

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Civil Division

Central District, Stanley Mosk Courthouse, Department 14

24STCV09298

**SHIRLEY PONCIANO vs SHANTHIMD DERMATOLOGY,
INC., et al.**

December 2, 2025

11:53 AM

Judge: Honorable Cherol J. Nellon
Judicial Assistant: Anita Williams
Courtroom Assistant: L. Worku

CSR: None
ERM: None
Deputy Sheriff: None

APPEARANCES:

For Plaintiff(s): No Appearances

For Defendant(s): No Appearances

NATURE OF PROCEEDINGS: Nunc Pro Tunc Order

It appearing to the Court that through inadvertence and/or clerical error, the minute order of 12/02/2025 in the above-entitled action does not properly reflect the Court's order. At the direction of the Judicial Officer, said minute order is corrected nunc pro tunc as of 12/02/2025, as follows:

By adding:

Case Background

This is an employment discrimination and wrongful termination action.

On April 12, 2024, Plaintiff Shirley Ponciano ("Plaintiff") filed a complaint against Defendants ShantiMD Dermatology, f/k/a SkinStyle Dermatology, Inc., Shanthi Marie Colaco Ahuja, M.D., Dr. Ohara Aivaz, M.D., its business-entity agents Fuller Smiles Dental PLLC d/b/a Fuller Smiles and Fuller Smiles Dental PLLC, d/b/a Zen Dentistry, by and through, Dr. Arshjot Ahuja, DDS, FICOI; and DOES 1 through 100 ("Defendants") for:

1. Discrimination in Violation of the FEHA
2. Retaliation in Violation of the FEHA
3. Failure to Provide Reasonable Accommodation in Violation of the FEHA
4. Failure to Engage in a Good-Faith Interactive Process in Violation of the FEHA
5. Failure to Prevent Discrimination, Harassment, and/or Retaliation in Violation of the FEHA
6. Intentional Infliction of Emotional Distress
7. Failure to Provide Rest Periods in Violation of Labor Code § 226.7
8. Failure to Provide Required Meal Breaks and Missed Meal Period Premiums
9. Failure to Pay Minimum Wages
10. Failure to Pay Overtime Wages
11. Failure to Pay Final Wages
12. Failure to Timely Pay All Wages Earned

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13. Failure to Reimburse Business-Related Expenses
 14. Failure to Produce Accurate, Itemized Wage Records
 15. Violation of California's Unfair Competition Law (Bus. & Prof. Code §§ 17200 et seq.)
 16. Violation of the Private Attorneys General Act (Labor Code §§ 2698 et seq.)
 17. Whistleblower Retaliation (Labor Code § 1102.5)
 18. Wrongful Termination in Violation of Public Policy

Plaintiff alleges she was employed by Defendants and related entities. Plaintiff contends that Defendants terminated her employment while she was on medical leave after requesting disability-related accommodations.

On December 8, 2023, Plaintiff submitted a written PAGA notice to the Labor and Workforce Development Agency ("LWDA") and to Defendants. More than 65 days elapsed without any inquiry or investigation by the LWDA, thereby authorizing Plaintiff to pursue the representative PAGA claims in court.

Plaintiff alleges that Defendants committed multiple Labor Code violations, including failure to provide meal and rest periods, failure to pay minimum and overtime wages, failure to timely pay final wages, failure to reimburse business expenses, and failure to provide accurate, itemized wage statements. Plaintiff further alleges that these violations were systemic and affected other similarly situated employees.

On April 3, 2025, Plaintiff filed a complaint.

On August 13, 2025, Plaintiff filed a notice of conditional settlement with Shanthimd Dermatology, Inc., Fuller Smiles Dental PLLC, and Shanthi Marie Colaco Ahuja,, M.D. et al.

On September 15, 2025, Plaintiff filed a motion for approval of settlement entered into between Plaintiff, acting in capacity as private attorney general for the State of California, and Defendant ShanthiMD Dermatology, Inc.

On September 16, 2025, a request for dismissal against Ohara Aivaz, M.D. was entered.

Instant Pleading

Plaintiff moves for approval of PAGA settlement. Plaintiff requests for entry of an order approving: (1) the terms of the Representative Action Settlement Agreement and Release ("Settlement Agreement") entered into between Plaintiff, acting in capacity as private attorney

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general for the State of California, and Defendant ShanthiMD Dermatology, Inc.; (2) payment of attorneys' fees described in the Settlement Agreement; (3) payment of settlement administrator's costs; (4) payment of the incentive award to Plaintiff; and (5) entering final judgment.

Decision

Plaintiff's motion for approval of the PAGA settlement agreement is GRANTED.

Legal Standard

Labor Code, section 2699 states, in pertinent part, as follows:

“(a) Notwithstanding any other provision of law, any provision of this code that provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency or any of its departments, divisions, commissions, boards, agencies, or employees, for a violation of this code, may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of himself or herself and other current or former employees pursuant to the procedures specified in Section 2699.3...

...

(i) Except as provided in subdivision (j), civil penalties recovered by aggrieved employees shall be distributed as follows: 75 percent to the Labor and Workforce Development Agency for enforcement of labor laws, including the administration of this part, and for education of employers and employees about their rights and responsibilities under this code, to be continuously appropriated to supplement and not supplant the funding to the agency for those purposes; and 25 percent to the aggrieved employees.

...

