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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

DEVAN WATSON and SEDATE
PHILEMON, individuals, on behalf of
themselves and on behalf of all persons
similarly situated,

Plaintiff,

vs.

SAN DIEGO DIALYSIS SERVICES, INC., a
Corporation; and DOES 1 through 50,
inclusive,

Defendants.

CASE NO.: **37-2024-00002851-CU-OE-CTL**

**[PROPOSED] FINAL APPROVAL
ORDER AND JUDGMENT**

Hearing Date: November 14, 2025

Hearing Time: 10:15 a.m.

Judge: Hon. Wendy M. Behan

Dept.: 66

Date Action Filed: January 22, 2024

Trial Date: Not set

1 The motion of Plaintiffs Devan Watson and Sadate Philemon (“Plaintiffs”) for an order
2 finally approving the Class Action and PAGA Settlement Agreement (“Agreement”) with
3 Defendant San Diego Dialysis Services, Inc. (“Defendant”) and for an award of attorneys’ fees
4 and costs, service payments, and the fees of the Administrator duly came on for hearing on
5 November 14, 2025 before the Honorable Wendy M. Behan.

6 **I.**

7 **FINDINGS**

8 Based on the oral and written argument and evidence presented in connection with the
9 motion, the Court makes the following findings:

- 10 1. All terms used herein shall have the same meaning as defined in the Agreement.
- 11 2. This Court has jurisdiction over the subject matter of this litigation pending before
12 the California Superior Court for the County of San Diego, and over all Parties to this litigation,
13 including the Class.
- 14 3. Based on a review of the papers submitted by Plaintiff and a review of the
15 applicable law, the Court finds that the Gross Settlement Amount of One Million Five Hundred
16 Thousand Dollars (\$1,500,000) and the terms set forth in the Agreement are fair, reasonable, and
17 adequate.
- 18 4. The Court further finds that the Settlement was the result of arm’s length
19 negotiations conducted after Class Counsel had adequately investigated the claims and became
20 familiar with the strengths and weaknesses of those claims. In particular, the amount of the
21 Settlement, the significant risks relating to certification, liability, and damages issues, and the
22 assistance of an experienced mediator in the settlement process, among other factors, support the
23 Court’s conclusion that the Settlement is fair, reasonable, and adequate.

24 **Preliminary Approval of the Settlement**

- 25 5. On June 27, 2025, the Court granted preliminary approval of the Settlement. At
26 this same time, the Court approved conditional certification of the Class for settlement purposes
27 only.

wage and hour class actions, and a subsequent half-day mediation before Mr. Rotman. There has been no collusion between the parties in reaching the proposed settlement.

b. Plaintiffs' investigation and discovery have been sufficient to allow the Court and counsel to act intelligently.

c. Counsel for both parties are experienced in similar employment class action litigation. All counsel recommended approval of the Agreement.

d. The percentage of objectors and requests for exclusion is small. No objections were received. No requests for exclusion were received.

e. The participation rate was high. 855 Participating Class Members will be mailed a settlement payment, representing 100% of the overall Class.

9. The consideration to be given to the Class Members under the terms of the Agreement is fair, reasonable and adequate considering the strengths and weaknesses of the claims asserted in this action and is fair, reasonable and adequate compensation for the release of Class Members' claims, given the uncertainties and significant risks of the litigation and the delays which would ensue from continued prosecution of the action.

10. The Agreement is approved as fair, adequate and reasonable and in the best interests of the Class Members.

Attorneys' Fees and Costs

11. An award of \$500,000 for attorneys' fees, representing one-third of the Gross Settlement Amount, and \$42,144.64 for litigation costs and expenses, is reasonable, in light of the contingent nature of Class Counsel's fee, the hours worked by Class Counsel, and the results achieved by Class Counsel. The requested awards have been supported by Class Counsel's lodestar and billing statement.

Class Representative Service Payments

12. The Agreement provides for a Class Representative Service Payments of not more than \$10,000 each to the Plaintiffs, subject to the Court's approval. The Court finds that Class Representative Service Payments in the amount of \$10,000 each to the Plaintiffs are reasonable in

1 light of the risks and burdens undertaken by the Plaintiffs in the litigation and for their time and
2 effort in bringing and prosecuting this matter on behalf of the Class.

3 **Administration Expenses Payment**

4 13. The Administrator shall calculate and administer the payment to be made to the
5 Participating Class Members in the manner set forth in the Agreement, transmit payment for
6 attorneys' fees and costs to Class Counsel, transmit the Class Representative Service Payments to
7 the Plaintiffs, distribute the PAGA Penalties, issue any required tax reporting forms, calculate
8 withholdings and perform the other remaining duties set forth in the Agreement. The
9 Administrator has documented \$12,550 in fees and expenses, and this amount is reasonable in
10 light of the work performed by the Administrator.

