

IMPORTANT LEGAL NOTICE

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ALAMEDA

VANESSA LABOY on behalf of herself and all
others similarly situated,

Plaintiff,

vs.

BARE ESCENTUALS, INC., BARE ESCENTUALS
BEAUTY, INC. and DOES 1 through 50,
inclusive,

Defendants.

CASE NO.: RG12638047

**NOTICE OF (1) PRELIMINARY
APPROVAL OF CLASS ACTION
SETTLEMENT; (2) FINAL APPROVAL
HEARING; (3) RIGHT TO OBJECT OR
OPT OUT; AND (4) REQUIREMENT TO
RETURN A CLAIM FORM TO RECEIVE
A MONETARY PAYMENT FROM THE
SETTLEMENT**

**THIS NOTICE AFFECTS YOUR RIGHTS -
PLEASE READ IT CAREFULLY.**

YOU ARE RECEIVING THIS NOTICE BECAUSE YOU WERE EMPLOYED ON AN HOURLY BASIS BY BARE ESCENTUALS, INC. OR BARE ESCENTUALS BEAUTY, INC. IN CALIFORNIA IN A STORE BETWEEN JULY 6, 2008 AND AUGUST 29, 2014.

YOU ARE HEREBY NOTIFIED that the Court has granted preliminary approval of a proposed class settlement (the "Settlement") of the above-captioned purported class action ("the Action") filed in Alameda County Superior Court ("the Court"). The proposed Settlement will resolve all class claims in this Action. The Court has ordered that this Notice be sent to you because you may be a Class Member. The purpose of this Notice is to inform you of the Settlement of this Action and your legal rights under the Settlement.

If you would like to receive money from the Settlement, you must return the attached Claim Form, and it must be postmarked by November 6, 2014. If you fail to file a Claim Form by that date, you will receive no payment under the Settlement, but you will be bound by its terms, unless you request exclusion from the Class. Please refer to pages 5-7 of this Notice for a more complete explanation of your options under the Settlement.

SUMMARY OF CASE

On July 6, 2012, Plaintiff Vanessa LaBoy filed a complaint in the Superior Court of California for the County of Alameda against Bare Escentuals, Inc. and Bare Escentuals Beauty, Inc. (together, "Defendants") on behalf of herself and other similar employees who worked in a store. She filed a first amended complaint on August 20, 2012. The Action alleges, among other things, that the Class Members are owed compensation for alleged unpaid wages, unreimbursed necessary business expenses, non-compliant wage statements, penalties under PAGA and other related penalties. The Action seeks damages for unpaid wages and

overtime wages, restitution, penalties, interest, attorneys' fees and costs and other relief. The Action includes claims under the California Labor Code, related Wage Orders of the Industrial Welfare Commission, and California Business and Professions Code Section 17200 *et seq.*

After extensive investigation and an exchange of relevant information, the Parties mediated the Action and reached the Settlement that is memorialized in the Stipulation of Settlement on file with the Court, and whose terms are generally summarized in this Notice.

POSITIONS OF THE PARTIES AND REASONS FOR SETTLEMENT

Defendants contend that they compensate employees in full compliance with the law. They deny each of the claims and contentions alleged by Plaintiff in the Action. Although Defendants have strong defenses to the Action, they have concluded that a lengthy and expensive lawsuit is not in the best interests of either side. Defendants have, therefore, agreed to settle this Action in the manner and upon the terms set forth in the proposed Settlement to put to rest all claims that are or could have been asserted against it in the Action. Nothing regarding the Settlement may be construed as, or may be used as, an admission, concession or indication by or against Defendants of any fault, wrongdoing or liability whatsoever.

Class Counsel recognizes the expense and length of continued proceedings necessary to continue the Action against Defendants through certification, trial and any possible appeals, the uncertainty and the risk of the outcome of further litigation, including the risk that the class might not be certified, as well as the difficulties and delays generally inherent in such litigation, the burdens of proof necessary to establish liability for the claims, and of the difficulties in establishing damages for the Class Members. Class Counsel believes the proposed Settlement is fair, adequate and reasonable and in the best interests of the Class Members.

The Court has made no ruling on the merits of the Class Members' claims and has determined only that certification of the Class for settlement purposes is appropriate under California law.

SUMMARY OF SETTLEMENT TERMS

Settlement Amount. The Stipulation of Settlement provides that Defendants will pay \$450,000.00 (the "Maximum Settlement Amount") to fully resolve the claims in the Action. The following deductions will be made from this Maximum Settlement Amount:

- Settlement Administration. The Court has tentatively approved a payment of not to exceed \$30,000.00 to the Settlement Administrator, Heffler Claims Group, LLC for the costs incurred in notifying the Class of this Settlement and processing any claims.

