Filed
March 6, 2026
Clerk of the Court
Superior Court of CA
County of Santa Clara
23CV421632
By: fbryant

SUPERIOR COURT OF CALIFORNIA

COUNTY OF SANTA CLARA

LINKEE FAIR LOBYOC
,
Plaintiff,

vs.

HEADWAY TECHNOLOGIES, INC. D/B/A TDK HEADWAY TECHNOLOGIES, INC.,

Defendants.

Case No. 23CV421632

ORDER RE MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT

The present demurrer came on for hearing before the Honorable Beth McGowen on March 5, 2026 at 1:30 p.m. in Department 22. The matter having been submitted, the court orders as follows:

This is a putative class and representative action arising from alleged wage and hour violations. Plaintiff Linkee Fair Lobyoc ("Plaintiff") alleges that Defendant Headway Technologies, Inc. d/b/a TDK Headway Technologies, Inc. ("Defendant") committed various wage and hour violations.

I. BACKGROUND

According to the allegations of the operative First Amended Complaint ("FAC"), Defendant employed Plaintiff as a non-exempt, hourly-paid employee. (FAC, ¶¶ 18-19.) Plaintiff alleges that Defendant failed to: pay all wages owed (including minimum, rest period, meal period, overtime, and final wages); reimburse employees for necessary business expenses; and provide complete and accurate wage statements.

Plaintiff began this action on August 22, 2023 by filing a class action complaint against Defendant. On February 6, 2025, Plaintiff filed the operative first amended complaint, asserting the following causes of action: (1) unpaid overtime; (2) unpaid meal period premiums; (3) unpaid rest period premiums; (4) unpaid minimum wages; (5) final wages not timely paid; (6) non-compliant wage statements; (7) unreimbursed business expenses; (8) violation of California's Private Attorneys General Act ("PAGA"); and (9) violation of Business & Professions Code section 17200, *et seq*.

The parties have reached a settlement (the "Settlement Agreement"). On September 8, 2025, the Court issued an order granting Plaintiff's motion for preliminary approval of the Settlement Agreement (the "Prior Order"). Now before the Court is Plaintiff's unopposed motion for final approval of the Settlement Agreement.

II. Legal Standard for Settlement Agreements

a. Class Action

Generally, "questions whether a [class action] settlement was fair and reasonable, whether notice to the class was adequate, whether certification of the class was proper, and whether the attorney fee award was proper are matters addressed to the trial court's broad discretion." (*Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 234-235 (*Wershba*), disapproved of on other grounds by *Hernandez v. Restoration Hardware, Inc.* (2018) 4 Cal.5th 260.)

> In determining whether a class settlement is fair, adequate and reasonable, the trial court should consider relevant factors, such as the strength of plaintiffs' case, the risk, expense, complexity and likely duration of further litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the extent of discovery completed and the stage of the proceedings, the experience and views of counsel, the presence of a governmental participant, and the reaction of the class members to the proposed settlement.

(*Wershba, supra*, 91 Cal.App.4th at pp. 244-245, internal citations and quotations omitted.)

In general, the most important factor is the strength of the plaintiffs' case on the merits, balanced against the amount offered in settlement. (See *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 130.) But the trial court is free to engage in a balancing and weighing of factors depending on the circumstances of each case. (*Wershba, supra*, 91 Cal.App.4th at p. 245.) The trial court must examine the "proposed settlement agreement to the extent necessary to reach a reasoned judgment that the agreement is not the product of fraud or overreaching by, or collusion between, the negotiating parties, and that the settlement, taken as a whole, is fair, reasonable and adequate to all concerned." (*Ibid.*, citation and internal quotation marks omitted.)

