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*Class Counsel*

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA**

IN RE UKG INC CYBERSECURITY  
LITIGATION

Case No.: 3:22-cv-00346-SI

THIS DOCUMENT RELATES TO:

All Actions.

**DECLARATION OF MICHAEL  
MORRISON IN SUPPORT OF  
PLAINTIFFS' MOTION FOR AWARD OF  
ATTORNEYS' FEES, COSTS,  
SETTLEMENT ADMINISTRATION  
EXPENSES, AND CLASS  
REPRESENTATIVE SERVICE AWARDS**

**Date: November 17, 2023  
Time: 10:00 a.m.  
Dept.: Courtroom 1, 17th Floor  
Judge: Honorable Susan Illston**

1 **DECLARATION OF MICHAEL MORRISON**

2 I, Michael Morrison, declare as follows:

3 1. I am an attorney-at-law and named partner at the law firm of Alexander Morrison +  
4 Fehr LLP. I am duly admitted to practice before this Honorable Court and am one of the attorneys  
5 of record for Plaintiffs in this action. I have personal knowledge of the facts set forth herein,  
6 (except where indicated upon information and belief) and if called as a witness, could and would  
7 testify competently thereto. I am making this declaration in support of Plaintiffs' Motion for  
8 Award of Attorneys' Fees, Costs, Settlement Administration Expenses, and Class Representative  
9 Service Awards.

10 **LEGAL EXPERIENCE AND EXPERIENCE WITH COMPLEX LITIGATION**

11 2. I am a 1999 graduate of the University of California at Los Angeles School of Law  
12 and was admitted to the California State Bar in 1999.

13 3. Since admission to the California State Bar, I have been in continuous practice,  
14 which now spans over 23 years. My main areas of practice since becoming an attorney are: (1)  
15 class action litigation, including wage and hour class actions, equal pay act class actions,  
16 constitutional class actions, employment class actions and civil torts class actions; (2) employment  
17 and labor law; (3) constitutional/civil rights law, including police misconduct cases; (4) appellate  
18 law; and (5) civil tort litigation.

19 4. I have been a member of the United States Supreme Court Bar since 2004. I co-  
20 authored a merits brief to the United States Supreme Court in the case *Muehler, et al. v. Mena*  
21 (2004) 544 U.S. 93. In addition, three cases that I personally briefed and argued at the appellate  
22 level have been published. These cases are *Blankenhorn v. City of Orange, et al.* (9th Cir. 2007)  
23 485 F.3d 463; *Macias v. County of Los Angeles, et al.* (2006) 144 Cal.App.4th 313; and  
24 *Cinquegrani, Royea v. Department of Motor Vehicles for the State of California, et al.* (2008) 163  
25 Cal.App.4th 741. I also briefed and argued a published decision at the district court level –  
26 *Dalkilic v. Titan Corp.* (S.D. Cal. 2007) 516 F. Supp. 2d 1177.

27 5. I've been class counsel on a number of class action cases where substantial  
28 settlements were achieved. These include, but are not limited to, the following:

1 a. *Shoff v. AT&T Services, Inc., et al.* [United States District Court, Central  
2 District of California, Case No. CV 07-3289 DSF (AGRx)] (mis-classification wage and hour case  
3 resulting in \$16 million settlement);

4 b. *Doyle v. AT&T Services, Inc.* [United States District Court, Southern  
5 District of California, Case No. 08-1275 JAH Wmc] (mis-classification wage and hour case  
6 resulting in \$10.5 million settlement);

7 c. *Waters v. AT&T Services, Inc.* [United States District Court, Northern  
8 District of California, Case No. Case No. CV 09-3983 BZ] (mis-classification wage and hour case  
9 resulting in \$17 million settlement);

10 d. *Lita v. Bunim-Murray* [Los Angeles County Superior Court, Case No. BC  
11 350590] (overtime case against reality television company resulting in \$5 million settlement);

12 e. *Avery v. OCTA, TCA* [Orange County Superior Court, Case No.:  
13 07CC00004] (constitutional class action against toll road agencies resulting in over \$40 million in  
14 economic benefits to class members and sweeping injunctive relief);

