard III

Exhibit 1

## PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement ("Agreement") is made by and between plaintiff Matthew Husino ("Plaintiff") and defendant MH Sub I, LLC d/b/a Internet Brands ("Internet Brands" or "Defendant"). The Agreement refers to Plaintiff and Internet Brands collectively as "Parties," or individually as "Party."

**1. <u>DEFINITIONS</u>.**

1.1. "Action" means the Plaintiff's PAGA lawsuit alleging wage and hour violations against Internet Brands captioned *Matthew Husino v. MH Sub I, LLC*, initiated on July 29, 2024 and pending in the Superior Court of the State of California, County of Los Angeles, Case No. 24TRCV02508.

1.2. "Administrator" means Apex Class Action Administration ("Apex"), the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with approval of this Settlement.

1.4. "Aggrieved Employee" means all non-exempt employees employed by Defendant in California during the PAGA Period.

1.5. "Aggrieved Employee Data" means Aggrieved Employee identifying information in Internet Brands's possession including the Aggrieved Employee's name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.

1.6. "Aggrieved Employee Address Search" means the Administrator's investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.

1.7. "Court" means the Superior Court of California, County of Los Angeles.

1.8. "Defense Counsel" means Steven Groode and Michael Nelson of Littler Mendelson, P.C.

1.9. "Effective Date" shall mean the day after the Court's order granting approval of the settlement and entry of the Judgment consistent with this settlement become final and are no longer appealable. For purposes of this settlement, the phrase "become final and are no longer appealable" shall mean the later of: (a) the day after the last date by which a notice of appeal to the applicable Court of Appeal of the approval order and Judgment approving this settlement may be timely filed and none is filed (*i.e.*, 61 days from notice of entry of Judgment); (b) if an appeal is filed, and the appeal is finally disposed of by ruling, dismissal, denial, or in any other manner that confirms the validity of the approval order and Judgment, the day after the last date for filing a request for further review of the approval order and Judgment passes, and no further review is requested; or (c) if an appeal is filed and the approval order and Judgment are affirmed and further review of the order is requested, the day after the review is finally resolved and the approval order and Judgment is affirmed. In the event that: (a) the Court does not approve the settlement as provided herein, or (b) the Effective Date does not occur for any other reason, then the long-form settlement agreement, and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their respective positions. The Effective Date cannot occur, and Defendant will not be obligated to fund this settlement until and unless there is no possibility of an appeal or further appeal that could potentially prevent this settlement from becoming final and binding.

1.10. "Gross Settlement Amount" means $550,000.00 which is the total amount Internet Brands agrees to pay under the Settlement. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, PAGA Representative Payment, and the Administrator's Expenses Payment.

1.11. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.

1.12. "Judgment" means the judgment entered by the Court based upon the Final Approval.

1.13. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.14. "LWDA PAGA Payment" means the 75% of the Net Settlement Amount which shall be paid to the LWDA under Labor Code section 2699, subd. (i).

1.15. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Representative Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid 75% to the LWDA and 25% to the Aggrieved Employees as Individual PAGA Payments.

1.16. "PAGA Counsel" means The Blanchard Law Group, APC and the Holmes Law Group, APC, the attorneys representing the Plaintiff in the Action.

1.17. "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.

1.18. "PAGA Pay Period" means any Pay Period during the PAGA Period during which an Aggrieved Employee worked for Internet Brands for at least one day.

1.19. "PAGA Period" means the period from May 22, 2023 to the date of court approval of the settlement.

1.20. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.21. "PAGA Notice" means Plaintiff's May 22, 2024 letter to Internet Brands and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.22. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Net Settlement Amount, allocated 25% to the Aggrieved Employees and the 75% to the LWDA in settlement of PAGA claims.

1.23. "PAGA Representative Payment" means a payment of $10,000 made to Plaintiff to compensate him for initiating the Action, performing work in support of the Action, undertaking the risk of liability for Internet Brands' expenses, and for the general release of all claims by Plaintiff.

1.24. "Plaintiff" means Matthew Husino, the named plaintiff in the Action.

1.25. "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.

1.26. "Released PAGA Claims" means the claims being released by the Plaintiff and PAGA Counsel and as described in Paragraph 5 below.