The burden is on the proponent of the settlement to show that it is fair and reasonable. However, "a presumption of fairness exists where: (1) the settlement is reached through arm's-length bargaining; (2) investigation and discovery are sufficient to allow counsel and the court to act intelligently; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small." (*Wershba, supra*, 91 Cal.App.4th at p. 245, internal citation and quotation marks omitted.)

b. PAGA

Labor Code section 2699, subdivision (l)(2) provides that "[t]he superior court shall review and approve any settlement of any civil action filed pursuant to" PAGA. The Court's review "ensur[es] that any negotiated resolution is fair to those affected." (*Williams v. Superior Court* (2017) 3 Cal.5th 531, 549.) Seventy-five percent of any penalties recovered under PAGA go to the Labor and Workforce Development Agency ("LWDA"), leaving the remaining twenty-five percent for the aggrieved employees. (*Iskanian v. CLS Transportation Los Angeles, LLC* (2014) 59 Cal.4th 348, 380, overruled on other grounds by *Viking River Cruises, Inc. v. Moriana* (2022) 596 U.S. 639.)

Like its review of class action settlements, the Court must "determine independently whether a PAGA settlement is fair and reasonable" to protect "the interests of the public and the LWDA in the enforcement of state labor laws." (*Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, 76-77, overruled on other grounds by *Turrieta v. Lyft* (2024) 16 Cal.5th 664.) It must make this assessment "in view of PAGA's purposes to remediate present labor law violations, deter future ones, and to maximize enforcement of state labor laws." (*Id.* at p. 77; see also *Haralson v. U.S. Aviation Servs. Corp.* (N.D. Cal. 2019) 383 F. Supp. 3d 959, 971 ["when a PAGA claim is settled, the relief provided for under the PAGA [should] be genuine and meaningful, consistent with the underlying purpose of the statute to benefit the public . . ."], quoting LWDA guidance discussed in *O'Connor v. Uber Technologies, Inc.* (N.D. Cal. 2016) 201 F.Supp.3d 1110 (*O'Connor*).)

The settlement must be reasonable considering the potential verdict value. (See *O'Connor, supra,* 201 F.Supp.3d at p. 1135 [rejecting settlement of less than one percent of the potential verdict].) But a permissible settlement may be substantially discounted, given that courts often exercise their discretion to award PAGA penalties below the statutory maximum even where a claim succeeds at trial. (See *Viceral v. Mistras Group, Inc.* (N.D. Cal., Oct. 11, 2016, No. 15-cv-02198-EMC) 2016 WL 5907869, 2016 U.S. Dist. LEXIS 140759, at *20-24.)

III. Discussion

A. Terms and Administration of Settlement

This case has been settled on behalf of the following class:

> [A]ll current and former hourly-paid or non-exempt employees of Defendants within the State of California at anytime during the Class Period [August 22, 2019 through March 24, 2025] and who did not sign an arbitration agreement.

(Prior Order, pp. 5:25-6:2.) The settlement includes a subset group of PAGA Members defined as: "all current and former hourly-paid or non-exempt employees of Defendant within the State of California at any time during the PAGA Period and who did not sign an arbitration agreement." (*Id.* at p. 5:20-22.)

Defendant will pay a gross settlement amount of $989,000. The gross settlement amount includes attorney fees of $346,150; litigation costs of $18,733.60; a PAGA allocation of $75,000, 65 percent of which will be paid to the LWDA and 35 percent of which will be paid to PAGA Employees as individual PAGA payments; $10,000 as a class representative service payment; and settlement administration costs of $10,000. (See Memorandum of Points and Authorities in Support of Final Approval of Class Action Settlement ("MPA"), p. 10:1-4; Prior Order, p. 5:15-

23.) The net settlement amount will be distributed to participating class members on a pro-rata basis. Individual PAGA payments will be distributed according to the number of pay periods worked. Funds associated with checks uncashed after 180 days will be transmitted to the Controller of the State of California to be held as unclaimed property in the name of participating class members and aggrieved employees.

