

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

CHERRY LYN MICLAT and BENZOR
SHEM VIDAL, individually and on behalf of
all others similarly situated,

Plaintiffs,

v.

ADVANCED CARE STAFFING, LLC and
PRIORITY CARE STAFFING, LLC,

Defendants.

Civ. Action No.:
23-cv-5296 (NRM)(MMH)

**MEMORANDUM OF LAW IN SUPPORT OF PLAINTIFFS'
MOTION FOR ATTORNEYS' FEES, COSTS, AND SETTLEMENT
ADMINISTRATION EXPENSES**

Respectfully submitted,

Kakalec Law PLLC
Katz Banks Kumin LLP
Nichols Kaster, PLLP
Towards Justice

Counsel for Plaintiffs

PRELIMINARY STATEMENT

Plaintiffs Cherry Lynn Miclat and Benzor Shem Vidal are immigrant nurses from the Philippines who were brought to the United States to work by Defendants Advanced Care Staffing, LLC (“ACS”) and Priority Care Staffing, LLC (together with ACS, the “Companies” or “Defendants”). Plaintiff Miclat filed the instant case as a putative class action in July 2023, bringing claims under the Trafficking Victims Protection Act (“TVPA”) and state and federal wage and hour laws. Ms. Miclat alleged that Defendants unlawfully required healthcare workers recruited from overseas to pay the Companies damages if the workers left the Companies’ employ before completing a set employment term, generally three years.

Earlier, on September 19, 2022, Plaintiff Vidal had filed an individual action seeking declaratory relief on related issues in the case *Vidal v. Advanced Care Staffing, LLC*, 1:22-cv-05535-NRM-MMH. And at the same time that Plaintiff Miclat filed this action, the U.S. Department of Labor filed an action against the same Defendants, *Su v. Advanced Care Staffing*, 23-cv-2119 (NRM)(MMH), and the New York Attorney General’s Office undertook an investigation into Defendants. The parties to all of these actions then endeavored to settle all of their disputes with Defendants globally.

After motion practice, exchanges of documents, the consolidation of the *Vidal*, *Miclat*, and *Su* cases, and extensive settlement talks which also involved the U.S. Department of Labor and the Office of the New York State Attorney General (the “OAG”), the parties reached a settlement which would resolve all claims in the related cases and the OAG investigation. ECF No. 86-1 (“Settlement Agreement” or “S.A.”) The Settlement Agreement provides that Defendants will pay a gross settlement amount of \$1,190,000, of which \$663,668.66 has been allocated to and paid by

Defendants in connection with the OAG Investigation and DOL Action. The remaining \$526,331.34 was allocated to this Action. S.A. ¶¶ 19, 44.

The Settlement also provides significant non-monetary relief. For Settlement Class Members who are no longer employed by the Companies, the Companies will entirely forgive purported debt that the Companies contend those Settlement Class Members owe for resigning before completing their contractual period. *Id.* ¶ 39.III.C. For Current Employee Class Members and future healthcare workers, the Companies will adopt a new contract without arbitration and post-employment noncompete provisions, and that does not allow the Companies to collect lost profits from healthcare workers. *Id.* ¶ 39.III.F & Ex. 11.¹ Future contracts will also include an agreed-upon form that allows healthcare workers to accept or decline certain immigration-related services from the Companies—thus ensuring greater transparency as to potential costs the Companies may seek to recover. *Id.* ¶ 39, Ex. 9.

Going forward, the Companies will not be allowed to collect from an early-departing nurse any of the following: lost profits or overhead, attorneys’ fees and costs, or other costs of collection or interest accrued on the expenses through the date of the alleged breach, or the costs of hiring a replacement or upfront indirect costs of having recruited or hired the worker. *Id.* ¶ 39.III.E. Rather, in the event that a healthcare worker resigns prior to the end of their contract term and does so without “Good Reason,” the Companies will only be allowed to collect “Actual Direct Costs.” *Id.* ¶ 39.III.D. “Actual Direct Costs” means documented expenses that (1) the Companies actually incurred and paid to a third party, and (2) are primarily for the benefit of the healthcare worker and not primarily for the Companies’ benefit, and (3) are limited to specific categories, subject to an