15 f. *Morrison, et al. v. Six Flags Theme Park, Inc.* [Los Angeles County  
16 Superior Court, Case No. BC 253314] (race and ethnic discrimination case resulting in settlement  
17 over \$5 million);

18 g. *Cinquegrani v. Department of Motor Vehicles* [Los Angeles County  
19 Superior Court, Case No. BC 355720] (due process class action against the DMV resulting in  
20 \$5,600,000 settlement);

21 h. *Odrick v. UnionBancal Corporation* [United States District Court, Northern  
22 District of California, Case No. CV 10 5565 SBA] (misclassification class action on behalf of 132  
23 class members; \$3,500,000 settlement); and

24 i. *Mendez, et al. v. R+L Carriers, Inc., et al.* [Northern District of California,  
25 Case No. CV 11-02478 CW] (meal and rest break, minimum wage claim resulting in \$9,500,000  
26 settlement);

1 j. *Contreras v. Performance Food Group, Inc., et al.* [Northern District of  
2 California, Case No: 4:14-CV-03380-PJH] (meal and rest break, minimum wage claim resulting in  
3 \$3,750,000 settlement);

4 k. I was also a member of the steering committee for the Plaintiff's side in the  
5 coordinated action The Clergy Cases (Clergy I), Case No. JCCP 4286, which settled for over \$660  
6 million dollars with the Archdiocese of Los Angeles for sexual abuse committed against minors by  
7 priests of the Los Angeles Archdiocese;

8 l. *Boxall, et al. v. Los Angeles Times Communications, LLC, et al.*, Case No.  
9 CIVDS2010984 [San Bernardino County Superior Court] (California Fair Pay Act and PAGA  
10 action);

11 m. *Rose, et al., v. Vice media, LLC, et al.*, Case No. BC693688 [Los Angeles  
12 County Superior Court] (California Fair Pay Act; Federal Equal Pay Act - \$1,875,000 settlement);

13 n. *Davis v. The Beam Team*, Case No. CIVDS 1800073 [San Bernardino  
14 County Superior Court] (PAGA and class action settlement - \$985,817.11); and

15 o. *Chalian v. CVS, Inc., et al.*, Case No. :16-cv-08979-AB-AGR [United States  
16 District Court, Central District of California] (Class and PAGA action -\$10 million settlement).

17 6. I am currently lead counsel on no less than 15 class action cases. I also am  
18 regularly asked to speak at seminars and CLE's on wage and hour and employment related issues.  
19 For example, I have spoken at the State Bar Convention, the State Bar Wage and Hour  
20 Convention, and Los Angeles County Bar Labor and Employment Symposium.

21 **SUBSTANTIAL WORK WAS PERFORMED BY CLASS COUNSEL TO ACHIVE THIS**  
22 **SETTLEMENT.**

23 7. The results in this case are largely due to the efforts and skill of Class Counsel. As  
24 with many other recent data breaches, multiple, overlapping class action lawsuits were filed around  
25 the country shortly after the breach was announced. Instead of spending their time to secure lead  
26 counsel status, which often results in time consuming and lengthy disputes amongst plaintiffs'  
27 counsel, Class Counsel endeavored to work cooperatively. This resulted in a joint prosecution  
28 agreement at the outset of litigation amongst Class Counsel and the filing of a consolidated

1 complaint. By working cooperatively early on and avoiding in-fighting, Plaintiffs were able to  
2 present the image of a united front that Defendant could not exploit through reverse auction tactics.  
3 Class Counsel also successfully kept this case out of Multi-District Litigation (“MDL”). This result  
4 avoided needless delays and allowed Counsel to focus its efforts on obtaining the documents and  
5 information they needed, which culminated with an early resolution of the case. Further, the  
6 cooperation allowed counsel to serve formal discovery early in the litigation and engage Defense  
7 counsel in substantive discussions which ultimately resulted in an agreement to mediate the case  
8 following an exchange of information and data relevant to issues in the case. Class Counsel then  
9 reached out to counsel with overlapping claims in other parts of the country to try to work out  
10 agreements. The result of these efforts was an agreement to carve out wage claims from the scope  
11 of the Settlement so the other Plaintiffs’ counsel could pursue these claims in their cases. This  
12 avoided unnecessary adversarial proceedings amongst plaintiffs and a possible objection to the  
13 Settlement which could have delayed payment by years.

