SUPERIOR COURT OF CALIFORNIA

COUNTY OF SAN FRANCISCO

JUSTIN LEWIS, an individual, on behalf of himself and all others similarly situated, Plaintiff, v. HERMES OF PARIS, INC., a New York corporation; and DOES 1 through 50, inclusive, Defendants.	Case No. CGC-24-618955 ORDER GRANTING MOTION FOR APPROVAL OF PAGA SETTLEMENT; ORDER DISMISSING REMAINING INDIVIDUAL AND PUTATIVE CLASS CLAIMS

INTRODUCTION AND BACKGROUND

Plaintiff's unopposed motion for approval of his $350,000 PAGA-only settlement with defendant Hermes of Paris, Inc. ("Hermes") and dismissal of class claims came on for hearing on April 1, 2026, at 11:00 a.m. in Department 613, the Honorable Jeffrey S. Ross presiding. Jean Hopkins Power (D.Law, Inc.) appeared for Lewis. Jennifer McDermott (Proskauer Rose LLP) appeared for Hermes. While Lewis commenced this wage-and-hour action as a putative class action and asserted a claim for penalties under the Private Attorneys General Act of 2004, he abandoned the class claims in favor of an individual settlement and a settlement of just the PAGA penalties. Lewis now asks the court to dismiss his wage-and-hour claims with prejudice (causes of action one through twelve), to dismiss the putative class claims without prejudice (causes of action one through twelve), and to approve the PAGA settlement. IT IS HEREBY ORDERED that Lewis's individual claims (causes of action one through twelve) are

DISMISSED WITH PREJUDICE, the putative class claims (causes of action one through twelve) are **DISMISSED WITHOUT PREJUDICE**, and the motion for approval of the amended PAGA settlement Agreement (Sec. Supp. Shkodnik Decl., Ex. 1) is **GRANTED** subject to the following conditions. The court awards attorney's fees in the amount of **$94,228.00** to D.Law, Inc. and authorizes reimbursement of its reasonable litigation expenses in the amount of **$21,731.56.** A compliance hearing is **RESERVED** for **September 11, 2026, at 10:00 a.m.** with a compliance report that confirms and accounts for all disbursements to date due no later than **September 3, 2026**.

LEGAL STANDARD

PAGA settlements are subject to distinct standards for judicial review and approval. (Lab. Code, § 2699, subd. (*l*).) First, "the proposed settlement shall be submitted to [LWDA] at the same time that it is submitted to the court." (Lab. Code, § 2699, subd. (*l*)(2).) Second, under Labor Code section 2699, a court "shall review and approve any settlement of any civil action filed pursuant to [PAGA]." (Lab. Code, § 2699, subd. (*l*)(2).) "In review and approval of a proposed settlement under section 2699, subd. (*l*)(2), a trial court thus must scrutinize whether, in resolving the action, a PAGA plaintiff has adequately represented the state's interests, and hence the public interest." (*Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, 89, disapproved on another ground in *Turrieta v. Lyft, Inc.* (2024) 16 Cal.5th 664.) Although PAGA actions are not class actions—more closely resembling *qui tam* proceedings—courts often review PAGA settlements using the class action criteria of fairness, adequacy, and reasonableness due to the absence of clear statutory, regulatory, or judicial guidance for the standard of review. (*Haralson v. U.S. Aviation Svcs. Corp.* (N.D. Cal. 2019) 383 F.Supp.3d 959, 971–72.) While courts sometimes look to class action jurisprudence on some issues, fees in PAGA-only actions—where aggrieved employees serve as private attorneys general—are properly assessed using the lodestar method. (See generally *Chacon v. Litke* (2010) 181 Cal.App.4th 1234, 1259–60; see also *Serrano v. Priest* (1977) 20 Cal.3d 25, 35–36 ("*Serrano III*").)

DISCUSSION AND CONCLUSIONS

Lewis presents proof of service of the amended settlement agreement on the LWDA (Sec. Supp. Shkodnik Decl., Ex. 4), and the court is persuaded that the settlement is fair and subject to approval. The LWDA did not object to or comment on the settlement after being provided with a copy of each version. The issue is, thus, the amount of attorney's fees and costs that should be allowed.