¹ By attaching/linking the new contracts to the Agreement, or to the Email Notice, Plaintiffs do not endorse the contracts’ specific terms, except as otherwise provided in the Agreement.

overall cap for Current Employees of \$5,000.² *Id.* ¶ 39.III.F.2. In the event that such expenses are greater than the \$5,000 overall cap (or then-applicable cap based on inflation, S.A. ¶ 31), the Companies will not be able to recover such expenses. *Id.*

By Order dated November 19, 2025, the Court granted preliminary approval of the parties' class settlement, preliminarily determining that the amount of the class settlement was "well within the range of reasonableness." ECF No. 88. The Court also preliminarily approved the settlement of opt-in Plaintiffs' claims under the Fair Labor Standards Act ("FLSA"), appointed the Named Plaintiffs as Class Representatives, appointed Plaintiffs' counsel as class counsel, preliminarily certified the class, and approved notice to potential class and collective members. *Id.*

Plaintiffs now make this motion seeking attorneys' fees, costs, and settlement administration costs.

BACKGROUND

The factual and procedural background of this case is set forth in detail in Plaintiffs' motion for preliminary approval and certification, ECF No. 86, and is not fully repeated here. Additional facts regarding attorneys' qualifications and fees are set forth in the declarations of attorneys, Hugh Baran, Patricia Kakalec ("Kakalec Decl."), Joshua R. O'Neill ("O'Neill Decl."), and Juno Turner submitted in support of this motion.

The following facts are of particular relevance on the instant motion.

On September 8, 2025, the parties finalized their agreement in a written Settlement Agreement signed by all parties. ECF No. 86-3. In relevant part, the agreement provides as follows:

² Increased annually by the lower of a 3 percent annual rate; or (ii) the average inflation rate for the preceding calendar year as reflected in the Consumer Price Index for Urban Wage Earners and Clerical Workers ("CPI-W") for the NY-NJ-PA metro area. S.A. ¶ 31.

Attorneys' Fees, Litigation Expenses, Administrative Expenses. Class Counsel intend to apply to the Court for an award of attorneys' fees not to exceed \$175,443.78, litigation expenses not to exceed \$21,333.59, costs of the Settlement Administrator (exclusive of costs associated with administering the FLSA portion of this case) not to exceed \$12,000.³ All of the foregoing Court-awarded amounts (as well as any additional ones) shall be paid from the Gross Settlement Amount and not in addition to it.

Id. ¶ 44.6

Consistent with this Court's November 19, 2025 Opinion and Order, Settlement Administrator CPT Group sent notice of the settlement (including notice of the amounts of the service awards and class counsel's fees). Under the Settlement Agreement and this Court's Order, individuals had sixty calendar days from the initial mailing of the notice to opt-out or submit a written objection to the settlement. S.A. ¶ 23; Order at 4 (¶ 10). To date, no one has opted out, Kakalec Decl. ¶ 6, although the deadline for opting out has not yet passed.

In the Court's Opinion & Order preliminarily approving the class and the settlement, the Court appointed Nichols Kaster, PLLP, Towards Justice, Kakalec Law PLLC, and Katz Banks Kumin LLP as Class Counsel. Order at 3 (¶ 5.) Plaintiffs now seek attorneys' fees in an amount of \$175,443.78 and costs in an amount of \$21,333.59. Considering the results achieved here and the absence of objections to date, and as discussed more fully below, the Court should approve the fees and costs in the amounts requested.

ARGUMENT

I. The Attorneys' Fees Here are Reasonable.

In a certified class action, the court may award reasonable attorney's fees and nontaxable costs that are authorized by law. Fed. R. Civ. P. 23(h). In *Hensley v. Eckerhart*, the Supreme Court

³ The agreement also provided for an additional \$2,000 toward distribution of FLSA portion of the settlement. S.A. ¶ 19.

ruled that in fee shifting cases, plaintiffs are entitled to attorneys' fees, "if they succeed on any significant issue in litigation which achieves some of the benefit the parties sought in bringing suit." *Hensley v. Eckerhart*, 461 U.S. 424, 433 (1983); see also *Texas State Teachers v. Garland Indep. School Dist.*, 489 U.S. 782 (1989).