14 8. Class Counsel did extensive work to secure this Settlement, which included: (1)  
15 serving formal and informal discovery prior to mediation; (2) interviews with scores of affected  
16 Class Members concerning the impact of the data breach; (3) coordinating this matter with other  
17 cases across California and the country; (4) conducting extensive research into the relevant legal  
18 issues in the case, including issues raised in the motion to dismiss such as Article III standing; (5)  
19 conducting extensive research on other data breach settlements in order to help determine  
20 appropriate settlement values; (6) reviewing Defendant’s documents and data, including its  
21 communications regarding the breach and the internal investigation into the breach; (7) preparing a  
22 thorough and detailed mediation brief; (8) participating in a mediation where the relevant legal and  
23 factual issues were thoroughly discussed; (9) engaging in hours of post-mediation negotiations;  
24 (10) working with the Settlement Administrator to develop an appropriate notice plan; (11) serving  
25 formal, confirmatory discovery requests and reviewing those responses prior to executing the  
26 Settlement; and (12) motion practice before the Judicial Panel on Multidistrict Litigation.

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**HOURLY RATE AND LODESTAR**

1  
2 9. My hourly rate is \$850.00. I believe this hourly rate to be justified in light of my  
3 experience and the excellent results I have achieved in the past, as detailed above, as well the rates  
4 I have been awarded in the past.

5 10. For example, in March, 2014, Plaintiffs' motion for attorneys' fees was granted in a  
6 wage and hour class action (*Mendez, et al. v. R+L Carriers, Inc., et al.* [Northern District of  
7 California, Case No. CV 11-02478 CW]) where I requested \$665/hr in attorneys' fees. In 2015,  
8 other courts approved Plaintiffs' motion for attorneys' fees where I requested \$665/hr as my  
9 attorney fee rate in the following cases, amongst others: (1) *Ruiz v. Advertising Consultants Inc.*,  
10 Case No. BC 544842, Los Angeles County Superior Court; and (2) *Perez v. Danerica Enterprises,*  
11 *Inc.*, Case No. BC483161, Los Angeles County Superior Court. In 2016, by way of example, the  
12 Court approved Plaintiffs' motion for attorneys' fees where I requested \$700/hr as my attorney fee  
13 rate in the case *Berry, et al. v. NCS Pearson, Inc.* [Superior Court for the State of California,  
14 County of San Bernardino, Case No. CIVDS1511972]. In *Contreras v. Performance Food Group,*  
15 *Inc.* [Northern District of California, Case No.: 4:14-CV-03380 PHJ], Plaintiffs' attorney fee  
16 motion was also approved where I requested \$700/hr as my hourly rate. In 2017, the Court  
17 approved Plaintiffs' motion for attorneys' fees where I requested \$700/hr as my attorney fee rate in  
18 the cases *Pucci, et al. v. 495 Productions, Inc.*, [Superior Court for the State of California, County  
19 of Los Angeles, Case No. BC541595] and *Phillips v. Accentcare, Inc.* [Superior Court for the State  
20 of California, County of San Bernardino, Case No. CIVDS1620673], among others. In 2018-2019,  
21 I have had at least five motions for final approval granted where I requested \$710 per hr. In the  
22 *Directv Wage and Hour Cases*, I was granted the full attorneys' fees I sought based on a \$725  
23 hourly fee.

