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IN THE SUPERIOR COURT OF CALIFORNIA

IN AND FOR THE COUNTY OF ALAMEDA

SARAH RAD, individually and on behalf of all others similarly situated; and THE CALIFORNIA LABOR AND WORKFORCE DEVELOPMENT AGENCY, a California governmental agency, *ex rel*. SARAH RAD, Plaintiffs, v. SKINSPIRIT ESSENTIAL, LLC, a Washington corporation; and DOES 1-15, inclusive, Defendants.	Case No.: 24CV095295 **MEMORANDUM OF POINTS & AUTHORITIES IN SUPPORT OF MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT** Hearing Date: March 18, 2026 Hearing Time: 1:30 p.m. Reservation: 721050213871 Assigned for all purposes to: Judge Patrick McKinney Department 18 Rene C. Davidson Courthouse 1221 Oak Street Oakland, CA 94612

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I. INTRODUCTION.

Plaintiff Sarah Rad, in her individual capacity, in her capacity as putative class representative, and in her capacity as lawfully delegated representative of the California Labor & Workforce Development Agency, ("Plaintiff"), seeks preliminary approval of a proposed class and representative action settlement with Defendant SkinSpirit Essential, LLC ("Defendant" or "SkinSpirit"), resolving claims arising from Defendant's alleged violations of California wage-and-hour and labor laws. The proposed settlement is the product of extensive investigation, discovery, arm's-length negotiations, and an all-day mediation conducted by an experienced neutral. It provides substantial monetary relief to the Settlement Class and Aggrieved Employees, avoids the significant risks, expense, and delay inherent in continued litigation, and satisfies all applicable standards for preliminary approval.

Under the proposed Settlement, Defendant will pay a non-reversionary gross settlement amount of $490,000, which will fund individual class payments, PAGA penalties, attorney's fees and costs, a service award to the Class Representative, and settlement administration expenses. After deductions approved by the Court, the Net Settlement Amount will be distributed automatically to participating class members based on the number of workweeks worked during the Class Period, without the need to submit claim forms. The Settlement further provides for payment of $47,000 in PAGA penalties, allocated 75% to the LWDA and 25% to Aggrieved Employees.

This Settlement represents a fair, reasonable, and adequate compromise of disputed claims and falls squarely within the range of reasonableness required for preliminary approval. Accordingly, Plaintiff respectfully requests that the Court grant preliminary approval, conditionally certify the Settlement Class, appoint Plaintiff as Class Representative and Aiman-Smith & Marcy as Class Counsel, approve the form and manner of class notice, appoint Atticus Administration as Settlement Administrator, and set a hearing for final approval.

II. FACTUAL AND PROCEDURAL BACKGROUND.

A. Allegations and Claims.

On October 9, 2024, Plaintiff commenced this action by filing a class and representative action Complaint against Defendant in the Superior Court of California, County of Alameda. The Complaint alleges that Defendant engaged in uniform policies and practices that violated multiple provisions of the California Labor Code and Business & Professions Code, including failure to provide compliant meal and rest periods, failure to pay meal and rest period premiums, failure to pay minimum, overtime, and contractual wages (including for off-the-clock work), failure to provide accurate wage statements, failure to timely pay all wages due upon separation, failure to reimburse necessary business expenses (including mandatory cell phone usage), and unfair competition. Plaintiff also asserts representative claims under the Private Attorneys General Act ("PAGA"), Labor Code §§ 2698 et seq.

Plaintiff worked for Defendant as an Assistant Clinic Manager in Oakland, California. She alleges that Defendant maintained staffing models, productivity demands, and operational policies that systematically impeded employees' ability to take compliant meal and rest periods, required off-the-clock work, and mandated the use of personal cell phones without reimbursement. Defendant denies all allegations and maintains that its policies complied with California law.