The settlement in this case achieves such benefits—both monetary and non-monetary, as outlined above and in the preliminary approval briefing—and thus entitles Plaintiffs to attorneys' fees. Although Plaintiffs' fee request is unopposed, the Court must nevertheless assess the reasonableness of the fees award when considering whether the settlement is fair. See *Dupler v. Costco Wholesale Corp.*, 705 F. Supp. 2d 231, 242 (E.D.N.Y. 2010). In the Second Circuit the "percentage method" or the "lodestar method" are both appropriate methods for determining reasonable attorneys' fees. *Goldberger v. Integrated Res.*, 209 F.3d 43, 47 (2d Cir. 2000). As laid out further below, under either method an award of \$175,443.78 in attorneys' fees is reasonable.

A. Plaintiffs' Fee Application is Reasonable Under the Percentage Method

In evaluating a request for fees under the percentage method, courts in the Second Circuit follow the analysis set forth in *Goldberger v. Integrated Resources, Inc.*, 209 F.3d 43 (2d Cir. 2000). The *Goldberger* factors, which a court should consider when evaluating the reasonableness of a fee, and are: "(1) the time and labor expended by counsel; (2) the magnitude and complexities of the litigation; (3) the risk of the litigation ...; (4) the quality of representation; (5) the requested fee in relation to the settlement; and (6) public policy considerations." *Goldberger*, 209 F.3d at 50 (ellipses in original). Each factor weighs in favor of approving Plaintiffs' request here.

The percentage of the fund method "directly aligns the interests of the class and its counsel and provides a powerful incentive" to attorneys to resolve the case efficiently and to create the largest common fund out of which payments to the class can be made. *Wal-Mart Stores, Inc. v.*

Visa U.S.A., Inc., 396 F.3d 96, 121 (2d Cir. 2005) (“The trend in this Circuit is toward the percentage method”). It also “relieves the court of the cumbersome, enervating, and often surrealistic process of evaluating fee petitions.” *Savoie v. Merchs. Bank*, 166 F.3d 456, 461 n.4 (2d Cir. 1999) (quotations omitted).

Class Members’ evaluation of the proposed fees for the representation they received is perhaps the most important measure of the reasonableness of the fee. Here, after notice to putative class members, there have been no objections to the settlement to date, Kakalec Decl., ¶¶ 6; including to the amount of fees and costs Plaintiffs intended to seek.⁴ This further supports that the amount of fees sought here is appropriate. *See, e.g., NECA-IBEW Health & Welfare Fund v. Goldman, Sachs & Co.*, No. 10 CIV. 4429-LAP, 2016 WL 3369534, at *1–2 (S.D.N.Y. May 2, 2016) (awarding requested attorneys’ fees and litigation expenses in part because there were no objections to same); *Landmen Partners Inc. v. Blackstone Grp. L.P.*, No. 08-CV-03601-HB-FM, 2013 WL 11330936, at *3 (S.D.N.Y. Dec. 18, 2013) (“the absence of any objections from any Class Members to either the application for an award of attorneys’ fees or expenses to Lead Counsel” supports finding the amount of attorneys’ fees awarded fair and reasonable); *Voisin v. Bartell Media Corp.*, No. 76 CIV. 3954, 1982 WL 1359, at *7 (S.D.N.Y. Dec. 2, 1982) (“The lack of objection to the proposed settlement and application for attorneys’ fees by plaintiff’s counsel suggests that the members of the class were satisfied with the settlement and found it fair and reasonable.”).

Time and Labor Expended by Counsel. Class Counsel have expended significant time litigating both this case and the closely-related *Vidal* case. In *Vidal*, three of the firms appointed

⁴ The 60-day notice period for Class Members ends on February 17, 2026. Plaintiffs’ Motion for Final Approval of the Settlement will indicate whether any Class Members objected to any portion of the Settlement, including Plaintiffs’ request for attorneys’ fees and costs.

as Class Counsel drafted and filed the Complaint, sought a preliminary injunction, were successful in in defeating ACS's appeal of that injunction, and moved to consolidate *Vidal* with *Miclat*. In *Miclat*, Class Counsel drafted and filed the Complaint, negotiated a multi-party settlement including the USDOL and the NYAG as well as *Vidal*, moved for preliminary approval of the global settlement, engaged with the Settlement Administrator regarding class notice, and filed the instant motion. Considering the work undertaken by class counsel, this factor weighs in favor of the fees award sought. As described in the accompanying declarations, Class Counsel has expended more than a thousand hours in litigating these two actions.