In exchange for the settlement, the class members agree to releasee Defendant, and related entities and persons, from:

> [A]ll claims that were asserted, or could have been asserted, based on the allegations set forth in the Operative Complaint arising at any time during the Class Period. This includes, but is not limited to, claims for: (a) failure to pay overtime and minimum wages; (b) failure to pay all regular rate wages due (including sick leave pay); (c) failure to provide meal and rest periods and associated premium payments; (d) untimely payment of wages during employment and upon termination; (e) inaccurate wage statements; (f) failure to maintain complete and accurate payroll records; (g) failure to keep payroll records in a central location; (h) failure to reimburse for necessary business expenses; (i) unfair business practices stemming from these alleged Labor Code violations; (j) any and all claims arising out of alleged violations of the Labor Code, including sections 201, 201.3, 201.5, 201.6, 201.8, 201.9, 202, 203, 204, 205.5, 210, 218.5, 218.6, 221, 226, 226.3, 226.7, 227.3, 229, 245-249, 510, 512, 551, 552, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 1776, 2800-2802, Code of Regulations Title 8 section 11040, and the applicable Industrial Welfare Commission Wage Orders, (l) interest; (m) attorneys' fees and costs; and (n) any other claims arising out of, or related to, the Operative Complaint. Except as provided in section 8, subdivision c, pertaining to Plaintiff, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

(Declaration of Douglas Han in Support of Motion for Preliminary Approval of Class Action Settlement ("Han Preliminary Approval Decl."), Ex. 2 at pp. 3, 4.) PAGA Members agree to release Defendant, and related entities and persons, from:

> [A]ll claims that were asserted, or could have been asserted, based on the allegations set forth in the Operative Complaint and written notice to the LWDA arising at any time during the PAGA Period. These are claims for: (a) failure to pay overtime and minimum wages; (b) failure to pay all regular rate wages due (including sick leave pay); (c) failure to provide meal and rest periods and associated premium payments; (d) untimely payment of wages during employment and upon termination; (e) inaccurate wage statements; (f) failure to

> maintain complete and accurate payroll records; (g) failure to keep payroll records in a central location; (h) failure to reimburse for necessary business expenses; and (i) penalties under PAGA. The Released PAGA Claims includes violations of Labor Code 201, 202, 203, 204, 218.5, 221, 226, 226.3, 226.7, 229, 246, 510, 512, 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1198, 2800, and 2802, and the Industrial Welfare Commission Wage Orders.

(*Id.* at p. 4.) The release provisions are appropriately tailored to the factual allegations of the operative pleading. (See *Amaro v. Anaheim Arena Management, LLC* (2021) 69 Cal.App.5th 521, 538.)

The Agreement provides that Apex Class Action, LLC ("Apex") will serve as settlement administrator. On September 22, 2025, Apex received from Defendant class data listing each class member's name and last-known mailing address, among other information. (Declaration of Madely Nava in Support of Motion for Final Approval of Class Action Settlement ("Nava Declaration"), ¶ 6.) On October 8, 2025, Apex mailed class notices to the 382 settlement class members identified in the class data provided by Defendant. (*Id.* at ¶ 7.) Apex received no requests for exclusion or objections to the settlement. (*Id.* at ¶¶ 10-12.) Thus, the Nava Declaration indicates that Apex has not received any substantive objections to the terms of the settlement agreement now before the Court. Apex estimates that the average class settlement payment will be approximately $1,385.12 and the highest is $1,986.30. (*Id.* at ¶ 15.) The notice process has now been completed.

At preliminary approval, the Court found the settlement to be fair and reasonable. Given that there are no substantive objections to the terms of the settlement, it finds no reason to deviate from that finding now. Accordingly, the Court finds that the settlement is fair and reasonable for purposes of final approval.

