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County of Santa Clara
21CV375211
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SUPERIOR COURT OF CALIFORNIA

COUNTY OF SANTA CLARA

BUDDY SIMS and THADDEUS PHILYAW, individually, and on behalf other members of the general public similarly situated; and ERNESTO ORTIZ, on behalf of the State of California and Aggrieved Employees; Plaintiffs, v. MASS PRECISION, INC., a California corporation; and DOES 1 through 100, inclusive, Defendants.	Case No. 21CV375211 ORDER ON SUBMITTED MATTER **ORDER GRANTING PLAINTIFFS' MOTION FOR FINAL APPROVAL OF CLASS AND PAGA SETTLEMENT**

This is a putative class and Private Attorneys General Act ("PAGA") action. Plaintiffs Buddy Sims, Thaddeus Philyaw, and Ernesto Ortiz (collectively, "Plaintiffs") allege defendant Mass Precision, Inc. committed various wage and hour violations.

Before the Court is Plaintiffs' motion for final approval of settlement, which is unopposed. As discussed below, the Court GRANTS Plaintiffs' motion.

I. BACKGROUND

According to the allegations of the operative second amended complaint ("SAC"), Plaintiffs were employed by Defendants as hourly-paid non-exempt employees as follows: (1) Plaintiff Sims was employed from approximately May 2018 through October 2019; (2) Plaintiff

Philyaw was employed from approximately June 2019 through November 2021; and (3) Plaintiff Ortiz was employed from August 2021 to May 2024. (SAC, ¶¶ 16-18.)

Plaintiffs allege that Defendants failed to: pay overtime wages; provide meal and rest periods; pay minimum wages for all hours worked; pay all wages owed upon discharge; provide complete or accurate wage statements; keep complete or accurate payroll records; and reimburse for all necessary business-related expenses.

This action was initiated on January 13, 2021, by plaintiff Alicia Zamora. On June 22, 2022, the Court entered its order which dismissed Plaintiff Zamora from this action and ordered the substitution of the named plaintiff. On July 15, 2022, Plaintiff Sims filed the first amended complaint which asserted the following causes of action: (1) violation of California Labor Code §§ 510 and 1198 (unpaid overtime); (2) violation of California Labor Code §§ 226.7 and 512, subdivision (a) (unpaid meal period premiums); (3) violation of California Labor Code § 226.7 (unpaid rest period premiums); (4) violation of California Labor Code §§ 1194, 1197, 1197.1 (unpaid minimum wages); (5) violation of California Labor Code §§ 201-202 (final wages not timely paid); (6) violation of California Labor Code § 204 (wages not timely paid during employment); (7) violation of California Labor Code § 226, subdivision (a) (non-compliant wage statements); (8) violation of California Labor Code § 1174, subdivision (d) (failure to keep requisite payroll records); (9) violation of California Labor Code §§ 2800 and 2802 (unreimbursed business expenses); and (10) violation of California Business & Professions Code §§ 17200, *et seq.*

On July 9, 2025, Plaintiffs filed the operative SAC, which asserts the following causes of action: (1) violation of California Labor Code §§ 510, 1194, and 1198 (unpaid overtime); (2) violation of California Labor Code §§ 226.7 and 512 and IWC Wage Orders (unpaid meal period premiums); (3) violation of California Labor Code §§ 226.7 and 512 (unpaid rest period premiums); (4) violation of California Labor Code §§ 1194, 1197, 1197.1 (unpaid minimum wages); (5) violation of California Labor Code §§ 201-203 (final wages not timely paid); (6) violation of California Labor Code § 204 (wages not timely paid during employment); (7) violation of California Labor Code § 226, subdivision (a) (non-compliant wage statements); (8)

violation of California Labor Code § 1174, subdivision (d) (failure to keep requisite payroll records); (9) violation of California Labor Code §§ 2800 and 2802 (unreimbursed business expenses); (10) for payment of wages in a non-labor code compliant instrument as required by California Labor Code § 212-213; (11) violation of California Business & Professions Code §§ 17200, *et seq.*; (12) penalties pursuant to California Labor Code § 2699, subdivision (a); and (13) penalties pursuant to California Labor Code § 2699, subdivision (f).