1.27. "Released Parties" means: MH Sub I, LLC d/b/a Internet Brands, any of their predecessors or successors, and any of their past, present, and future direct or indirect parents, subsidiaries, affiliates, holding companies, affiliated companies, partnerships, limited liability companies, as well as each of its or their past, present, and future officers, directors, employees, partners, members, managers, customers, subcontractors, shareholders and agents, attorneys, insurers, reinsurers, and any individual or entity which could be jointly liable with Defendant.

1.28. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.29. "Internet Brands" means Defendant MH Sub I, LLC d/b/a Internet Brands.

**2. RECITALS.**

2.1. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Internet Brands and the LWDA by sending the PAGA Notice.

2.2. On July 29, 2024, Plaintiff commenced this Action by filing a Complaint pursuant to the PAGA alleging claims against Internet Brands for (1) improper calculation of the regular rate of pay; (2) failure to provide meal and rest breaks; (2) failure to timely pay wages at termination; (3) failure to provide accurate wage statements; (4) failure to reimburse business expenses; (5) failure to provide sick pay; (6) failure to provide vacation pay; (7) failure to timely pay wages during employment; and (8) failure to comply with Business & Professions Code §16600. The Complaint is the operative complaint in the Action (the "Operative Complaint"). Internet Brands denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged.

2.3. On March 17, 2025, the Court granted Internet Brands' motion to compel arbitration of Plaintiff's individual claims.

2.4. On June 9, 2025, Plaintiff submitted a demand for arbitration with JAMS.

2.5. On January 9, 2026, the Parties participated in an all-day mediation presided over by Hon. Amy Hogue (Ret.) which led to this Agreement to settle the Action.

2.6. Prior to mediation Plaintiff obtained, through informal discovery, documents and data sufficient to investigate Plaintiff's claims.

**3. MONETARY TERMS.**

3.1. Gross Settlement Amount. Internet Brands promises to pay $550,000.00 and no more as the Gross Settlement Amount. Internet Brands has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Internet Brands.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Judgment:

3.2.1. To Plaintiff: A PAGA Representative Payment to Plaintiff of not more than $10,000.00 (in addition to any Individual PAGA Payment he is entitled to receive under this Agreement). Internet Brands will not oppose Plaintiff's request for a PAGA Representative Payment that does not exceed this amount. Any amount not approved by the Court shall be added to the Net Settlement Amount, and the reduction shall not be grounds to object to or terminate the

Settlement. The Administrator will pay the PAGA Representative Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for any employee taxes owed on the PAGA Representative Payment.

3.2.2. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than one-third (1/3) which is currently estimated to be $183,333.33 and PAGA Counsel Litigation Expenses Payment of not more than $28,000.00. Internet Brands will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount and the reduction shall not be grounds to object to or terminate the Settlement. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion to any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment that is not paid from the Gross Settlement Amount. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Internet Brands harmless, and indemnifies Internet Brands, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed $5,250.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than $5,250.00, the Administrator will allocate the remainder to the Net Settlement Amount.

3.2.4. To the LWDA and Aggrieved Employees: PAGA Penalties equal to the Net Settlement Amount: 75% to the LWDA and 25% to the Individual PAGA Payments.

3.2.4.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.4.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

**4. SETTLEMENT FUNDING AND PAYMENTS.**

4.1. Aggrieved Employee Pay Periods. Based on a review of its records to date, Internet Brands estimates there are 589 Aggrieved Employees who worked a total of 23,590 PAGA Pay Periods through January 9, 2026.

4.2. Aggrieved Employee Data. Within 14 days after the Effective Date, Internet Brands will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Internet Brands has a continuing duty to immediately notify the Administrator if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee

Data as soon as reasonably feasible. Without any extension of the deadline by which Internet Brands must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.3. Funding of Gross Settlement Amount. Internet Brands shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 21 days after the Effective Date.

4.4. Payments from the Gross Settlement Amount. Within 14 days after Internet Brands funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, PAGA Representative Payment, PAGA Counsel Expenses Payment, and PAGA Counsel Fees Payment. Disbursement of the PAGA Counsel Litigation Expenses and Fees Payments shall not precede the initial mailing of Individual PAGA Payments.