- Attorneys' Fees and Expenses. The Court preliminarily appointed the following attorneys as Class Counsel to represent the Class in this Action:

Robin G. Workman
Aviva N. Roller
QUALLS & WORKMAN L.L.P.
177 Post Street, Suite 900
San Francisco, California 94108
(415) 782-3660

Class Counsel will ask the Court to approve a Fee and Expense Award of \$150,000.00, plus reimbursement of the actual litigation costs/expenses they incurred, not to exceed \$18,000.00. Class Counsel have been prosecuting the Action on behalf of the Class on a contingency fee basis (that is, without being paid to date) while advancing litigation costs and expenses. The Fee and Expense Award will constitute full compensation for all legal fees and litigation costs/expenses of Class Counsel in the Action, including any work they do in the future. Class Members are not personally responsible for any fees or litigation costs/expenses.

- Named Plaintiff Award to Class Representative. Class Counsel will also ask the Court to approve a Named Plaintiff Award in the amount of \$5,000.00 for Class Representative Vanessa LaBoy for acting as the representative on behalf of the Class, spending time assisting with the lawsuit, signing a general release of all claims she might have against Defendants, and agreeing to never apply for or accept employment with Defendants, which is not required of Class Members.
- PAGA Payment. An amount of \$5,000.00 is allocated to pay all applicable penalties under California Labor Code's Private Attorneys General Act of 2004 ("PAGA"). 75% of this PAGA Payment will be paid to California's Labor and Workforce Development Agency and 25% of this PAGA Payment will be paid to Class Members.

Payment to Class Members: Plan of Allocation. Class Members who submit Claim Forms on or before the deadline ("Claimants") may receive an Individual Settlement Payment, as set forth below.

Calculation of Individual Settlement Payments to Claimants. The balance of the Maximum Settlement Amount after the deductions described above is called the "Net Settlement Proceeds." The Net Settlement Proceeds are currently estimated to be \$242,000.00, which is the total amount that will be available to Claimants. Given the claims at issue and potential liability periods, ten percent of the Net Settlement Proceeds is allocated to Class Members employed during the period of July 6, 2008 to April 3, 2012 and ninety percent of the Net Settlement Proceeds is allocated to Class Members employed during the period of April 4, 2012 through August 29, 2014. Each

Claimant will receive an Individual Settlement Payment out of the Net Settlement Proceeds based on the dates of his/her employment and his/her number of weeks of employment with Defendants as a Class Member, as reflected by Defendants' payroll records, exclusive of leaves of absence ("Individual Work Weeks"). Approximations and averages will be used to cover periods where data is missing or otherwise not available.

Tax Information. IRS Forms W-2 and 1099 (and the equivalent California forms) will be distributed to Claimants reflecting the payments they receive under the Settlement. For tax purposes, 25% of each Claimant's Individual Settlement Payment will be treated as damages for unpaid wages and reported on a W-2, and 75% will be treated as interest and penalties under the California Labor Code and reported on a Form 1099. Claimants should consult with their tax advisors concerning the tax consequences of the payments they receive under the Settlement. The usual and customary employee payroll deductions will be taken out of the amounts attributable to unpaid wages.

Release of Claims. If the Settlement is approved by the Court, it will bar any Class Member who does not timely opt out of the Settlement from bringing certain claims against Defendants, described below. The Settlement will fully release and discharge Defendants, their subsidiaries, affiliates, parents, and their past or present officers, directors, members, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, and attorneys (the "Released Parties") from all claims, demands, rights, liabilities and causes of action that were or could have been asserted (whether in tort, contract or otherwise) for violation of the Fair Labor Standards Act, the California Labor Code, the California Business and Professions Code, the Private Attorneys General Act ("PAGA"), the applicable Industrial Welfare Commission Orders or any similar local, state or federal law, whether for economic damages, non-economic damages, liquidated damages, punitive damages, restitution, penalties, other monies, or other relief based on any facts, transactions, events, policies, occurrences, acts, disclosures, statements, omissions or failures to act pled in the complaint, which are or could be the basis of claims that Defendants failed to pay all wages due, failed to pay overtime wages due, failed to reimburse necessary business expenses, failed to provide accurate wage statements, compelled or coerced employees to patronize Defendants, and/or engaged in unfair business practices; that Defendants allegedly required employees to apply makeup off-the-clock before their shift, purchase Bare Escentuals merchandise, and/or purchase and maintain required uniforms without reimbursement; and for penalties under PAGA, penalties for any violations enumerated above, or penalties for any other provision of the Labor Code, at any time on or before the date of Preliminary Approval (and whether such claims are based on California or federal wage and hour law, contract law, or other law). These claims that Class Members are agreeing to release and discharge are referred to as "Class Released Claims," as that term is more fully defined in the Stipulation of Settlement.