On October 31, 2025, the Court (Hon. Adams) issued its order (the "Order") granting Plaintiffs' motion for preliminary approval.

Plaintiffs now seek an order finally approving: the proposed Class Action and PAGA Settlement (the "Settlement"); Plaintiffs Sims and Philyaw as Class representatives and Plaintiff Ortiz as PAGA representative; Plaintiffs' service awards; PAGA payments; attorneys' fees and litigation costs; payment to Phoenix Class Action Administration Solutions ("Phoenix"); and entering final judgment.

II. MOTION FOR FINAL APPROVAL

A. Legal Standard

i. 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 (*Kullar*).) But the trial court is free to engage in a balancing and weighing of relevant 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 trial court also must independently confirm that "the consideration being received for the release of the class members' claims is reasonable in light of the strengths and weaknesses of the claims and the risks of the particular litigation." (*Kullar, supra*, 168 Cal.App.4th at p. 129.) Of course, before performing its analysis the trial court must be "provided with basic information about the nature and magnitude of the claims in question and the basis for concluding that the consideration being paid for the release of those claims represents a reasonable compromise." (*Id.* at pp. 130, 133.)

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, 2022 U.S. LEXIS 2940.)

Similar to 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.) 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 in light of 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, at *8–9.)

C. Terms and Administration of Settlement

The non-reversionary gross settlement amount is $1,950,000. Attorneys' fees not to exceed 35%, which is approximately $682,500, litigation costs of up to $43,966.59, and administration costs of $16,000. $100,000 will be allocated to PAGA penalties, 65% ($65,000) of which will be paid to the LWDA, with the remaining 35% will be dispensed to "Aggrieved Employees" who are defined as "all current and former hourly, non-exempt employees who worked for Defendant in California any time during the PAGA Period."[1] Plaintiffs will seek class representative service awards for $10,000 each-totaling $30,000.

The net settlement amount—estimated to be $1,077,533.41—will be allocated to members of the "Class" who are defined as "all current and former hourly, non-exempt

[1] "PAGA Period" is defined as "any time between December 17, 2023 through the date of preliminary approval."

employees who worked for Defendant any time during the Class Period."[2] The average individual settlement payment will be $866.18. For tax purposes, 20% of each individual settlement payment will be allocated as wages and 80% will be allocated as interests and penalties. Defendant will pay payroll taxes separate from the Settlement. Funds associated with uncashed checks after 180 days will be transmitted to Legal Services for Children, Inc. and Law Foundation of Silicon Valley.

In exchange for settlement, Class Members who do not opt out will release:

> [A]ll claims arising between June 18, 2017 and May 3, 2025 or the date of Preliminary Approval, whichever is earlier, inclusive, under state, federal, or local law, arising out of the facts pleaded in the operative Second Amended Complaint filed in this Action (including, but not limited to: claims for violation of Labor Code sections 201-204, 226, 226.7, 510-512, 1174, 1174.1, 1182.11, 1182.12, 1194, 1197, 1197.1, 1198, and 2699, *et seq.* and Business and Professions Code § 17200 *et seq.* and claims based on alleged violations of these Labor Code provisions) and all other claims, such as those under the California Labor Code, Wage Orders, regulations, and/or other provisions of law, that were or could have been pleaded based on the facts asserted in the Action, including: (1) failure to pay for all hours worked; (2) failure to pay minimum wages; (3) failure to pay overtime wages; (4) failure to authorize and permit and/or make available meal and rest periods; (5) failure to provide timely and accurate itemized wage statements; (6) waiting time penalties; and (7) unlawful business practices.