(1)(1) For cases filed on or after July 1, 2016, the aggrieved employee or representative shall, within 10 days following commencement of a civil action pursuant to this part, provide the Labor and Workforce Development Agency with a file-stamped copy of the complaint that includes the case number assigned by the court.

(2) The superior court shall review and approve any settlement of any civil action filed pursuant to this part. The proposed settlement shall be submitted to the agency at the same time that it is submitted to the court...”

Discussion

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The terms of the proposed settlement are as follows. Defendant agrees to pay a Gross Settlement Amount of \$15,000, which is “all-inclusive” of: (1) PAGA civil penalties payable to the LWDA and Aggrieved Employees; (2) attorneys’ fees up to \$5,000 (33% of the Gross Settlement Amount); (3) a \$1,500 incentive payment to the Representative Plaintiff; and (4) settlement administration costs capped at \$3,500. (Salem Decl., Ex.1., Settlement Agreement ¶ 5(a)–(c).) The Settlement Agreement identifies 13 Aggrieved Employees, all non-exempt employees who worked for Defendant during the settlement period from February 7, 2023 to April 23, 2025, covering 310 pay periods. (Salem Decl., Ex.1., Settlement Agreement ¶ 4.)

After the Court approves the deductions, the remaining funds will form the PAGA Penalties Fund. 75% will be paid to the LWDA and 25% will be distributed to Aggrieved Employees based on their pay periods worked. (Salem Decl., Ex. 1, Settlement Agreement ¶¶ 5(d), 6(b).) The Settlement Agreement narrowly resolves only PAGA civil penalty claims that were or could have been asserted based on the allegations in the LWDA notice and Complaint. (Id. ¶ 8(b).) It does not waive any individual or class Labor Code claims. (Ibid.)

The Settlement Agreement further states that Defendant denies all wrongdoing and denies that the action is manageable as a representative proceeding. (Salem Decl., Ex.1., Settlement ¶ 3.) Parties agreed to settle following mediation before Barry Appell and extensive informal discovery. (Salem Decl. ¶¶ 6, 13–15., Ex. 1., Settlement Agreement ¶ 7–8.) The Notice of Motion confirms that Plaintiff submitted her PAGA notice to the LWDA on December 8, 2023, and served Defendants as required by Labor Code § 2699.3. (Salem Decl. ¶ 7.) The Settlement Agreement and motion for approval were also concurrently submitted to the LWDA pursuant to Labor Code § 2699(1)(2). (Salem Decl. ¶ 8.) The LWDA has not submitted any, which the Court may appropriately view as supporting approval. (Lab. Code § 2699(1)(2).)

The evidence also demonstrates that the Settlement Agreement followed meaningful investigation and arm’s-length negotiations. The Parties participated in a full-day mediation on November 1, 2023, with mediator Barry Appell and continued negotiating for eight months thereafter. (Salem Decl. ¶¶ 6, 13.) Prior to mediation, Defendant produced payroll data, time records, wage statements, personnel records, workplace policies, and a 50% sampling of payroll records. (Salem Decl. ¶ 14.) The Settlement Agreement also confirms that the Parties analyzed legal defenses, damages exposure, and representative manageability. (Salem Decl., Ex.1., Settlement Agreement ¶ 8.) These facts demonstrate a sufficient factual record to evaluate liability and risk.

The Ponciano Declaration establishes that Plaintiff is an adequate PAGA representative. She

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provides detailed accounts of the alleged violations including off-the-clock pre- and post-shift work, interrupted or shortened meal periods, missed rest breaks, unreimbursed expenses, and inaccurate wage statements. (Ponciano Decl. ¶¶ 5–15.) Plaintiff also actively participated in the prosecution and settlement of the case by assisting counsel, providing information for the LWDA notice, participating in mediation, reviewing documents, and preparing declarations. (Ponciano Decl. ¶¶ 16–21.) Plaintiff identifies no conflicts and acknowledges the risks she undertook. (Ponciano Decl. ¶¶ 17, 20.)

The \$15,000 Gross Settlement Amount is reasonable in light of Defendant’s potential exposure and the litigation risks. Using the statutory \$100 penalty per pay period for the 310 pay periods, counsel calculated a maximum non-stacked penalty exposure of \$31,000. (Salem Decl. ¶¶ 38–39; Lab. Code § 2699(f)(2).) Counsel then applied a 50% reduction to account for risks, including judicial discretion to reduce penalties. (Lab. Code § 2699(e)(2); Amaral v. Cintas Corp. (2008) 163 Cal.App.4th 1157, 1209.) After discounting, the realistic exposure was approximately \$15,500. (Salem Decl. ¶ 41.)

The requested \$5,000 in attorneys’ fees, representing one-third of the gross fund, is reasonable. Counsel’s lodestar exceeds \$109,000 for 187.5 hours of work, resulting in a negative multiplier. (Salem Decl. ¶¶ 63–70.) Plaintiff’s requested \$1,500 incentive award is modest and justified by her active involvement and personal risk. Such awards are routinely approved. (Vasquez v. Coast Valley Roofing (2010) 266 F.R.D. 482, 493.)

The Court finds that the proposed PAGA settlement is fair, reasonable, and adequate based on the Parties’ investigation, the risks of continued litigation, and the significant proportion of realistic penalty exposure recovered.

Conclusion

Plaintiff’s motion for approval of the PAGA settlement agreement is GRANTED.

Certificate of Service is attached.