Please note that even if Class Members may later discover facts in addition to or different from those that they now know or believe to be true with respect to the subject matter of the Class Released Claims, each Class Member, upon the Payment Obligation and Class Release Date, shall be deemed to have, and by operation of the Final Approval Order and Judgment shall have, fully, finally, and forever settled and released any and all Class Released Claims. This is true whether the Class Released Claims are known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts.

The Class Members agree not to sue or otherwise make a claim against any of the Released Parties for the Class Released Claims. The Individual Settlement Payments are paid to Claimants specifically in exchange for the release of the Released Parties from the Class Released Claims and for their agreement not to sue concerning the Class Released Claims.

YOUR OPTIONS UNDER THE SETTLEMENT

Option 1 – *Submit the Enclosed Claim Form for Payment*

If you would like to receive money from the Settlement, you must complete and sign the enclosed Claim Form. You need to complete the Claim Form and promptly fax or mail it to the Settlement Administrator postmarked no later than November 6, 2014 in order to be eligible for an Individual Settlement Payment.

If you choose this **Option 1**, and if the Court grants Final Approval of the Settlement, you will be mailed a check for your Individual Settlement Payment. In addition, you will be deemed to have released and waived the Class Released Claims against the Released Parties.

Option 2 – *Opt Out of the Settlement*

If you do not wish to participate in the Settlement, you can request to be excluded from the Settlement. To do so, you must submit an Exclusion Letter to the Settlement Administrator clearly indicating that you have decided not to participate in the Settlement and desire to be excluded from the Settlement. The written Exclusion Letter must set forth your name, address, telephone number and last four digits of your social security number, and it must include the following statement, or something similar: “I request to be excluded from the class action proceedings taking place in the matter of *LaBoy v. Bare Escentuals, Inc. and Bare Escentuals Beauty, Inc.*, Alameda Superior Court, Case No. RG12638047.”

You must sign, date, and either fax the Exclusion Letter to (215) 665-0613 or mail it by First Class U.S. Mail or equivalent no later than November 6, 2014, to LaBoy vs. Bare Escentuals, Inc., c/o Heffler Claims Group, 1515 Market Street, Suite 1700, Philadelphia, PA 19102.

If you choose this **Option 2**, you will no longer be a Class Member. You will not be deemed to have released the Class Released Claims, but you also will not receive an Individual Settlement Payment from the Settlement and you will be barred from filing any objection to the Settlement.

Option 3 – File An Objection With The Court

If you wish to object to the Settlement, you can file an objection with the Court explaining the reasons why you object to the Settlement. Your objection must state your full name, address, telephone number, dates of employment with Defendants, and the basis for your objection. All written objections, supporting papers, and/or notices of intent to appear at the Final Approval Hearing must (a) clearly identify the case name [LaBoy v. Bare Escentuals, Inc. and Bare Escentuals Beauty, Inc.] and case number [RG12638047]; and (b) be submitted to the Court either by mailing the papers to: Clerk of Court, Superior Court of California, County of Alameda, 1225 Fallon Street, Oakland, California 94612, or by filing in person at any location of the Superior Court, County of Alameda that includes a facility for civil filings; and (c) either faxed to (215) 665-0613 or mailed to LaBoy vs. Bare Escentuals, Inc., c/o Heffler Claims Group, 1515 Market Street, Suite 1700, Philadelphia, PA 19102; and (d) mailed to each of the attorneys listed below:

QUALLS & WORKMAN L.L.P.
Robin Workman
177 Post Street, Suite 900
San Francisco, California 94108

ORRICK, HERRINGTON &
SUTCLIFFE, LLP
Jessica Perry
1000 Marsh Road
Menlo Park, California 94025

You must file or mail your objection with the Court no later than November 6, 2014. Late objections will not be considered. If you object to the Settlement, you are not excluding yourself from the Settlement. To exclude yourself from the Settlement, you must follow the directions described above in Option 2. Please note that you cannot both object to the Settlement and exclude yourself. You must choose one option only.

If you file a valid and timely objection, you may also, if you wish, appear at the Final Approval hearing on the Settlement, set for December 11, 2014 at 8:30 a.m. in the Alameda County Superior Court and discuss your objection with the Court and the parties at your own expense. The date and time of the hearing may change without notice.