B. Investigation, Discovery, and Mediation.

Before filing suit, Plaintiff's counsel conducted a substantial factual investigation, including interviews with Plaintiff and a review of available payroll and policy materials. *See,* Declaration of Hallie Von Rock ("Von Rock Dec."), ¶ 9. Following the filing of the Complaint, the Parties engaged in formal and informal discovery, including exchange and analysis of timekeeping data, payroll records, personnel policies. *Id.* ¶ 14. Plaintiff's expert analyzed the timekeeping and payroll data to assist in preparing a damages and PAGA penalties analysis. *Id.* ¶¶ 15-16.

The Parties participated in an all-day mediation on November 3, 2025, before Henry Bongiovi, Esq., a respected mediator with extensive experience in wage-and-hour and class action litigation. The mediation involved extensive briefing, data exchange, and adversarial negotiations. Following consideration of a Mediator's Proposal, the Parties reached agreement on the material terms of a resolution, culminating in the execution of the Memorandum of

Understanding ("MOU") now before the Court. *Id.* ¶¶ 17-19.

The Settlement is the product of informed, arm's-length negotiations by experienced counsel and reflects a reasoned compromise of disputed claims.

III. SUMMARY OF THE PROPOSED SETTLEMENT.

A. Settlement Class and Class Period.

The proposed Settlement Class is defined as:

All non-exempt employees of Defendant working within California at any time during the period October 9, 2020 through Preliminary Approval (the "Class Period").

The PAGA group ("Aggrieved Employees") consists of all non-exempt employees who worked for Defendant in California at any time from June 6, 2023 through Preliminary Approval (the "PAGA Period").

B. Settlement Amount and Allocation.

Defendant has agreed to pay a Gross Settlement Amount of $490,000, non-reversionary and inclusive of all payments, except employer-side payroll taxes, which will be paid separately by Defendant.

The Gross Settlement Amount will be allocated as follows, subject to Court approval:

- Individual Class Payments: Pro rata payments to Participating Class Members based on workweeks worked during the Class Period.
- PAGA Penalties: $47,000, allocated 75% ($35,250) to the LWDA and 25% ($11,750) to Aggrieved Employees.
- Attorney's Fees: 30% of the Gross Settlement Amount ($147,000).
- Litigation Costs: Not to exceed $17,000.
- Class Representative Service Award: $5,000.
- Settlement Administration Expenses: $7,500.

After these deductions, the Net Settlement Amount will be distributed automatically to Participating Class Members. No claim form is required.

C. Settlement Administration.

Subject to the Court's approval, Plaintiff proposes Atticus Administration, LLC

("Atticus") as the Settlement Administrator. Plaintiff's Counsel sought and received bids from multiple settlement administrators. Von Rock Dec. at ¶ 27. The terms of the quotes included sending a postcard notice to approximately 202 Class Members, establishing a website with the full notice and other important documents, maintaining a toll-free number, tax accounting, and sending direct mail checks to class members. *Id.* The administrator with the lowest bid was Atticus Administration ("Atticus"), with a quote of $7,500. Von Rock Dec. at ¶ 28.

Over the last two years, Plaintiff's counsel has successfully worked with Atticus for settlement administration of two PAGA settlements and four class action settlements. Von Rock Dec., ¶ 29. A copy of Atticus' Data Security Information & Privacy Policy is attached as Exhibit 6 to the Von Rock Dec. Atticus maintains insurance with AAA-rated insurance carriers for professional liability and cybersecurity. Von Rock Dec., ¶ 30. It is Atticus' policy to warrant the work performed on all errors and omissions, on all projects, including distribution of funds to class members, without additional charges to their clients. *Id*.

D. The Class Notice.

A copy of the proposed full class notice and postcard notice are attached as Exhibits 2 and 3 to the Von Rock Declaration.

The proposed Notice program is as follows:

No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.

Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the summary Class Notice postcard. A full version of the Class Notice will be available on the Administrator's website for the settlement. The website will be provided on the summary Class Notice postcard. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 45 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

If the Administrator, Defendant or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

The Administrator will also establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the MOU, the Preliminary Approval Order, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval Order and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls and emails.