11 **PAGA Penalties**

12 14. The Agreement provides for PAGA Penalties out of the Gross Settlement Amount
13 of \$30,000, which shall be allocated with 75% (\$22,500) allocated to the LWDA PAGA Payment
14 and 25% (\$7,500) allocated to the Individual PAGA Payments to be distributed to the Aggrieved
15 Employees. The Administrator will calculate each Individual PAGA Payment by (a) dividing the
16 amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$7,500) by the total number
17 of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b)
18 multiplying the result by each Aggrieved Employee's PAGA Pay Periods. "Aggrieved
19 Employees" are all individuals who are or previously were employed by Defendant in California
20 and classified as non-exempt at any time during the PAGA Period (October 23, 2022 through
21 October 7, 2024). The Court finds the PAGA Penalties to be reasonable. All Aggrieved
22 Employees will be sent their share of the PAGA Penalties and will be subject to the release of the
23 Released PAGA Claims as set forth below, whether or not they opt out of the Settlement.

24 **II.**

25 **ORDERS**

26 Based on the foregoing findings, and good cause appearing, IT IS HEREBY ORDERED:
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1 15. The certification of the Class for the purposes of settlement is confirmed. The
2 Class is defined as follows:

3 All individuals who are or previously were employed by Defendant in California
4 and classified as non-exempt at any time during the Class Period (November 7,
2019 through October 7, 2024).

5 16. All persons who meet the foregoing definition are members of the Class, except for
6 those individuals who filed a valid request for exclusion (“opt out”) from the Class. There were
7 no individuals who requested exclusion.

8 17. The Agreement is hereby finally approved as fair, reasonable, adequate, and in the
9 best interest of the Class. Defendant shall fund the Gross Settlement Amount and the amount
10 necessary to pay Defendant’s share of payroll taxes thereon within fourteen (14) days of the
11 Effective Date.

12 18. Class Counsel are awarded attorneys’ fees in the amount of \$500,000 and costs in
13 the amount of \$42,144.64. Class Counsel shall not seek or obtain any other compensation or
14 reimbursement from Defendant, Plaintiffs or members of the Class.

15 19. The payment of the Class Representative Service Payments in the amount of
16 \$10,000 each to the Plaintiffs is approved.

17 20. The payment of \$12,550 to the Administrator for their fees and expenses is
18 approved.

19 21. The PAGA Penalties in the amount of \$30,000 are approved and shall be allocated
20 in accordance with the Agreement.

21 22. The Agreement and this Settlement are not an admission by Defendant, nor is this
22 Final Approval Order and Judgment a finding, of the validity of any claims in the Action or of any
23 wrongdoing by Defendant or that this Action is appropriate for class treatment (other than for
24 settlement purposes). Neither this Final Approval Order and Judgment, the Agreement, nor any
25 document referred to herein, nor any action taken to carry out the Agreement is, may be construed
26 as, or may be used as an admission by or against Defendant of any fault, wrongdoing or liability
27 whatsoever. Defendant has denied that it has done anything wrong and disputes all the claims in
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1 this Action. The entering into or carrying out of the Agreement, and any negotiations or
2 proceedings related thereto, shall not in any event be construed as, or deemed to be evidence of, an
3 admission or concession with regard to the denials or defenses by Defendant. Notwithstanding
4 these restrictions, Defendant may file in the Action or in any other proceeding this Final Approval
5 Order and Judgment, the Agreement, or any other papers and records on file in the Action as
6 evidence of the Settlement to support a defense of res judicata, collateral estoppel, release, or other
7 theory of claim or issue preclusion or similar defense as to the Released Class Claims and/or the
8 Released PAGA Claims.

9 23. Notice of entry of this Final Approval Order and Judgment shall be given to all
10 Parties by Class Counsel on behalf of Plaintiff and all Class Members. The Final Approval Order
11 and Judgment shall be posted on Class Counsel's website as set forth in the Class Notice to the
12 Class. It shall not be necessary to send notice of entry of this Final Approval Order and Judgment
13 to individual Class Members. Plaintiff shall serve this Final Approval Order and Judgment on the
14 LWDA.