4.4.1. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are retuned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved

Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

4.4.4. The payment of Individual PAGA Payments shall not obligate Internet Brands to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

**5. RELEASES OF CLAIMS.** Effective on the date when Internet Brands fully funds the entire Gross Settlement Amount Plaintiff and PAGA Counsel will release claims against all Released Parties as follows:

5.1. Plaintiff's Release. Plaintiff and his respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and the PAGA Notices ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits that arose at any time. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.1. Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

> A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

5.2. Release by Aggrieved Employees:

Upon entry of final judgment and full funding of the settlement, the State of California and Aggrieved Employees, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, shall release and discharge the Released Parties from any and all claims for civil penalties under the California Private Attorneys General Act of 2004 (Labor Code §§ 2698–2699.5) that were alleged, or that reasonably could have been alleged, based on the facts and theories set forth in the PAGA Notice and Operative Compliant, including claims under California Labor Code sections 200-204, 210, 226, 226.3, 226.7, 227.3, 246, 256, 432.5, 510, 512, 558, 1174.5, 1197, 1197.1, 2698, 2699, and 2802, California Business & Professions Code section 16600, as well as applicable Industrial Welfare Commission Wage Orders and related California Code of Regulations, which accrued at any time during the PAGA Period.

**6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.** Plaintiff shall prepare and file an application or motion for approval of this Settlement.

6.1. Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2)) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved

Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (iv) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator.

6.2. Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than 90 days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Approval to the Administrator. All motion papers for approval of the settlement shall be subject to review and approval by Defense Counsel and provided to Defense Counsel for review and revision at least seven (7) days in advance of filing.

6.3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

**7. SETTLEMENT ADMINISTRATION.**

7.1. Selection of Administrator. The Parties have jointly selected Apex to serve as the Administrator and verified that, as a condition of appointment, Apex agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise. The Administrator shall be responsible for all necessary tax reporting associated with this settlement, including all payments to the Aggrieved Employees.

**8. AGGRIEVED EMPLOYEE SIZE ESTIMATES**

Based on its records, Internet Brands estimates that there are 589 Aggrieved Employees who worked a total 23,590 PAGA Pay Periods through January 9, 2026.

**9. CONTINUING JURISDICTION OF THE COURT.** The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, Settlement Administrator, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

9.1. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Representative

Payment, PAGA Counsel Fees Payment, and PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

**10. ADDITIONAL PROVISIONS.**

10.1. Dismissal of Plaintiff's Arbitration Proceedings. Within fourteen (14) days after the Effective Date, Plaintiff will dismiss the Arbitration pending before JAMS, Case No. 5220009739.

10.2. No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Internet Brands that any of the allegations in the Operative Complaint have merit or that Internet Brands has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Internet Brands' defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, Internet Brands reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Internet Brands' defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

10.3. Right to Revoke. Should the Settlement, or any terms therein, be modified, vacated, altered, or become otherwise subject to challenge by law, including, but not limited to, any law that became effective after the execution of this Agreement, so that the Parties' Settlement is not approved by the Court in its entirety, and therefore the intent of the Parties cannot be accomplished after jointly taking efforts to enforce it have been exhausted, the Parties shall each have the option to void the Parties' settlement at their discretion. If the Court does not ultimately approve the Settlement, the Parties' rights will be the same as they were at the date of mediation.

10.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

10.5. Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Internet Brands, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

10.6. Validity and Enforceability of Arbitration Agreements. The Settlement shall have no impact on the validity or enforceability of the arbitration agreements entered into by Plaintiff and/or the Aggrieved Employees, and the settlement shall not prejudice Defendant from seeking to enforce such arbitration agreements. The foregoing does not affect or modify the Parties' rights or legal positions with respect to the validity or enforceability of Plaintiff's arbitration agreement with Defendant.

10.7. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

10.8. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

10.9. No Tax Advice. Neither Plaintiff, PAGA Counsel, Internet Brands nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

10.10. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

10.11. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

10.12. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

10.13. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

10.14. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during the Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

10.15. Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Internet Brands in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from Internet Brands unless, prior to the Administrator's payment of all Settlement Funds, Internet Brands makes a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.

10.16. Attorneys' Fees and Costs. Plaintiff and Defendant shall bear their own attorney's fees and costs, except as provided herein.