The Magnitude and Complexities of the Litigation. This case involves questions of fact and law that are complex, and a class of approximately 240. ECF No. 86-1 at 16. "Unquestionably, continued litigation would be complex and result in the significant expenditure of time, money, and other resources." *Caccavale v. Hewlett-Packard Co.*, No. 20-cv-974-NJC-ST, 2025 WL 882220, at *7 (E.D.N.Y. Mar. 14, 2025), *report & recommendation adopted*, No. 2:20-cv-974-NJC-ST, 2025 WL 882221 (E.D.N.Y. Mar. 21, 2025). Among other things, depositions of all parties and key witnesses, document productions, and expert fees would significantly contribute to costs. *Carmen v. Health Carousel, LLC*, No. 1:20-cv-313, 2025 WL 892586, at *16 (S.D. Ohio Mar. 24, 2025) ("*Carmen IP*") (approving over \$77,000 in costs in a similar nurse forced labor case that settled just prior to class certification expert disclosures). In addition, "Courts have recognized that FLSA cases can be complex, and that 'hybrid' cases involving FLSA 'opt-in' collective action and [New York Labor Law] 'opt-out' class action brought under Rule 23 may add complexity." *Hart v. RCI Hosp. Holdings, Inc.*, 166 Lab. Cas. P 36, 381, 2015 5577713, at *15 (S.D.N.Y. Sept. 22, 2015) (*citation omitted*). The presence of TVPA claims and their New York equivalent only added to the complexity. This *Goldberger* factor weighs in favor of approving Class Counsel's

attorneys' fee award.

Risk of the litigation. As to the risks inherent in this type of litigation, the case law is mixed on issues at play in this case and the legal issues remain novel and quickly developing. *Compare, e.g., Carmen I*, 2023 WL 5104066, at *7-8 (finding plaintiffs in similar nurse forced labor case plausibly alleged sufficient facts to support their TVPA claims), *with Panwar v. Access Therapies, Inc.*, No. 1:12-cv-00619-TWP, 2015 WL 1396599, at *1 (S.D. Ind. Mar. 25, 2015) (granting summary judgment to staffing agency on healthcare workers' TVPA claims). Despite the risks in bringing these types of cases, Class Counsel in this case regularly represent workers in low-wage industries on a contingency basis, that is, without charging advance fees to the individual parties. Here, as set forth in the accompanying declarations, Plaintiffs' counsel incurred significant out-of-pocket expenses and spent years of legal work without being compensated. Agreeing to represent clients with no direct charge to the clients or on a contingency fees basis shifts litigation risks from individuals to class counsel. *See Espinal v. Victor's Cafe 52nd St., Inc.*, No. 16-CV-8057 (VEC), 2019 U.S. Dist. LEXIS 183642, at *9 (S.D.N.Y. Oct. 23, 2019). This factor thus supports the fee award sought here.

Quality of representation. "Quality of representation is best measured by results." *McGreevy v. Life Alert Emergency Response, Inc.*, 258 F. Supp. 3d 380, 387 (S.D.N.Y. 2017). Here, Class Counsel investigated claims that this Court has found are likely to succeed in the context of the preliminary injunction, achieved an appellate victory, and have reached this class-wide Settlement. Through the efforts of both Class Counsel and the government agencies, nurses were repaid for all of the money they paid to ACS for departing early. In addition, they are receiving a meaningful distribution to reflect the damages they suffered, and those nurses still employed by ACS will benefit from new contractual terms that remove the most coercive

consequences for early departure. Class Counsel believes that this class-wide recovery represents a strong outcome for Rule 23 Class Members, many of whom would otherwise likely receive no compensation for the violations alleged in this case. Moreover, the skill and experience of the attorneys appointed as Class Counsel support class counsel's request for fees. *See* attached declarations; *see also Anwar v. Fairfield Greenwich Ltd.*, No 09-cv-118, 2012 WL 1981505, at *2 (S.D.N.Y. June 1, 2012) (listing class counsel's extensive experience as a factor supporting fee award of one-third of the settlement fund).