B. Enhancement Awards, Attorney Fees and Costs

> The rationale for making enhancement or incentive awards to named plaintiffs is that they should be compensated for the expense or risk they have incurred in conferring a benefit on other members of the class. An incentive award is appropriate if it is necessary to induce an individual to participate in the suit. Criteria courts may consider in determining whether to make an incentive award include: 1) the risk to the class representative in commencing suit, both financial and otherwise; 2) the notoriety and personal difficulties encountered by the class representative; 3) the amount of time and effort spent by the class representative;

> 4) the duration of the litigation and; 5) the personal benefit (or lack thereof) enjoyed by the class representative as a result of the litigation. These "incentive awards" to class representatives must not be disproportionate to the amount of time and energy expended in pursuit of the lawsuit.

(*Cellphone Termination Fee Cases* (2010) 186 Cal.App.4th 1380, 1394-1395, internal punctuation and citations omitted.)

Plaintiff requests a service award of $10,000. Plaintiff asserts this amount is for "time and effort [spent] in locating and producing relevant documents and past employment records, reviewing relevant documents with Class Counsel, and providing facts and evidence necessary to prove the allegations." (MPA, p. 25:7-9.) Plaintiff has provided a declaration describing Plaintiff's participation in this action, which has included gathering documents and communicating with counsel. (See Declaration of Linkee Fair Lobyoc, ¶ 5.) Plaintiff estimates that Plaintiff spent over 30 hours working on this lawsuit. (*Ibid.*) The Court agrees that a service award is warranted and approves a service award to Plaintiff in the amount of $10,000.

Plaintiff's counsel seeks an attorney fee award of $346,150. (MPA, p. 9:26; Declaration of Douglas Han in Support of Motion for Final Approval of Class Action and PAGA Settlement ("Han Decl."), ¶ 8.) Plaintiff's counsel submits that the lodestar of fees incurred in this action is $256,560 based on a total of 330.5 hours billed at rates ranging from $900 to $500 per hour. (*Id.* at ¶ 11.) This results in a multiplier of 1.35, which is within the range of multipliers that courts typically approve. (See *Wershba, supra,* 91 Cal.App.4th at p. 255 ["[m]ultipliers can range from 2 to 4 or even higher"]; *Vizcaino v. Microsoft Corp.* (9th Cir. 2002) 290 F.3d 1043, 1051, fn. 6 [stating that multipliers ranging from one to four are typical in common fund cases].)

The benefits achieved by the settlement justify an award of attorney fees to class counsel. The court finds that the requested attorney fee award is reasonable as a percentage of the common fund and approves an attorney fee award in the requested amount.

Plaintiff's counsel requests reimbursement of litigation costs in the amount of $18,733.60 and presents an itemized list supporting that figure. (Han Decl., ¶ 23, Ex. 6.) The court finds the cost reimbursement request to be reasonable and therefore approves an award of litigation costs in the requested amount. The settlement administration costs are also approved in the requested amount of $10,000. (See Nava Decl., ¶ 17, Ex. B.)

C. Conclusion

The motion for final approval of the settlement is GRANTED.

A compliance hearing is set for November 5, 2026 at 1:30 p.m. in Department 22.

Plaintiff shall prepare the order in accordance with California Rules of Court, rule 3.1312.

Dated: 3/5/26

Hon. Beth McGowen
Judge of the Superior Court

PROOF OF SERVICE
1013A(3) CCP

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 751 N. Fair Oaks Avenue, Suite 101, Pasadena, CA 91103 and my electronic service address is ccastro@justicelawcorp.com

On March 23, 2026, I served the foregoing document described as

ORDER RE MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT

for the following case:	**Linkee Fair Lobyoc v. Headway Technologies, Inc. d/b/a TDK Headway Technologies, Inc.**
LWDA/Court Case No.:	**LWDA Case No.: CM-1076314-25** **Court Case No.: 23CV421632** **Santa Clara County Superior Court**

on interested parties in this action by electronically submitting as follows:

State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, California 95814

[X] BY ELECTRONIC SUBMISSION
Pursuant to California Senate Bill No. 836, I caused the documents described above to be electronically submitted by and through the procedure stated on the website of the State of California Labor and Workforce Development Agency.

[X] STATE
I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on March 23, 2026, at Pasadena, California.

Christina Castro