10.17. Publicity. Plaintiff and PAGA Counsel will not make any public disclosure of the Settlement until after the filing of the motion for approval of the Settlement. Plaintiff and PAGA Counsel represent that they have not made any such disclosure. PAGA Counsel will take all steps necessary to ensure that Plaintiff is aware of, and will encourage him to adhere to, the restriction against any public disclosure of the Settlement until after the settlement is approved by the Court. Thereafter, PAGA Counsel and Plaintiff agree not to publicize the terms of this settlement with the media, including but not limited to, any newspaper, journal, magazine, website, and/or online reporter of settlements or on any website.

10.18. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

10.19. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

10.20. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:
The Blanchard Law Group, APC
177 East Colorado Blvd., Suite 200
Pasadena, CA 91105
Tel.: (213) 599-8255
E-Mail: lonnieblanchard@gmail.com

To Plaintiff:
Holmes Law Group, APC
2801 Ocean Park Blvd., #1035
Santa Monica, CA 90405
Telephone: 310-396-9045
Email: jeffholmesjh@gmail.com

To Internet Brands:
Steven Groode
Michael Nelson
Littler Mendelson, P.C.
1255 Treat Blvd., Suite 600
Walnut Creek, CA 94597
Tel.: (925) 949-2381
Fax: (925) 955-1609
E-Mail:
mwnelson@littler.com

10.21. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

10.22. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

For Plaintiff: Matthew Husino

For MH Sub I, LLC d/b/a Internet Brands:
Lynn Walsh
Chief Development Office and General Counsel

**Approved as to form and content and not as parties to the agreement**

Lonnie C. Blanchard

The Blanchard Law Group, APC
Counsel For Plaintiff

Littler Mendelson, P.C.
Counsel For MH Sub I, LLC d/b/a Internet Brands

For Plaintiff: Matthew Husino

For MH Sub I, LLC d/b/a Internet Brands:
Lynn Walsh
Chief Development Office and General Counsel

**Approved as to form and content and not as parties to the agreement**

The Blanchard Law Group, APC
Counsel For Plaintiff

Littler Mendelson, P.C.
Counsel For MH Sub I, LLC d/b/a Internet Brands

# Exhibit 2

**Salary Table 2025-DCB**

**Incorporating the 1.7% General Schedule Increase and a Locality Payment of 33.94%**

**For the Locality Pay Area of Washington-Baltimore-Arlington, DC-MD-VA-WV-PA**

**Total Increase: 2.22%**

**Effective January 2025**

*Annual Rates by Grade and Step*

| Grade | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 | Step 7 | Step 8 | Step 9 | Step 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | $ 29,949 | $ 30,954 | $ 31,949 | $ 32,941 | $ 33,935 | $ 34,516 | $ 35,502 | $ 36,495 | $ 36,535 | $ 37,463 |
| 2 | 33,675 | 34,476 | 35,592 | 36,535 | 36,945 | 38,031 | 39,117 | 40,203 | 41,290 | 42,376 |
| 3 | 36,745 | 37,969 | 39,194 | 40,418 | 41,642 | 42,866 | 44,090 | 45,315 | 46,539 | 47,763 |
| 4 | 41,247 | 42,622 | 43,998 | 45,374 | 46,749 | 48,125 | 49,500 | 50,876 | 52,251 | 53,627 |
| 5 | 46,148 | 47,685 | 49,223 | 50,761 | 52,298 | 53,836 | 55,373 | 56,911 | 58,449 | 59,986 |
| 6 | 51,442 | 53,157 | 54,871 | 56,586 | 58,300 | 60,014 | 61,729 | 63,443 | 65,158 | 66,872 |
| 7 | 57,164 | 59,070 | 60,976 | 62,882 | 64,788 | 66,694 | 68,600 | 70,506 | 72,412 | 74,318 |
| 8 | 63,307 | 65,418 | 67,529 | 69,639 | 71,750 | 73,861 | 75,972 | 78,083 | 80,194 | 82,305 |
| 9 | 69,923 | 72,254 | 74,584 | 76,915 | 79,246 | 81,576 | 83,907 | 86,237 | 88,568 | 90,898 |
| 10 | 77,001 | 79,567 | 82,133 | 84,700 | 87,266 | 89,832 | 92,399 | 94,965 | 97,531 | 100,097 |
| 11 | 84,601 | 87,420 | 90,239 | 93,059 | 95,878 | 98,698 | 101,517 | 104,337 | 107,156 | 109,975 |
| 12 | 101,401 | 104,781 | 108,162 | 111,543 | 114,923 | 118,304 | 121,684 | 125,065 | 128,446 | 131,826 |
| 13 | 120,579 | 124,599 | 128,619 | 132,638 | 136,658 | 140,677 | 144,697 | 148,716 | 152,736 | 156,755 |
| 14 | 142,488 | 147,238 | 151,987 | 156,737 | 161,486 | 166,236 | 170,985 | 175,735 | 180,484 | 185,234 |
| 15 | 167,603 | 173,190 | 178,776 | 184,363 | 189,950 | 195,200 * | 195,200 * | 195,200 * | 195,200 * | 195,200 * |