Aggrieved Employees, who consistent with the statute will not be able to opt out of the PAGA portion of the settlement, will release:

> [A]ll claims asserted in the PAGA Notice and as alleged in the Second Amended Complaint filed in this Action for PAGA civil penalties pursuant to Labor Code sections 2699, et seq. in connection with alleged violations of Labor Code

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[2] "Class Period" is defined as "any time between June 18, 2017 and May 3, 2025 or the preliminary approval date, whichever is earlier."

sections 201-203, 204, 226, 226.7, 510, 1182.12, 1174, 1194, 1197, 1198, and 2802.

The notice period has now been completed. Mayra Gonzalez ("Gonzalez"), a case manager with settlement administrator Phoenix, submitted a declaration in support of the instant motion. Gonzalez states that on December 15, 2025, Phoenix received the Class data file from defense counsel, which contained the information for 1,260 Class Members. On January 15, 2026, Phoenix conducted a search using the National Change of Address Database. On January 15, 2026, Phoenix mailed and e-mailed the notice to 1,260 Class Members. On April 1, 2026, Phoenix was notified that 16 exempt employees had been mistakenly including in the Class list. Those employees were subsequently excluded, and their credited workweeks were removed from the calculations. Thus, there are 1,244 Class Members. Phoenix did not receive any returned notices.

The deadline to respond was March 16, 2026. As of the date of Gonzalez's declaration, Phoenix received 1 request for exclusion, 0 objections, and 0 workweek disputes. Consequently, there is a participation rate of 99.92%. The average individual payment will be $866.88, the highest will be $3,236.55, and the lowest will be $1.10. The average PAGA payment will be $90.21, the highest will be $112.75, and the lowest will be $0.35.

The Settlement provides for administrative costs up to $16,000. Gonzalez's declaration supports the request. The amount is reasonable and therefore, it is approved.

At the preliminary approval, the Court found that the proposed settlement provides a fair and reasonable compromise to Plaintiffs' claims. It finds no reason to depart from these findings now, especially considering that there are no objections. Therefore, the Court finds that the settlement is fair and reasonable for the purposes of final approval.

D. Attorneys' Fees, Litigation Costs, and Plaintiffs' Service Award

Class Counsel seeks a fee award of $682,500, or 35% of the gross settlement amount, which is not an uncommon contingency fee in a wage and hour class action. Class Counsel provides a lodestar figure of $667,436.00, based on 894 hours of work at billing rates ranging from $385 to $1,350, resulting in a multiplier of 1.02, 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 and citing the court's own survey of large settlements funding a range of 0.6-19.6, with most (20 to 24, or 83%) from 1.0-4.0 and a bare majority (13 of 24, or 54%) in the 1.5-3.0 range"].)

"While the percentage method has been generally approved in common fund cases, courts have sought to ensure the percentage fee is reasonable by refining the choice of a percentage or by checking the percentage result against the lodestar-multiplier calculation." (*Laffitte v. Robert Half Intern, Inc.* (2016) 1 Cal.5th 480, 495 (*Laffitte*).) Applying the latter approach,

> [T]he percentage-based fee will typically be larger than the lodestar based fee. Assuming that one expects rough parity between the results of the percentage method and the lodestar method, the difference between the two computed fees will be attributable solely to a multiplier that has yet to be applied. Stated another way, the ratio of the percentage-based fee to the lodestar-based fee implies a multiplier, and that implied multiplier can be evaluated for reasonableness. If the implied multiplier is reasonable, then the cross-check confirms the reasonableness of the percentage-based fee; if the implied multiplier is unreasonable, the court should revisit its assumptions.

(*Laffitte, supra,* 1 Cal.5th at p. 496, quoting Walker & Horwich, *The Ethical Imperative of a Lodestar Cross-check: Judicial Misgivings About "Reasonable Percentage" Fees in Common Fund Cases* (2005) 18 Geo. J. Legal Ethics 1453, 1463.) As described by the California Supreme Court, "[i]f the multiplier calculated by means of a lodestar crosscheck is extraordinarily high or low, the trial court should consider whether the percentage used should be adjusted so as to bring the imputed multiplier within a justifiable range, but the court is not necessarily required to make such an adjustment." (*Laffitte, supra,* 1 Cal.5th at 505.)