24 11. To show what my rates have been over time, in January, 2012, I was awarded an  
25 hourly rate of \$525 based on work performed between 2006 and 2011 on the class action case  
26 *Cinquegrani v. Department of Motor Vehicles*, Los Angeles County Superior Court, Case No. BC  
27 355720. In 2008, in the case *Fontana v. St. Joseph Hospital of Orange* (Case No. 03CC02559  
28

1 [Orange County Superior Court, Civil Complex Center]), the Court approved my hourly rate of  
2 \$425.00.

3 12. After not raising my attorneys' fees for over two years, I raised my attorney fee rate  
4 per hour by \$35 for 2016 to \$700. I raised my rates in 2017-2018 to \$710. In 2019, I raised my  
5 rates to \$750. In 2020, I raised my rates to \$800 and to \$810 in 2021. In 2022, I raised my rates to  
6 \$825. I have since raised my rate to \$850. Since 2008, I have only raised my attorney fee rates  
7 approximately \$28.33 per year on average. I would note that my rates are consistent with attorney  
8 fee rates in the San Francisco and Los Angeles markets. I have attached as Exhibit "1" a true and  
9 correct copy of a San Francisco Daily Journal article which lists fee rates for attorneys in the Los  
10 Angeles and San Francisco markets for the years 2011 and 2012. Extrapolated to present time,  
11 these rates more than demonstrate that my hourly rate is reasonable and consistent with attorneys  
12 with commensurate experience and success.

13 13. My total lodestar to date is \$192,270 (226.2 hrs. \* \$850 per hour). I currently use  
14 the billing software "Bill4Time" to record my time. I have not included the time spent by law  
15 clerks and paralegals on this case.

16 14. I served as co-lead counsel on this case. I have performed the following types of  
17 work: (1) interviewed and reviewed interviews of numerous potential class members about their  
18 experiences with the data breach prior to filing a complaint; (2) reviewed and edited the complaint  
19 and notice of cure correspondence; (3) reviewed and analyzed the discovery provided by  
20 Defendant regarding the scope of the data breach and response; (4) coordinated with other counsel  
21 who filed similar, overlapping actions; (5) participated in strategy meetings to prepare for  
22 mediation; (6) reviewed numerous data breach settlements and prepared memo in anticipation of  
23 mediation; (7) served as lead negotiator for Plaintiffs during lengthy settlement negotiations; (8)  
24 helped draft the settlement papers and participated in numerous conferences with co-counsel and  
25 Defense counsel to finalize settlement docs; (9) served as primary negotiator with counsel for  
26 Plaintiffs in overlapping actions to reach agreements; and (10) assisted in drafting the MPA papers.

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1 Erin Lim

2 15. Prior to joining Alexander Morrison + Fehr LLP, Erin Lim worked at the Los  
3 Angeles Superior Court as a Law Clerk for the Honorable Rupert A. Byrdsong, where she  
4 researched and drafted tentative rulings for a variety of civil unlimited cases. Ms. Lim earned her  
5 J.D. from the University of Southern California Gould School of Law in 2018 where she received  
6 a USC Merit Scholarship and USC Lambda LGBT Alumni Association Scholarship. She also  
7 served as co-president of OUTLaw. While in law school, she worked at a plaintiff's employment  
8 law firm and Lambda Legal, a public interest law firm. She also completed externships with the  
9 Honorable Klausner in the U.S. District Court for the Central District of California and the United  
10 States Attorney's Office for the Central District of California. She received a B.A. in Political  
11 Science and a B.A. in History from UCLA in 2012.

12 16. Ms. Lim's lodestar on this matter is \$9,810 (21.80 hrs. x \$450 per hour). These  
13 hours were determined from the computer time keeping program Bill4time. Ms. Lim performed  
14 the following activities on this case, among other things: (1) reviewed and edited the complaint  
15 and cure letter; (2) drafted the Rule26(f) report; and (3) participated in strategy meetings with  
16 Plaintiffs' counsel.

17 Fee Split

18 17. The attorneys' fee split amongst Class Counsel is as follows: Alexander Morrison +  
19 Fehr and Wucetich & Korovilas LLP – 40% (with the 40% being evenly divided between the  
20 firms, e.g., 20% each); Law Offices of Ronald A Marron – 30%; and Lebe Law (30%).