* Rate limited to the rate for level IV of the Executive Schedule (5 U.S.C. 5304 (g)(1)).

Applicable locations are shown on the 2025 Locality Pay Area Definitions page:
https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2025/locality-pay-area-definitions/

Exhibit 3

# LAFFEY MATRIX

History

Case Law

See the Matrix

Contact us

Home

| | | | Years Out of Law School * | | | | |
|---|---|---|---|---|---|---|---|
| Year | Adjustmt Factor** | Paralegal/ Law Clerk | 1-3 | 4-7 | 8-10 | 11-19 | 20 + |
| 6/01/24- 5/31/25 | 1.080182 | $258 | $473 | $581 | $839 | $948 | $1141 |
| 6/01/23- 5/31/24 | 1.059295 | $239 | $437 | $538 | $777 | $878 | $1057 |
| 6/01/22- 5/31/23 | 1.085091 | $225 | $413 | $508 | $733 | $829 | $997 |
| 6/01/21- 5/31/22 | 1.006053 | $208 | $381 | $468 | $676 | $764 | $919 |
| 6/01/20- 5/31/21 | 1.015894 | $206 | $378 | $465 | $672 | $759 | $914 |
| 6/01/19- 5/31/20 | 1.0049 | $203 | $372 | $458 | $661 | $747 | $899 |
| 6/01/18- 5/31/19 | 1.0350 | $202 | $371 | $455 | $658 | $742 | $894 |
| 6/01/17- 5/31/18 | 1.0463 | $196 | $359 | $440 | $636 | $717 | $864 |
| 6/01/16- 5/31/17 | 1.0369 | $187 | $343 | $421 | $608 | $685 | $826 |
| 6/01/15- 5/31/16 | 1.0089 | $180 | $331 | $406 | $586 | $661 | $796 |
| 6/01/14- 5/31/15 | 1.0235 | $179 | $328 | $402 | $581 | $655 | $789 |
| 6/01/13- 5/31/14 | 1.0244 | $175 | $320 | $393 | $567 | $640 | $771 |
| 6/01/12- 5/31/13 | 1.0258 | $170 | $312 | $383 | $554 | $625 | $753 |
| 6/01/11- 5/31/12 | 1.0352 | $166 | $305 | $374 | $540 | $609 | $734 |
| 6/01/10- 5/31/11 | 1.0337 | $161 | $294 | $361 | $522 | $589 | $709 |
| 6/01/09- 5/31/10 | 1.0220 | $155 | $285 | $349 | $505 | $569 | $686 |
| 6/01/08- 5/31/09 | 1.0399 | $152 | $279 | $342 | $494 | $557 | $671 |
| 6/01/07-5/31/08 | 1.0516 | $146 | $268 | $329 | $475 | $536 | $645 |
| 6/01/06-5/31/07 | 1.0256 | $139 | $255 | $313 | $452 | $509 | $614 |
| 6/1/05-5/31/06 | 1.0427 | $136 | $249 | $305 | $441 | $497 | $598 |
| 6/1/04-5/31/05 | 1.0455 | $130 | $239 | $293 | $423 | $476 | $574 |
| 6/1/03-6/1/04 | 1.0507 | $124 | $228 | $280 | $405 | $456 | $549 |
| 6/1/02-5/31/03 | 1.0727 | $118 | $217 | $267 | $385 | $434 | $522 |
| 6/1/01-5/31/02 | 1.0407 | $110 | $203 | $249 | $359 | $404 | $487 |
| 6/1/00-5/31/01 | 1.0529 | $106 | $195 | $239 | $345 | $388 | $468 |
| 6/1/99-5/31/00 | 1.0491 | $101 | $185 | $227 | $328 | $369 | $444 |
| 6/1/98-5/31/99 | 1.0439 | $96 | $176 | $216 | $312 | $352 | $424 |
| 6/1/97-5/31/98 | 1.0419 | $92 | $169 | $207 | $299 | $337 | $406 |
| 6/1/96-5/31/97 | 1.0396 | $88 | $162 | $198 | $287 | $323 | $389 |
| 6/1/95-5/31/96 | 1.032 | $85 | $155 | $191 | $276 | $311 | $375 |
| 6/1/94-5/31/95 | 1.0237 | $82 | $151 | $185 | $267 | $301 | $363 |