The Notice also sets forth the individualized information used to calculate Class Members' Individual Settlement Payments and each Class Member's total workweeks. The

Notice likewise details the procedures for Class Members to dispute their individual information, the procedure for submitting an objection to the Settlement, the procedure to request exclusion, and the fact that any final judgment will bind all class members who do not opt out. Cal. Rules of Court 3.769(f) and 3.766(d).

Accordingly, the Notice provides the Class Members with the information necessary to evaluate the Settlement and decide to participate in, opt out of, or object to the proposed Settlement, and meets all requirements imposed by the California Rules of Court. Together with the notice procedure, the Notice provides the best notice practicable. Von Rock Dec., ¶ 32-34.

E. Requests for Exclusion from the Settlement.

The Settlement Administrator shall administer the receipt of any and all requests for exclusion from the Action. Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely postmarked by the Response Deadline. The Settlement Administrator shall provide a list of the names and addresses of each Class Member who submitted a valid exclusion to the Parties no later than 21 court days prior to the Final Hearing. Class Members who request to be excluded from the Settlement shall nevertheless be bound by the release of claims under PAGA.

F. Objections.

Participating Class Members may send written objections to the Administrator by mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 45 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

Any Class Member who does not file a valid and timely objection to the settlement shall be barred from seeking review of the settlement by appeal or otherwise.

G. Challenge to Workweeks.

Each Class Member shall have 45 days after the Administrator mails the Class Notice plus an additional 14 days for Class Members whose Class Notice is re-mailed to challenge the number of Class Workweeks allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge.

H. Release of Claims.

The following release of claims are set forth in the MOU at Paragraphs 16 – 17:

> 16. Released Class Claims: Upon entry of final judgment and funding of the Gross Settlement Amount, the Class Members shall release all class claims alleged in the operative complaint, and any additional wage and hour claims that could have been brought based on the facts alleged in the operative complaint, through the Class Period. This release expressly excludes all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and class claims outside of the Class Period. The Released Claims do not include any claims that cannot be released as a matter of law. The Released Parties shall include Defendant, as well as Defendant's current, former and future predecessors, successors, affiliate entities officers, shareholders, directors, agents, employees, attorneys, and insurers.
>
> Additionally, Plaintiff will fully and finally release and discharge the Released Parties from all claims, rights, demands, liabilities, and causes of action pursuant to California Civil Code § 1542.
>
> 17. Released PAGA Claims: Upon entry of final judgment and funding of the Gross Settlement Amount, the Aggrieved Employees shall release any and all PAGA claims alleged in the operative complaint and Plaintiff's PAGA notice to the LWDA and any additional wage and hour PAGA claims that could have been brought

based on the facts alleged in the notice letter to the LWDA that occurred during the PAGA Period. This release expressly excludes all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and PAGA claims outside of the PAGA Period.

I. Plaintiff's Enhancement Award.

Named plaintiffs in class action litigation are eligible for reasonable service awards. *See Staton v. Boeing Co.*, 327 F.3d 938, 977 (9th Cir. 2003) ("Courts routinely approve incentive awards to compensate named plaintiffs for the services they provided and the risks they incurred during the course of the class action litigation"); *Van Vranken v. Atl. Richfield Co.*, 901 F.Supp. 294, 300 (N.D. Cal. 1995) (named plaintiff received $50,000 for work in class action). Here, Plaintiff devoted time and resources to the litigation, provided documents, assisted Class Counsel with investigating the claims asserted and in preparing for mediation. The service payment provided to Plaintiff as the class representative is typical in class action cases and reasonable. *See, Rodriguez v. W Publ'g Corp.* (9th Cir. 2009) 563 F.3d 948, 958-59 (incentive awards are "intended to compensate class representatives for work done on behalf of the class, to make up for financial or reputational risk undertaken in bringing the action, and, sometimes, to recognize their willingness to act as a private attorney general.").