Lewis requests that his counsel receive one-third of the settlement ($111,666.66) and cites *Laffitte v. Robert Half* (2016) 1 Cal.5th 480, 485–86. Unlike the instant case, *Laffitte* was a class action in which plaintiff secured a common fund for the benefit of the class. This is merely a PAGA case, and Lewis abandoned the class claims. Thus, *Laffitte* is inapposite.

Laffitte stands for the proposition that courts may use a percentage of a common fund to award fees in common fund cases, such as class actions. (*Id.* at p. 486.) Lewis provides no authority—nor has the court found any—that a PAGA settlement creates a common fund. Rather, employees in PAGA cases serve as private attorneys general and, therefore, counsel should be compensated accordingly. (*Serrano III, supra*, 20 Cal.3d at pp. 35–36.)

Laffitte is *not* authority for the proposition that, contrary to *Serrano III*, the percentage method must be used to calculate fees in *PAGA-only cases*. (*Laffitte*, *supra*, 1 Cal.5th at pp. 485–86.) Nor does *Laffitte* support the proposition that, even in class actions that create a common fund, counsel are entitled to a **particular** percentage of the fund in all cases, such as 33 percent. (*Id.* at pp. 495, 499.) Therefore, here, the court applies *Serrano III* and uses a lodestar to calculate fair compensation for PAGA counsel.

Based on the court's review of the evidence presented, the court approves reasonable attorneys' fees in the amount of **$94,228.00.** The court reviewed the billing records in exhibit 4 of Roman Shkodnik's original declaration (filed on January 16, 2026) and is not persuaded that the hourly rates of $1,045, $1,260 and $1,375 are reasonable hourly rates appropriate for the types of work performed. And a positive multiplier is not justified under the circumstances, especially considering the many issues and delays that arose during the approval process. Even accepting that 131.2 hours were properly spent by counsel, the court concludes that a lodestar of $94,228 more appropriately reflects the reasonable value of the legal services rendered to achieve this settlement. Incidentally, this lodestar amount is more than 25 percent of the settlement, which falls within a reasonable range even applying the percentage method as counsel did in their papers.

Next, the court approves the reasonable litigation expenses actually incurred, which total **$21,731.56**. The court does not approve future expenses, including expenses that could have been (but were not) corroborated during the course of supplemental briefing in the amount of $110.48.

Based on the approved deductions above, and accounting for the maximum amount of administrative expenses of $4,750, there is a net settlement amount of **$229,290.44** to be disbursed to the LWDA and aggrieved employees in accordance with the statutory disbursement ratio (65 percent to LWDA and 35 percent to aggrieved employees).

To carry out the terms of the settlement and this order, the court appoints Phoenix Settlement Administrators ("Phoenix") as settlement administrator. Phoenix shall disburse the settlement funds to the LWDA and aggrieved employees, along with the revised notice (Sec. Supp. Shkodnik Decl., Ex. 3), in conformity with the agreement and this order at a cost of no more than $4,750.00.

Lewis shall submit a copy of this order to the LWDA within **5 court days**.

Finally, the court retains jurisdiction over the subject matter of this litigation, Lewis, the aggrieved employees, and Hermes for purposes of the implementation, enforcement, construction, administration, and interpretation of the amended PAGA settlement agreement and this order.

Dated: April 1, 2026

Jeffrey S. Ross

JEFFREY S. ROSS
Judge of the Superior Court

CERTIFICATE OF ELECTRONIC SERVICE
(CCP 1010.6 & CRC 2.251)

I, Sean Kane, a Deputy Clerk of the Superior Court of the County of San Francisco, certify that I am not a party to the within action.

On April 1, 2026, I electronically served the attached document via File & ServeXpress on the recipients designated on the Transaction Receipt located on the File & ServeXpress website.

Dated: April 1, 2026

Brandon E. Riley, Court Executive Officer

By: ______________________________
Sean Kane, Deputy Clerk