15 24. If the Agreement does not become final and effective in accordance with the terms
16 of the Agreement, then this Final Approval Order and Judgment, and all orders entered in
17 connection herewith, shall be rendered null and void and shall be vacated, and the Parties shall
18 revert to their respective positions as of before entering into the Agreement, and expressly reserve
19 their respective rights regarding the prosecution and defense of this Action, including all available
20 defenses and affirmative defenses, and arguments that any claim in the Action could not be
21 certified as a class action and/or managed as a representative action.

22 **IT IS HEREBY ORDERED, ADJUDICATED AND DECREED THAT:**

23 25. Except as set forth in the Agreement and this Final Approval Order and Judgment,
24 Plaintiff, and all members of the Class, shall take nothing in the Action.

25 26. Pursuant to California Code of Civil Procedure section 664.6, the Court shall retain
26 jurisdiction to construe, interpret, implement and enforce the Agreement, to hear and resolve any
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1 contested challenge to a claim for settlement benefits, and to supervise and adjudicate any dispute
2 arising from or in connection with the distribution of settlement benefits.

3 27. The Parties are authorized to agree to and to adopt such amendments, modifications
4 and expansions of the Agreement and all exhibits attached thereto which are consistent with this
5 Final Approval Order and Judgment and as approved by the Court.

6 28. Each party shall bear its own attorneys' fees and costs, except as otherwise
7 provided in the Agreement and in this Final Approval Order and Judgment.

8 29. Effective on the date when Defendant fully funds the entire Gross Settlement
9 Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class
10 Payments, all Participating Class Members, on behalf of themselves and their respective former
11 and present representatives, agents, attorneys, heirs, administrators, successors, and assigns,
12 release Released Parties from the Released Class Claims. The "Released Class Claims" are all
13 claims that were alleged, or reasonably could have been alleged, based on the facts stated in the
14 Operative Complaint which occurred during the Class Period during employment in a non-exempt
15 position in California, including (a) failure to pay minimum wages under California Labor Code §§
16 1194, 1197, and 1197.1; (b) failure to pay all overtime wages under California Labor Code § 510;
17 (c) failure to provide meal periods under California Labor Code §§ 226.7 and 512; (d) failure to
18 authorize and permit rest periods under California Labor Code §§ 226.7 and 512; (e) failure to
19 provide all sick pay/paid time off wages under California Labor Code §§ 201-203, 233, and 246; (f)
20 failure to provide accurate itemized employee wage statements under California Labor Code § 226;
21 (g) failure to pay all wages when due under California Labor Code §§ 201-203; (h) failure to
22 reimburse/illegal deductions under California Labor Code § 2802; (i) violation of Unfair
23 Competition Law, California Business & Professions Code § 17200; and (j) any claims based on
24 claims that were alleged, or reasonably could have been alleged, based on the facts stated in the
25 Operative Complaint, and brought under California Labor Code §§ 2698, *et seq.* Except as
26 expressly set forth in the Agreement, Participating Class Members do not release any other claims,
27 including claims for vested benefits, wrongful termination, violation of the Fair Employment and
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1 Housing Act, unemployment insurance, disability, social security, workers' compensation, or
2 claims based on facts occurring outside the Class Period

3 30. "Released Parties" are defined as: Defendant and each of its former and present
4 directors, officers, shareholders, owners, parent entities, attorneys, agents, insurers, predecessors,
5 successors, assigns, and subsidiaries.

6 31. Effective on the date when Defendant fully funds the entire Gross Settlement
7 Amount and funds all Aggrieved Employees and the LWDA are deemed to release, on behalf of
8 themselves and their respective former and present representatives, agents, attorneys, heirs,
9 administrators, successors, and assigns, the Released Parties from the Released PAGA Claims.
10 The "Released PAGA Claims" are all claims for PAGA penalties that were alleged, or reasonably
11 could have been alleged, based on the facts stated in the Operative Complaint and the PAGA
12 Notice, which occurred during the PAGA Period during employment in a nonexempt position in
13 California. The Released PAGA Claims do not include other PAGA claims, underlying wage and
14 hour claims, claims for wrongful termination, discrimination, unemployment insurance, disability
15 and worker's compensation, and claims outside of the PAGA Period.

16 32. As of the Effective Date and upon full funding of the Gross Settlement Amount by
17 Defendant, Plaintiffs release and discharge the Defendant and the Released Parties as to the
18 Plaintiffs' Release, as set forth fully in paragraph 6.1 of the Agreement.

19 **LET JUDGMENT BE FORTHWITH ENTERED ACCORDINGLY. IT IS SO ORDERED.**

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21 Dated: _____

22 _____
23 HON. WENDY M. BEHAN
24 JUDGE, SUPERIOR COURT OF CALIFORNIA
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