At final approval, Plaintiff will seek up to Five Thousand Dollars and Zero Cents ($5,000.00) as a service award for her time and efforts as a Representative Plaintiff. This service payment award is in addition to her rights to payments provided in the Settlement for initiating and pursuing the Action and undertaking the risk of liability for attorneys' fees and expenses in the event they were unsuccessful in the prosecution of the Action.

J. Attorney's Fees and Costs.

In their Motion for Final Approval, Class Counsel shall seek an award of attorneys' fees not to exceed One Hundred Forty-Seven Thousand Dollars and Zero Cents ($147,000.00)

(30% of the Gross Settlement Common Fund).[1] This amount will cover all work performed to date and all work to be performed in connection with the approval by the Court of the Settlement and the final conclusion of this Action. Von Rock Dec., ¶ 25. Plaintiff anticipates that ten percent of the attorney's fee award will be held by the settlement administrator until completion of the distribution process and court approval of a final accounting.

Class Counsel will also submit an application for the reimbursement of costs and expenses in an amount not to exceed Seventeen Thousand Dollars and Zero Cents ($17,000.00). This amount will cover all costs and expenses incurred to date or to be incurred. This amount shall come from the Gross Settlement Common Fund. *Id.*

K. Cy Pres.

Plaintiff proposes that any funds remaining in the Net Settlement Fund after the 180 day void date for checks be distributed *cy pres* to Legal Aid at Work, which is a nonprofit organization that provides legal services assisting low-income, working families and promotes better understanding of the conditions, policies, and institutions that affect the well-being of workers and their families and communities. Von Rock Dec. at ¶ 48.

L. Timeline.

Plaintiff has submitted a proposed order setting forth the proposed schedule of events from here through final approval. Plaintiff submits that the proposed schedule secures the benefits for Class Members in a timely fashion.

M. PAGA Notice.

The Parties allocated $47,000 to resolution of Plaintiff's alleged claims under PAGA, and Plaintiff submits that amount is fair, reasonable and adequate, and furthers PAGA's underlying purposes. Consistent with PAGA, $35,250 of that amount will go to the LWDA for the State's share of the civil penalties, while the remaining $11,750 will be distributed pro rata to eligible Aggrieved Employees.

On February 24, 2026, Plaintiff's Counsel submitted a copy of the MOU, the Motion for

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[1] The MOU states that Defendant will not object to a request for attorney's fees up to 1/3 of the Gross Settlement Amount.

Preliminary Approval, all supporting declarations, and Proposed Order to the LWDA. Von Rock Dec., ¶ 24, Ex. 5.

IV. LEGAL STANDARD FOR PRELIMINARY APPROVAL.

At the preliminary approval stage, the Court's task is to determine whether the proposed settlement is within the range of reasonableness such that notice should be given to the class and a final approval hearing scheduled. *See, Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801; *Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 235.

The Court considers whether: (1) the settlement appears to be the product of serious, informed, non-collusive negotiations; (2) the settlement falls within the range of possible approval; and (3) the proposed notice is adequate. (Cal. Rules of Court, rule 3.769.)

For PAGA claims, the Court must independently evaluate whether the settlement is fair, reasonable, and adequate in light of PAGA's public enforcement purposes. (Lab. Code § 2699(l)(2).)

V. THE PROPOSED SETTLEMENT IS FAIR, ADEQUATE, AND REASONABLE.

A. The Settlement Is the Product of Serious, Informed, and Non-Collusive Negotiations.

The Settlement was reached only after substantial investigation, discovery, and a full-day mediation before an experienced neutral. Both sides were represented by highly experienced wage-and-hour class action counsel and vigorously contested liability, damages, and certification issues. Von Rock Dec. ¶ 18. The posture of the case supports a strong presumption of fairness.