The requested fee in proportion to the result. Courts in this Circuit regularly approve percentage of the fund awards at the same rate as is sought here. *See, e.g., Hernandez v. Merrill Lynch & Co.*, No. 11 CIV. 8472 KBF DCF, 2013 WL 1209563, at *9 (S.D.N.Y. Mar. 21, 2013) (awarding attorneys' fees of 33% of a \$7 Million settlement); *Cent. States S.E. & S.W. Areas Health & Welfare Fund v. Merck-Medco Managed Care, LLC*, 504 F.3d 229 (2d Cir. 2007) (affirming 30% award of a \$42.5 million settlement). The request for attorneys' fees equals 1/3 of the \$526,331.34 allocated to resolve these cases (and only approximately 15% of the total \$1,190,000 recovered for class members in the global settlement.) This percentage is consistent with the applicable retainer agreement, *see Kakalec Decl.* ¶ 10, and is within the range of fees typically approved in wage and hour class actions. *See Bondi v. DeFalco*, No. 17-CV-5681 (KMK), 2020 U.S. Dist. LEXIS 84701, at *19 (S.D.N.Y. May 13, 2020) (determining attorneys' fees totaling one-third of the gross settlement sum "is appropriate as courts in the Second Circuit routinely award attorney's fees in FLSA settlements of one-third of the total recovery"); *Caccavale v. Hewlett-Packard Co.*, No. 2:20-cv-974, 2025 WL 2960237, at *11 (E.D.N.Y. Oct. 20, 2025) ("Class Counsel's request ... satisfies the percentage of the fund test because the requested fee corresponds to 33.33%"); *Hart v. RCI Hosp. Holdings, Inc.*, No. 09 CIV. 3043 PAE, 2015 WL

5577713, at *13 (S.D.N.Y. Sept. 22, 2015) (award attorneys' fees of 36.7% of settlement fund in FLSA and NYLL case).

Moreover, as addressed below, counsel's actual lodestar in this case far exceeds the \$175,443.78 sought as fees based on the percentage method – especially if the Court also considers the significant time spent on *Vidal*, which it should. This case does not present concerns that counsel obtain a “windfall” at the expense of the class. To the contrary, class counsel's fees are reduced under this method.

Public Policy Considerations. Public policy considerations weigh in favor of Class Counsel's requested fees. In rendering awards of attorneys' fees, the Second Circuit and district courts consider “the social and economic value of class actions, and the need to encourage experienced and able counsel to undertake such litigation.” *Siler v. Landry's Seafood House-N.C., Inc.*, No. 13-cv-587(RLE), 2014 WL 2945796, at *11 (S.D.N.Y. June 30, 2014). The FLSA and New York State wage and hour laws are remedial statutes designed to protect workers; the FLSA “was designed to regulate the conduct of employers for the benefit of employees.” *Herman v. RSR Sec. Servs.*, 172 F.3d 132, 144 (2d Cir. 1999). The public policy of the state and federal government is that the interest in enforcing wages and hours laws on behalf of all workers is paramount. *Garcia v. Pasquareto*, 812 N.Y.S.2d 216, 217 (App. Term. 2004).

An award of attorneys' fees helps to ensure that relatively small claims can be heard. Denial of attorneys' fees requests would disincentivize attorneys from taking on wage and hour class action litigation such as this one. *See Amador v. Morgan Stanley & Co., LLC*, No. 11-cv-4326, Hr'g Tr. 16 (S.D.N.Y. Dec. 19, 2014) (“It's important that lawyers have incentives to bring [wage and hour] cases like this.”). Accordingly, this final factor, in addition to the other factors, weighs in favor of approval of Class Counsel's requested attorneys' fee award.

B. Alternatively, Plaintiffs' Fee Application is Reasonable Under the Lodestar Method.

While the Court need not reach this issue and may approve the fees sought solely on the percentage basis, Plaintiffs' requested fee is also reasonable and may be approved under the lodestar method. The Court may also conduct a lodestar "cross check" in connection with analyzing the fee application under the percentage method.