The methodology of calculation and benchmarking for this Updated Laffey Matrix has been approved in a number of cases. See, e.g.,DL v. District of Columbia, 267 F.Supp.3d 55, 69 (D.D.C. 2017)

* ï¿½Years Out of Law Schoolï¿½ is calculated from June 1 of each year, when most law students graduate. ï¿½1-3" includes an attorney in his 1st, 2nd and 3rd years of practice, measured from date of graduation (June 1). ï¿½4-7" applies to attorneys in their 4th, 5th, 6th and 7th years of practice. An attorney who graduated in May 1996 would be in tier ï¿½1-3" from June 1, 1996 until May 31, 1999, would move into tier ï¿½4-7" on June 1, 1999, and tier ï¿½8-10" on June 1, 2003.

** The Adjustment Factor refers to the nation-wide Legal Services Component of the Consumer Price Index produced by the Bureau of Labor Statistics of the United States Department of Labor.

Exhibit 4

**Salary Table 2025-LA**

**Incorporating the 1.7% General Schedule Increase and a Locality Payment of 36.47%**

**For the Locality Pay Area of Los Angeles-Long Beach, CA**

**Total Increase: 2.17%**

**Effective January 2025**

*Annual Rates by Grade and Step*

| Grade | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 | Step 7 | Step 8 | Step 9 | Step 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | $ 30,515 | $ 31,538 | $ 32,552 | $ 33,563 | $ 34,576 | $ 35,168 | $ 36,173 | $ 37,184 | $ 37,225 | $ 38,171 |
| 2 | 34,311 | 35,127 | 36,264 | 37,225 | 37,643 | 38,749 | 39,856 | 40,963 | 42,070 | 43,176 |
| 3 | 37,439 | 38,687 | 39,934 | 41,181 | 42,429 | 43,676 | 44,923 | 46,171 | 47,418 | 48,665 |
| 4 | 42,026 | 43,427 | 44,829 | 46,231 | 47,632 | 49,034 | 50,435 | 51,837 | 53,238 | 54,640 |
| 5 | 47,019 | 48,586 | 50,153 | 51,719 | 53,286 | 54,853 | 56,419 | 57,986 | 59,553 | 61,119 |
| 6 | 52,414 | 54,161 | 55,908 | 57,654 | 59,401 | 61,148 | 62,895 | 64,642 | 66,389 | 68,135 |
| 7 | 58,244 | 60,186 | 62,128 | 64,070 | 66,012 | 67,954 | 69,896 | 71,838 | 73,780 | 75,722 |
| 8 | 64,503 | 66,653 | 68,804 | 70,955 | 73,106 | 75,256 | 77,407 | 79,558 | 81,709 | 83,859 |
| 9 | 71,244 | 73,619 | 75,993 | 78,368 | 80,742 | 83,117 | 85,492 | 87,866 | 90,241 | 92,615 |
| 10 | 78,455 | 81,070 | 83,685 | 86,300 | 88,914 | 91,529 | 94,144 | 96,759 | 99,373 | 101,988 |
| 11 | 86,199 | 89,071 | 91,944 | 94,817 | 97,689 | 100,562 | 103,435 | 106,307 | 109,180 | 112,053 |
| 12 | 103,316 | 106,760 | 110,205 | 113,649 | 117,094 | 120,538 | 123,983 | 127,427 | 130,872 | 134,317 |
| 13 | 122,857 | 126,953 | 131,048 | 135,144 | 139,239 | 143,334 | 147,430 | 151,525 | 155,621 | 159,716 |
| 14 | 145,180 | 150,019 | 154,858 | 159,697 | 164,536 | 169,376 | 174,215 | 179,054 | 183,893 | 188,733 |
| 15 | 170,769 | 176,461 | 182,153 | 187,845 | 193,538 | 195,200 * | 195,200 * | 195,200 * | 195,200 * | 195,200 * |

* Rate limited to the rate for level IV of the Executive Schedule (5 U.S.C. 5304 (g)(1)).