B. The Proposed Settlement Class Should Be Conditionally Certified.

For purposes of settlement, the proposed Settlement Class readily satisfies the requirements of California Code of Civil Procedure § 382 and the well-established standards governing class certification. In the settlement context, courts apply these requirements with a practical, pragmatic focus, recognizing that manageability concerns present in litigation are not implicated when the case will not proceed to trial. *See, e.g., Dunk v. Ford Motor Co.* (1996) 48

Cal.App.4th 1794, 1806; *Global Minerals & Metals Corp. v. Superior Court* (2003) 113 Cal.App.4th 836, 839 ("[I]t is well established that trial courts should use different standards to determine the propriety of a settlement class."). Each certification element is met here.

1. Numerosity

The Settlement Class consists of approximately 202 or more current and former non-exempt employees who worked for Defendant in California during the Class Period, with approximately 16,000 workweeks worked. Joinder of all class members would be impracticable, as it would require the participation of hundreds of individuals dispersed across multiple locations throughout the state. Courts routinely find numerosity satisfied where a proposed class exceeds 40 members, and the size of the proposed class here far surpasses that threshold. *See, e.g., Daar v. Yellow Cab Co.* (1967) 67 Cal.2d 695, 707.

2. Ascertainability

The class is readily ascertainable based on objective criteria: Defendant's payroll and employment records identify all non-exempt employees who worked during the Class Period. These records permit accurate identification of class members and calculation of workweeks for purposes of settlement allocation. This satisfies the ascertainability requirement.

3. Community of Interest

California courts evaluate the "community of interest" requirement by examining: (1) predominant common questions of law and fact; (2) typicality; and (3) adequacy of representation. *See, Sav-On Drug Stores, Inc. v. Superior Court* (2004) 34 Cal.4th 319, 326. All three elements are satisfied.

Common questions of law and fact predominate because Plaintiff challenges uniform employment policies and practices applicable to all class members, including Defendant's meal and rest period policies, timekeeping practices, staffing and productivity expectations, and reimbursement practices for mandatory cell phone usage. Core questions include:

- Whether Defendant maintained policies or practices that systematically impeded compliant meal and rest periods;
- Whether Defendant failed to pay meal and rest period premiums when breaks were

missed or noncompliant;

- Whether Defendant required or suffered off-the-clock work;
- Whether Defendant failed to reimburse necessary business expenses, including personal cell phone use; and
- Whether Defendant's wage statements accurately reflected hours worked and wages earned.

These issues are subject to common proof derived from Defendant's centralized policies, timekeeping data, payroll records, and corporate testimony. Although individual damages calculations may vary, such variations do not defeat predominance. *Sav-On, supra*, 34 Cal.4th at 334; *Brinker Rest. Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1022.

In the settlement context, courts place particular emphasis on whether the class definition and claims resolution structure rationally correspond to the alleged policies and practices. Here, the Settlement allocates relief based on objective workweek data, reflecting a reasonable and proportional method of distributing recovery tied to exposure.

Plaintiff's claims are typical of the class because they arise from the same policies and practices and are based on the same legal theories. Like all class members, Plaintiff was a non-exempt employee subject to Defendant's meal and rest period policies, timekeeping practices, and reimbursement requirements. Her alleged injuries - missed or delayed breaks, unpaid wages, inaccurate wage statements, and unreimbursed business expenses - are the same types of injuries suffered by the class. Typicality is therefore satisfied.

Plaintiff will fairly and adequately represent the interests of the Settlement Class. She has no conflicts with other class members and has actively participated in the litigation, including assisting with factual development, discovery, and settlement negotiations.

Class Counsel, Aiman-Smith & Marcy, are highly experienced in wage-and-hour and class action litigation, including numerous class and PAGA settlements approved by California courts. Their experience, resources, and commitment to prosecuting complex representative actions ensure vigorous and competent representation. Adequacy is therefore satisfied. Von Rock Dec., ¶¶ 6-7, Ex. 4.

4. Superiority

A class action is superior to individual litigation for resolving these claims. Individual recoveries would be relatively modest, making separate lawsuits economically impractical and unlikely. Absent class treatment, many class members would be left without any realistic avenue for relief, and judicial resources would be burdened by duplicative litigation. The proposed class mechanism promotes efficiency, consistency of outcomes, and broad enforcement of California's wage-and-hour laws.