Where a statute awards a prevailing plaintiff "reasonable attorneys' fees," the Second Circuit has "held that the lodestar—the product of a reasonable hourly rate and the reasonable number of hours required by the case—creates a 'presumptively reasonable fee.'" *Millea v. Metro-North R. Co.*, 658 F.3d 154, 166 (2d Cir. 2011). The party seeking fees has the burden of establishing that the hours billed are reasonable. *Hensley v. Eckerhart*, 461 U.S. 424, 437 (1983). Where the "work performed by counsel [is] relevant and productive, and not duplicative" counsel is entitled to reimbursement for it. *Id.*

When utilizing the lodestar method as a "cross check" when applying the percentage of the fund method, courts are not required to scrutinize the fee records as rigorously. *Goldberger*, 209 F.3d at 50. ("[W]here used as a mere cross-check, the hours documented by counsel need not be exhaustively scrutinized by the district court."); *In re Rite Aid Corp. Securities Litigation*, 396 F.3d 294, 306–07 (3d Cir. 2005), *as amended*, (Feb. 25, 2005) (noting that the "lodestar cross-check calculation need entail neither mathematical precision nor bean-counting," and that "[t]he district courts may rely on summaries submitted by the attorneys and need not review actual billing records").

Here, Class Counsel have reviewed their records and in the exercise of billing judgment have excluded items that were duplicative or arguably related to uncompensable administrative tasks. Beyond the hours included here, Class Counsel will expend many additional hours working

towards the final resolution of this action, including in the final weeks of the notice period, drafting the motion for final approval. Counsel provide a summary of their time spent on these matters in the declarations submitted with this motion.⁵ The total hours spent among all firms is 1,019.30 hours, and the total lodestar amount is \$598,685. The fees of \$175,443.78 sought here amount to only approximately 29 percent of counsel's lodestar.

The hourly rates utilized here are reasonable considering the experience of counsel in this case, as set forth in the accompanying declarations. *See, e.g., Stanbro v. Correction Officer Nadya Palou*, No. 19-CV-10857 (KMK), 2024 WL 1214560, at *1 (S.D.N.Y. Mar. 21, 2024) (awarding attorneys' fees at a rate of \$700 per hour to experienced attorneys, finding that this rate is "fully consistent with fee-shifting caselaw in 2024"); *Rosario v. City of New York*, No. 1:18-cv-04023(LGS)(SDA), 2023 WL 2908655, at *7 (S.D.N.Y. Jan. 27, 2023) (approving \$700 hourly rate for civil rights attorney with 27 years' experience); *Clark v. Ecolab, Inc.*, 1:07 Civ. 08623-PAC, Doe. 101, p. 4, ¶ 11 (S.D.N.Y. April 27, 2010) (In 2010, Outten & Golden LLP's "rates range[d] from \$475 to \$900 per partner's hour, \$225 to \$350 per associate's hour, \$195 per law clerk's hour, and \$140 to \$175 per paralegal's hour."); *Gualpa v. N.Y. Pro Signs Inc.*, 11 Civ. 3133 LGS FM, 2014 WL2200393, *10 (S.D.N.Y. May 27, 2014) (In 2014, \$600 for a partner who graduated from law school in 1995; \$350 for an associate who graduated from law school in 2006); *Rozell v. Ross-Holst*, 576 F.Supp.2d 527, 546 (S.D.N.Y. 2008) (In 2008, awarding \$600 per hour for partner and of counsel and between \$250 and \$350 for associates in an employment discrimination case); *Viafrira v. MCIZ Corp.*, 12 Civ. 7452 RLE, 2014 WL 1777438, *14 (S.D.N.Y. May 1, 2014) (In 2014, \$550 for partner, \$350 for an associate, \$175 for a first year

⁵ Should the Court wish, Class Counsel will submit their time records for the Court's review as a cross check or under the traditional lodestar method.

associate); *Asare v. Change Group of New York, Inc.*, 12 Civ. 3371 CM, 2013 WL 6144764, *19 (S.D.N.Y. Nov. 18, 2013) (finding that counsel’s rates were reasonable; the rates in 2013 included \$750 per hour for partner time, \$500 per hour for senior associate time, and \$300 per hour for associate time). They are also eminently reasonable in light of the passage of time since many of the cases establishing rates in wage and hour litigation were decided. *See generally Rubin v. HSBC Bank USA, NA*, 763 F. Supp. 3d 233, 239–44 (E.D.N.Y. 2025) (Block, J.) (assessing historical development of fee jurisprudence in EDNY, adopting increased rates for FCRA cases, and holding that “Times have changed. [A]ttorney’s fees, like other goods and services, increase in cost with inflation. Retaining the same rates as far back as at least 2012 is no longer sustainable. Moreover, it runs counter to the admonition of the Supreme Court that the lodestar should be current rather than historic hourly rate.”) (cleaned up)