Applicable locations are shown on the 2025 Locality Pay Area Definitions page:
https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2025/locality-pay-area-definitions/

# Exhibit 5

LAW.COM

Analysis   **Lawyer Rates and Arrangements**

# Senior Partners Approach $3,000 an Hour, As More Billing Rate Hikes Expected in 2025

September 24, 2024   By **Mimi Lamarre**
**Andrew Maloney**

## What You Need to Know

- More big firms are going to approach hourly rates of $3,000 for partners and $1,000 for associates, according to new data from Valeo Partners.
- Am Law 25 to 30 firms will have standard rate increases of 10% to 13% in the new year, per the data.
- An increase in M&A activity, fierce competition for lateral partners and firm mergers are helping to push up rates, observers say.


**Credit: Lemonsoup14/Adobe Stock**

Some Am Law 50 firms will increase billing rates substantially in 2025, with expectations that some senior partners will approach $3,000 an hour and more associates will bill over $1,000 an hour.

More demand in M&A and transactional practices, as well as law firm mergers and increasing demand to pay top-performing talent, are pushing billing rates higher, some observers say.

According to data from Valeo Partners, which analyzes public disclosure documents to discern upcoming rate changes, senior partners at "a few firms" will have standard rates approaching $3,000, and a few might exceed that marker.

Valeo Partners declined to name the firms. However, some recent bankruptcy fee packages reveal some firms are close to the $3,000 mark already. Wilson Sonsini Goodrich Rosati billed $2,720 an hour this year for top partners in the Rite-Aid bankruptcy. McDermott Will & Emery was charging top partners out at $2,590 hourly at the end of 2023 in the Mountain Express Oil Co. bankruptcy.

More firms will reveal their 2025 rate increases in bankruptcy court toward the end of the year.

In the Am Law 25 to 30 as a whole, Chuck Chandler, the CEO of Valeo Partners, projected that in 2025, there will be standard rate increases of about 10% to 13%.

The expected rate hikes represent an increase from 2023, when a cohort of 10 Am Law 50 firms announced rate increases of between 8% and 10% in bankruptcy court filings. The same group of firms raised rates between 10% and 15% in early 2023.

Standard billing rates are expected to increase in the Am Law 50 to $2,100 for senior partners and $1,900 for partners, per the Valeo data.

Rate increases are projected to be highest amongst senior partners, or those who have 25 years or more since their law school graduations, according to Chandler. Nine of the Am Law 50 firms currently have senior partner standard hourly rates of around $2,400 to $2,875, while 17 will be in that range by 2025, he said.

At the same time, discounts are not expected to increase, but, instead, will stay steady at around 12% to 13%, according to Valeo.

For associates, rate increases will be more notable among third-years. Currently, 16 of the Am Law 50 firms have third-year associates with rates over $1,000, but Valeo projects around half of the Am Law 50 to have rates of over $1,000 amongst this group by 2025.

Billing rates for first-year associates are approaching $1,000 at a handful of firms, with Paul, Weiss, Rifkind, Wharton & Garrison charging a minimum of $895 for associates in 2024, bankruptcy records show. Sullivan & Cromwell charges nearly as much—$850 hourly—for first-years.

Sullivan & Cromwell and Paul Weiss also have among the top rates for senior associates, with associates maxing out at $1,575 at Sullivan & Cromwell and $1,560 at Paul Weiss.

Some of the rate increases won't even wait until 2024 — they are happening next month. Two large law firms in the Am Law 30, along with four other firms in the Am Law 200, will change their firm-wide hourly rates effective October 1, 2024, Chandler said, again declining to name which ones.

Overall, rate hikes will be most dependent "on what happens with M&A, because that's going to be a huge driver" of rate increases, said Chandler in an interview.

A spate of law firm mergers could also contribute to rate increases into next year, he said. As it stands, more law firm mergers, both domestically and across borders, are expected into 2025, as firms compete harder than ever to scale.

Along similar lines, the cost of talent is also driving the billing rates calculus, as Big Law firms have zeroed in on high-profile, money-making lateral partners in 2024. Jennifer McIver, director of legal operations/industry insights for ELM Solutions and author of a report this month about law firm rate increases, noted the projected rates for partners and associates are not a surprise because of the cost now to retain and attract talent.