Here, the multiplier sought by Class Counsel is within the range of modifiers typically approved by courts, is supported by the percentage cross-check as well as the declarations submitted by Class Counsel Ori Edelstein, Yasmin Hosseini, and James Hawkins. Thus, the Court finds Class Counsel's requested fee award is reasonable.

Class Counsel also seek $43,966.59 in litigation costs. This request is supported by Class Counsel's declarations. (See Edelstein Decl., ¶ 71 [$25,587.15]; Hosseini Decl., ¶ 20 [$15,616.01]; Hawkins Decl., ¶ 14, Exh. 1 [$2,763.43].) This amount is reasonable and thus, it is approved.

Plaintiffs request service payment awards of $10,000 each—totaling $30,000.

> 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.) Incentive awards are particularly appropriate where a plaintiff undertakes a significant reputational risk in bringing an action against an employer. (*Covillo v. Specialty's Café* (N.D. Cal. 2014) 2014 U.S.Dist.LEXIS 29837, at *29.)

The Court initially continued the hearing on this motion so Plaintiffs Ortiz and Sims could submit supplemental declarations as requested by the Order. They have since submitted the declarations.

Plaintiff Philyaw states he spent approximately 25-30 hours on this case, which includes: communicating with Class Counsel about the developments of the case; searching for and providing documents and other relevant materials; responding to request for information relating to Plaintiff Philyaw's work experience; preparing for his deposition; and reviewing filings and key documents including drafts of the complaint and the Settlement. (Plaintiff Philyaw's Declaration ("Decl."), ¶ 7.) He further states he considered the personal, professional, and financial risks of participating as a named plaintiff in this action. (Plaintiff Philyaw's Decl., ¶ 8.)

Plaintiff Sims states he spent approximately 20 hours in this litigation, including providing information and documents to Class Counsel; assisting in the development of the case; providing insight as the case progressed; and participating in the settlement discussions. (Plaintiff Sims' Decl., ¶¶ 8-9.)

Plaintiff Ortiz states he spent approximately 10 hours on this litigation, which includes assisting Class Counsel in the development of the case; providing information and documentation to Class Counsel; providing insight as the case progressed; and participating in the settlement discussions. (Plaintiff Ortiz's Decl., ¶¶ 8-9.)

The Court finds that each Plaintiff is entitled to a service award. However, it finds that Plaintiff Ortiz's request is higher than what the Court would usually award for similar efforts, thus, it will adjust his service award. Accordingly, the Court approves $10,000 to Plaintiffs Philyaw and Sims; and it approves $5,000 to Plaintiff Ortiz.

III. CONCLUSION

In accordance with the above, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

Plaintiffs' motion for final approval is GRANTED.

Judgment will be entered through the filing of this order and judgment. (Code Civ. Proc., § 668.5.) Plaintiffs and the members of the Class will take from the operative complaint only the relief set forth in the settlement agreement and this order and judgment. Pursuant to Rule 3.769(h) of the California Rules of Court, the Court will retain jurisdiction over the parties to enforce the terms of the settlement agreement and the final order and judgment.

The Court sets a compliance hearing for **January 28, 2027 at 2:30 P.M**. in Department 22. At least ten court days before the hearing, class counsel and the settlement administrator shall submit a summary accounting of the net settlement fund identifying distributions made as ordered herein; the number and value of any uncashed checks; amounts remitted pursuant to Code of Civil Procedure section 384, subdivision (b); the status of any unresolved issues; and any other matters appropriate to bring to the Court's attention. Counsel shall also submit an amended judgment as described in Code of Civil Procedure section 384, subdivision (b). Counsel may appear at the compliance hearing remotely.

IT IS SO ORDERED.

Date: 6-1-26

BETH McGOWEN
Judge of the Superior Court