Moreover, as another court in this District has recognized, the hourly rates are reasonable in light of the risks inherent in TVPA litigation. *See Moore v. Rubin*, 766 F. Supp. 3d. 423, 427–432 (E.D.N.Y. 2025) (Cogan, J.) (approving hourly rates of \$1,000 for partners, \$800 for of counsel, \$500 for senior attorneys, and \$400 for mid-level attorneys, based on an enhancement in light of risks inherent in litigation under the TVPA given the number of “untested legal and factual issues under the TVPA” and the “absence of a market for TVPA cases”). This case, like *Moore*, also presented numerous untested legal and factual issues, and the Court should accordingly recognize that risk in assessing reasonable hourly rates.

II. Class Counsel is Entitled to Reimbursement of Reasonable Litigation Costs, and Settlement Administration Costs Should be Paid from the Settlement Amount.

As described in the declarations of counsel submitted with this application, Class Counsel have incurred out-of-pocket expenses totaling \$22,605.23. They request reimbursement of \$21,333.59 of those expenses – the amount agreed to in the Settlement Agreement – to be paid

from the Settlement Fund. All costs expended are recoverable under statutes at issue here. *See LeBlanc-Sternberg v. Fletcher*, 143 F.3d 748 (2d Cir. 1998). This amount is consistent with the parties' settlement agreement which provides for costs not in excess of this amount.

Class Counsel's expenses of \$21,333.59 include among other things filing fees, service of process costs, travel costs, shipping and postage, and the costs of the JAMS mediator. *See, e.g., Kakalec Decl.*, ¶ 7. These costs were incidental and necessary to the representation of the Class, and as such are wholly reimbursable. *In re Indep. Energy Holdings PLC Sec. Litig.*, 302 F. Supp. 2d 180, 183 n.3 (S.D.N.Y. 2003) ("Attorneys may be compensated for reasonable out-of-pocket expenses incurred and customarily charged to their clients, as long as they were incidental and necessary to the representation of those clients."); *Reiseck v. Universal Commc'ns of Miami, Inc.*, No. 06 CIV. 0777 LGS JCF, 2014 WL 5374684, at *8 (S.D.N.Y. Sept. 5, 2014) ("expenses relating to travel, including transportation and meals, are routinely recoverable"); *Matheson v. T-Bone Rest., LLC*, No. 09 CIV. 4214 DAB, 2011 WL 6268216, at *9 (S.D.N.Y. Dec. 13, 2011) (awarding reimbursement of class counsel for mediator's fees, expert fees, consultant fees, process server charges, telephone charges, postage, transportation and working meal costs, photocopies, and electronic research because such expenses "are reasonable and were incidental and necessary to the representation of the class"); *Gonzalez v. Marin*, No. 12 CV 1157 (ENV)(RML), 2014 U.S. Dist. LEXIS 77421, at *46 (E.D.N.Y. Apr. 25, 2014) (awarding reimbursement of \$500 in translation and interpretation services).

The parties' Settlement Agreement provides that settlement administration costs in an amount not to exceed \$12,000 shall be awarded from the total settlement amount, S.A. § 44, with Defendants agreeing to pay an additional \$2,000 in administration fees for distribution of FLSA claim amounts. *Id.* § 19. Approval of this total \$14,000 settlement administration expense is

proper considering the services provided or to be provided by the administration company, CPT Group. *See* Kakalec Decl. ¶ 5; O’Neill Decl. ¶ 5. As described in the parties’ Settlement Agreement, the Settlement Administrator’s substantial duties include sending notice to class members, calculating taxes and issuing tax forms, maintaining a website, answering inquiries from class members, and distributing settlement funds. *S.S.A.* §§ 46, 48, 51-59.

CONCLUSION

Based on the foregoing, Plaintiffs respectfully request that this Court approve Class Counsel’s fees and costs, and the costs of the Settlement Administrator, in the amounts set forth above.

Dated: New York, NY
February 3, 2026

Respectfully Submitted,

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