21 **LITIGATION COSTS**

22 18. I have reviewed the costs incurred in this case. All of these costs and expenses  
23 were reasonable and necessary to bring this case to closure and are typically billed to a client. The  
24 amount of outstanding costs for my firm are \$7,095.98. Attached as Exhibit "2" is a true and  
25 correct copy of my firm's invoice of costs expended in this matter.

26 **CONTINGENT NATURE OF RECOVERY**

27 19. I have not been paid any money for my work on this case and my attorney's fees are  
28 wholly contingent upon a successful outcome.



1 20. Being a partner at a small law firm, I must be careful when it comes to the cases I  
2 take on, especially given the fact that almost all of my office's cases are contingent in nature. I  
3 simply cannot take on every meritorious action that comes through our door and the commitment  
4 to take on one class action case such as this means passing on another case. I can say that there  
5 have been several cases that I have not agreed to take on due to my case load.

6 **SETTLEMENT ADMINISTRATION EXPENSES**

7 21. The Settlement Administration expenses from Kroll Settlement Administration,  
8 LLC are not to exceed \$1,200,000. Based on my experience as well as my review of other data  
9 breach settlements, this amount is fair and reasonable given the size of the class, the scope of the  
10 notice program, and the need to review and verify the claims submitted by Class Members.

11 **SECURITY HARDENING MEASURES**

12 22. One of the benefits from the filing of this lawsuit has been UKG's commitment to  
13 improve its security measures for the KPC cloud which was compromised. In particular, UKG  
14 committed to: expanding the scanning and monitoring program using insight from its  
15 investigation; supplementing UKG's Security Operations Center monitoring with additional third-  
16 party managed service monitoring; deploying additional malware scanning tools across all  
17 products and UKG's corporate IT environment; and expanding storage backups. The security  
18 hardening measures help ensure similar breaches and disruption of UKG's cloud-based services  
19 (which includes payroll and time keeping applications) do not occur in the future. The cost of these  
20 measures is approximately \$1,500,000.

21 23. I have personally reviewed verified interrogatory responses and documents  
22 produced by UKG in response to a formal document demand which confirms the above security  
23 hardening measures. These interrogatory responses and documents are subject to a protective  
24 order. It is my belief that the security hardening measures are appropriate and were targeted to  
25 address issues which led to the initial breach. I base this conclusion on the fact that the security  
26 hardening measures directly address deficiencies which were uncovered during the investigation  
27 into the causes of the data breach. Documents detailing the investigation into the causes of the data  
28 breach were part of the discovery reviewed by Class Counsel, including myself.



# EXHIBIT 1

## Associate billing rates start climbing again

Average rates going  
back up after stagnation  
brought on by recession

By Kevin Lee  
Daily Journal Staff Writer

Average law firm billing rates are back on the rise after stagnating somewhat in the years following the 2008 financial crisis. But most of the action is taking place in associate billing rates, which jumped 7.5 percent in the first half of this year compared to the same period in 2011, more than twice the average rate increase in partner billing rates nationwide.

Industry experts say the discrepancy appears to be the market correcting itself after firms slashed all associates and froze associates during in 2009 and 2010.

Partner billing rates, by comparison, rose 3.4 percent in the first half of the year compared to the year-earlier period, according to the latest numbers by Value Partners LLC, a Washington, D.C.-based consulting firm.

Value compiled data on the billing rates of approximately 175 law firms through publicly available documents, such as court filings, fee applications and disclosure statements submitted to federal agencies.

Chuck Chandler, a Value cofounder and partner, said this year's rate increases were instituted to offset the lack of rate movement during the recession.

"The associates took the hit after 2008. Some firms held off as much as 10 percent of their associates, delayed hiring new classes and froze compensation," he said. "Naturally, billing rates were slow to increase during that period."

For the first six months of this year, California markets all saw associate rate increases below the national average. Associates in San Francisco and Silicon Valley together claimed the highest average rate increase of the California markets -- 9 percent.