C. The Settlement Falls Squarely Within the Range of Reasonableness Under *Dunk* and *Kullar*.

Under *Dunk* and *Kullar*, courts consider factors including: the strength of plaintiff's case; the risk, expense, complexity, and duration of further litigation; the risk of maintaining class status; the amount offered in settlement; the extent of discovery completed; and the experience and views of counsel. *Dunk*, supra, 48 Cal.App.4th at 1801; *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129–30. Further, "it is well established that trial courts should use different standards to determine the propriety of a settlement class." *Global Minerals & Metals Corp. v. Superior Court* (2003) 113 Cal.App.4th 836, 839.

Plaintiff faced substantial risks on liability, damages, and certification. Defendant vigorously disputes that its policies violated California law and contends that individualized issues concerning timekeeping, off-the-clock work, and break compliance would predominate. Certification of off-the-clock, meal, and rest break claims is heavily litigated, and courts frequently deny certification where individualized proof issues are present. *See, e.g., Duran v. U.S. Bank Nat'l Assn.* (2014) 59 Cal.4th 1.

Damages were also highly contested, particularly given the need to establish uniform policy, causation, and statistically reliable proof. Continued litigation would require expert analysis, extensive discovery, and likely appellate proceedings, delaying relief for years.

In preparation for mediation, the parties engaged in extensive formal and informal discovery to facilitate settlement discussions. As a result, Plaintiff reviewed documents and information regarding Defendant's employment policies, payroll practices, pay and time records and other information used to formulate a damages model.

Plaintiff's expert reviewed the clock in and out records provided by Defendant to calculate non-compliant meal breaks and performing an analysis of breaks owed based upon the sample period of data provided for 189 employees during the 2020-2024 time period, and extrapolating through the date of mediation. For meal breaks, the percentage of violations showed 57%, which calculated to premiums due in the amount of $592,349. This figure was vigorously contested by Defendant who produced policies that were compliant under California law for the provision of meal breaks, asserted that many employees signed meal period waivers, and that their timekeeping policy advised that if there were any errors, which included, for example, a missed meal period, then the employee was to bring it to the attention of their supervisor. Further, starting in September 2025, Defendant implemented a new system that automatically pays a meal period premium when it detects a late or missed meal period. Von Rock Dec., ¶ 38.

For rest periods, since there were no records, Plaintiff's calculation was based on an assumption that an equal percentage of violations for rest breaks would have been owed as there were meal break violations, thus, also totaling $592,349 in rest break premiums being owed. Von Rock Dec., ¶ 39. This figure was also contested by Defendant who produced rest break policies that were compliant under California law and state that Defendant encouraged employees to take their rest breaks. Additionally, Defendant contended its procedures go beyond their policies because it provides its employees with an extra five minutes for their rest breaks so that non exempt employees received at least two fifteen minute rest breaks during their shifts. *Id*.

For the expense reimbursement claim, for cell phone usage, Plaintiff calculated it based upon 25% of estimated monthly charges of $65/month ($16.25) for 3,292 work-months, which totaled $53,495. Defendant also contested this claim, stating that Defendant did not require Plaintiff or Class Members to use their cell phone to clock in and out of their shift. Defendant also produced a Personal Mobile Phones and Devices policy, which emphasizes that "employees are not required to use their mobile phone or other personal devices to perform their job duties and have the option to work from a SkinSpirit office or clinic." Von Rock Dec., ¶ 40.

For off-the-clock claims, based upon Plaintiff's experience, the calculation was that off-the-clock time was worked time at 2 hours per week for Assistant Managers and Clinic Managers and 15 minutes per week for other staff employees. Analyzing the time and payroll records produced that included job positions and hourly rates and applying the estimated off-the-clock time totaled $274,108. However, Defendant countered Plaintiff's claim with its policies for paying for all hours worked. Defendant's Employee Handbook expressly prohibits off-the-clock work. Defendant's policy is for its employees to print out their timecards, review it for accuracy which includes accounting for all hours worked, sign, and submit it. If there were any errors, then the issues were to be presented to their supervisors. Von Rock Dec., ¶ 41. To the extent that Plaintiff worked off-the-clock without pay, Defendant argued that this was unique to her and not subject to classwide proof. *Id*.