"In order to keep that profit margin you're going to have to have that retention [of talent], and the more people are willing to pay for it, the law firms are going to push for that," she said.

She said whether that trend breaks depends, at least in part, on whether corporate legal departments begin moving even more work to lower-cost firms or ask their firms to cap things like the rates they can charge for their associates' time. "So, it comes down to that push and pull," she said.

## 2024 Rate Growth

Firms are building off their rate hikes in the last year. According to Wells Fargo Legal Specialty Group's survey data, average standard rates rose by 8.8% year-over-year in the first half of 2024.

Rate growth continues to be the primary contributor to revenue growth, the bank said in August.

The report this month from Wolters Kluwer ELM Solutions also noted the median billing rate increase across the industry last year jumped from 1.9% to 4.0%, and that halfway through 2024, high-priced practices like finance and securities, real estate and corporate had notched mean rate increases of over 8%. The bankruptcy and collections practice area is trending with the highest increase, with a 2024 year-to-date mean rate increase of 10.4%, according to the report.

While there are "early signs" the pace of billing rate hikes writ-large may slow due to more active client pushback and transactional uncertainty, according to another report last week, firms may also become even more reliant on those rates to maintain profitability in the event of an economic slowdown.

*Dan Roe contributed to this report.*

## PROOF OF SERVICE

I am over the age of 18 and not a party to the within action. My business address is 177 East Colorado Blvd., Suite 200, Pasadena, California 91105. On March 25, 2026, I served the following document(s) described as:

**Declaration of Lonnie C. Blanchard III in Support of Motion for Approval of PAGA Settlement**

on interested parties in this action:

| | |
|---|---|
| Steven A. Groode<br>Michael W. Nelson<br>Littler Mendelson, P.C.<br>Treat Towers<br>1255 Treat Blvd., Suite 600<br>Walnut Creek, CA 94597 | *Attorneys for Defendant*<br>Telephone: (925) 932-2468<br>Email: sgroode@littler.com<br>mwnelson@littler.com |

**(By Mail)** I deposited such envelope with postage thereon fully prepaid in the United States mail at a facility regularly maintained by the United States Postal Service at Los Angeles, California.

xxx **(By Email)** Based on a court order, Rules of Court, or an agreement of the parties to accept electronic service, I caused the documents to be sent to the person(s) at the email addresses set forth above.

**(By Overnight Delivery)** I enclosed the documents in an envelope or package provided by an overnight delivery carrier and addressed to the persons at the address(es) identified above. I placed the envelope or package for collection and overnight delivery at an office or a regularly utilized drop box of the overnight delivery carrier.

(**By Personal Service)**

By personally delivering copies to the person served.

I delivered such envelope by hand to the offices of the addressee pursuant to Code of Civil Procedure Section 1011.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on March 25, 2026.

Kale Morita

Kale M. Morita

# Journal Technologies Court Portal

# Make a Reservation

MATTHEW HUSINO vs MH SUB I, LLC

Case Number: 24TRCV02508   Case Type: Civil Unlimited   Category: Other Employment Complaint Case
Date Filed: 2024-07-29   Location: Torrance Courthouse - Department M

## Reservation

| | |
|---|---|
| Case Name:<br>MATTHEW HUSINO vs MH SUB I, LLC | Case Number:<br>24TRCV02508 |
| Type:<br>Motion re: (Approval of PAGA Settlement) | Status:<br>RESERVED |
| Filing Party:<br>Matthew Husino (Plaintiff) | Location:<br>Torrance Courthouse - Department M |
| Date/Time:<br>06/09/2026 8:30 AM | Number of Motions:<br>1 |
| Reservation ID:<br>851144624026 | Confirmation Code:<br>CR-JTZBQNETQNSY9RUR2 |

## Fees

| Description | Fee | Qty | Amount |
|---|---|---|---|
| Motion re: (name extension) | 0.00 | 1 | 0.00 |
| TOTAL | | | **$0.00** |

## Payment

| | |
|---|---|
| Amount:<br>$0.00 | Type:<br>NOFEE |
| Account Number:<br>n/a | Authorization:<br>n/a |
| Payment Date:<br>n/a | |

Print Receipt   Reserve Another Hearing   View My Reservations



Chat