"Northern California has all of the tech media, the technology companies, which creates a lot of dealmaking and IPOs and also good fees and hourly rates," Chandler said.

By comparison, Los Angeles associates saw their rates go up an average of 6.8 percent. In San Diego, associate rates rose 4.2 percent.

Law firms generally increase billing rates each year, according to Shappert, Mullis, Richter & Hampton LLP partner Marc A. Sackel, who manages the firm's Palo Alto office.

"If inflation goes up 3 percent, so do our associate billing rates, because that is what covers rent, lights, computers, telephones, desks," Sackel said. "During those first couple years of this recession, we chose not to."

THE POST 5 -- ASSOCIATE

SAN FRANCISCO DAILY JOURNAL

LAW FIRM

## Average Law Firm Billing Rates

Location	Position	2012	2011	Percent Increase
San Diego	Partner	\$588	\$588	0%
	Associate	\$394	\$378	4.2%
National	Partner	\$750	\$725	3.4%
	Associate	\$495	\$460	7.5%

Source: Voleo 2012 Halftime Report

## Associate billing rates going up

Continued from page 1  
banal our billing rates."

Spiegel declined to provide specific billing rates but said the firm varies its associate rates by practice group and geography. For 2012, the firm raised associate billing rates roughly 3 percent, he said.

James G. Leopold, executive director of the National Association for Law Placement in Washington D.C., said the jump in billing rates results from the overall decrease of associates at law firms, especially at large law firms. Large law firms, which are the biggest employers of junior lawyers, are relying less on partnership-track associates and more on staff lawyers, paralegals and contract lawyers.

NALP data reveals that from 2008 to 2011, large law firms on average hired entry-level associates at an

annual starting salary of \$180,000. Some law firms cut their starting salaries to \$165,000 during that time but not many, Leopold said he thought more firms would follow suit.

"If inflation goes up 3 percent, so do our associate billing rates, because that is what covers rent, lights, computers, telephones, desks."

— Marc A. Spiegel

"What we saw was that law firms reduced their associate class sizes dramatically, but they didn't reduce their pay," Leopold said. "They just

provided many lower jobs."

Some large firms have turned to creating nonpartnership-track staff lawyer positions for new classes of junior lawyers, whose billing rates and compensation are lower than those of partnership-track associates.

Law firms can then calculate or increase the billing rates for the small number of associates on the partnership track, knowing they can turn to their staff lawyers, paralegals or contract lawyers to drive down the cost of legal services for clients.

"I think you'll see that [associates] were in the next couple of years," Leopold said. "It's another way for them to bring the salary structure back down and meet the cost-conscious demand of clients and use people more efficiently."

leopold\_jg@dailyjournal.com

# EXHIBIT 2

**Case: Muller v. UKG, Inc. (10767)**

Id:	10767	Case Status:	Open
Name:	Muller v. UKG, Inc.	Case Assigned To:	Michael S Morrison
Client:	Muller, William	Type:	Litigation
Client Contact:		Billing Method:	Hourly
		Hourly Rate:	Default Rates Apply
		Overtime:	Default Rates Apply
		Payment Due Upon:	Bill regularly
		Created By:	Gustin Y Ham

Description: MSM & EL

**Expenses**

Total Expenses: <b>\$7,095.98</b>							
Type	Desc	Reimburse	Receipt File	User	Date	Cost	Sell Price
Filing Fee	First Legal Network: Inv. 5330093-Subpoena to Produce Documents	Yes	First Legal Inv. #5330093 SDT 5.26.23.pdf	Alicia Billalobos	05/26/2023	\$317.65	\$317.65
Mediation	Stradley Ronon Mediation Invoice \$12,835 (1/3)	Yes		Gustin Ham	10/11/2022	\$4,278.33	\$4,278.33
Mediation	Stradley Ronon Mediation Invoice 8.1.22-Advanced (1/3) 8.26.22	Yes	AMF LT Mediator Encl Check - 8.26.22.pdf	Gustin Ham	08/26/2022	\$2,500.00	\$2,500.00