For wage statement penalties, Plaintiff calculated $50 for the first violation plus $100 subsequent penalties capped at $4,000, which totaled $283,500. However, this total is based upon the assumption that Plaintiff would be able to prove the underlying claims for off-the-clock work and break premiums not appearing on Class Member's pay stubs. Von Rock Dec., ¶ 42.

For waiting time penalties, Plaintiff calculated based on the assumption that wages were due to all 107 separated employees at 30 days of their average daily rate, for a total of $153,103. This calculation assumes unpaid wages were owed to each of those employees. Von Rock Dec., ¶ 43.

Finally, if Plaintiff was able to show that there were PAGA violations every pay period, as to all 126 Aggrieved Employees for 4,762 pay periods, at a rate of $100 per pay period, this totaled $476,200 in potential PAGA penalties. Von Rock Dec., ¶ 44. The amount awarded for PAGA penalties is within the discretion of the court based on Defendant's various defenses on the merits. *See, e.g. Carrington v. Starbucks Corp.* (2018) 30 Cal.App.5th 504 (trial court awarded penalties of $5 per pay period after a bench trial, which decision was upheld on appeal); *In re Taco Bell Wage and Hour Actions* (E.D. Cal. Apr. 8, 2016) 2016 U.S. Dist. LEXIS 48557 (PAGA penalties denied after trial).

Accordingly, Plaintiff's maximum damages and penalties exposure for the class action claims was $1,948,904, and for PAGA penalties was $476,200. To achieve this homerun result, Plaintiff would have to prove all of her claims on a classwide basis for every workweek and pay period in the face of challenging defenses presented by Defendant. Von Rock Dec., ¶ 45.

Furthermore, a settlement is a compromise. The fact that a settlement does not provide the same recovery as might be achieved at trial is not a proper indicator of whether the settlement is fair, reasonable, and adequate. *Wershba*, 91 Cal.App.4th at 246, 250 ("Compromise is inherent and necessary in the settlement process…even if the relief afforded by the proposed settlement is substantially narrower than it would be if the suits were to be successfully litigated, this is no bar to a class settlement because the public interest may indeed be served by a voluntary settlement in which each side gives ground in the interest of avoiding litigation").

While Plaintiff is confident in the merits of her claims, Defendant had vigorous defenses regarding each one of them. Plaintiff also recognizes that achieving class certification and proving the amount of wages and penalties due to each Class Member would be an expensive, time-consuming, and uncertain proposition. The $490,000 non-reversionary settlement provides meaningful cash relief to approximately 202 Class Members and fully resolves PAGA exposure. The automatic distribution of claim amounts ensures high participation and maximizes actual recovery.

The $47,000 allocation for PAGA penalties reflects a reasonable compromise of disputed claims, litigation risks, and proof challenges. Plaintiff faced uncertainty regarding the scope of violations and the Court's discretion to reduce penalties. The allocation provides a substantial recovery for both the LWDA and the approximate 126 Aggrieved Employees while conserving judicial resources and advancing PAGA's enforcement objectives.

Given the litigation risks and uncertainties, the settlement represents a favorable and reasonable compromise.

VI. CONCLUSION.

For all the foregoing reasons, Plaintiff respectfully requests that the Court grant preliminary approval of the Settlement, conditionally certify the Settlement Class, approve the form and manner of class notice, appoint the proposed Settlement Administrator, and set a hearing for final approval.

Respectfully submitted,

Dated: February 24, 2026

AIMAN-SMITH & MARCY
A PROFESSIONAL CORPORATION

/s/ Hallie Von Rock

Hallie Von Rock
Attorneys for Plaintiffs