If you choose this **Option 3**, you may still receive an Individual Settlement Payment, but only if you complete your Claim Form and fax or postmark it by November 6, 2014. Otherwise, if the Court overrules your objection, you will be deemed to have released the Class Released Claims against the Released Parties.

Option 4 – Do Nothing

You may also choose to do nothing. If you choose this **Option 4**, and if the Court grants Final Approval of the Settlement, you will be deemed to have released the Class Released Claims against the Released Parties even though you will not receive any money from the Settlement.

ADDITIONAL INFORMATION

This Notice is only a summary of the Action and the basic terms of the Settlement. For a more detailed statement of the matters involved in the Action and the Settlement, you may:

- The pleadings and other records in this litigation, including the Stipulation of Settlement, may be viewed online on the Alameda County Superior Court’s website, known as DomainWeb, at <https://publicrecords.alameda.courts.ca.gov/prs>. After arriving at the website, click the “Search by Case Number” link, then enter Case Number RG12638047 and click “SEARCH.” Images of every document filed in this case may be viewed through the “Register of Actions” at a minimal charge.
- You may also view the records filed in this case free of charge by using one of the computer terminal kiosks available at each court location that has a facility for civil filings. The court is open Monday through Friday, 8:30 a.m. until 2:30 p.m., excluding holidays.
- Contact Class Counsel at:

Robin G. Workman
Aviva N. Roller
QUALLS & WORKMAN L.L.P.
177 Post Street, Suite 900
San Francisco, California 94108
(415) 782-3660
robin@qualls-workman.com
aviva@qualls-workman.com

- Visit the following website: www.qualls-workman.com

Please direct all inquiries regarding this Notice and/or the Settlement to the Settlement Administrator at (844) 245-3770.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, DEFENDANTS OR DEFENDANTS' ATTORNEYS WITH INQUIRIES.

DATED: SEPTEMBER 22, 2014

BY ORDER OF THE COURT
SUPERIOR COURT OF CALIFORNIA
COUNTY OF ALAMEDA

CLAIM FORM
Vanessa LaBoy v. Bare Escentuals, Inc., et al.
Alameda County Superior Court, Case No. RG12638047

THE DEADLINE FOR SUBMITTING THIS FORM IS NOVEMBER 6, 2014.

Class Member ID: <<RefID>>

I. CLAIMANT IDENTIFICATION

Please Make any Name/Address Corrections Below:

<<First>> <<Last>> _____
<<Address1>> _____
<<Address2>> _____
<<City>> <<State>> <Zip>> _____

II. GENERAL INFORMATION

As an individual employed by Bare Escentuals, Inc. or Bare Escentuals Beauty, Inc. in California in a store and paid on an hourly basis, at any time between July 6, 2008 and August 29, 2014, you are a Class Member in the class action entitled LaBoy v. Bare Escentuals, Inc., et al., Case No. RG12638047, Superior Court of California, County of Alameda. You are eligible to submit a Claim Form to participate in the Settlement reached by the Parties.

According to the payroll records maintained by Defendants, the total number of weeks you were employed as a Class Member, excluding leaves of absence, (“Individual Work Weeks”) is: <<Weeks>>. Therefore, your estimated share of the settlement is <<\$ Share>>.

In order to receive money from the Settlement, you must sign this Claim Form and return it by first-class mail, **postmarked no later than November 6, 2014** to the following address:

LaBoy v. Bare Escentuals, Inc.
c/o Heffler Claims Group
1515 Market Street, Suite 1700
Philadelphia, PA 19102
(844) 245-3770

If you fail to submit a timely Claim Form, you will not receive any money in connection with the Settlement (although you will be bound by the other provisions of the Stipulation of Settlement approved by the Court, unless you request exclusion from the Class).



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CLAIM



Page 1 of 2

III. CERTIFICATION

I have received the Notice. I submit this Claim Form under the terms of the proposed Settlement described in the Notice. I also submit to the jurisdiction of the Alameda County Superior Court with respect to my claim as a Class Member and for purposes of enforcing the release of claims stated in the Stipulation of Settlement and Notice. The full and precise terms of the proposed Settlement are contained in the Stipulation of Settlement filed with the Court. I further acknowledge that I am bound by the terms of any judgment that may be entered in this Action. I agree to furnish additional information to support my claim if required to do so. If I am the executor and/or heir of a Class Member or a representative of a Class Member, I have provided appropriate documentation about the capacity in which I am submitting this Claim Form on separate sheets attached.

I declare under penalty of perjury under the laws of the State of California that the foregoing information is true and accurate, that I have read and understand the Notice that was mailed with this Claim Form, and agree to abide by the terms of the Notice and this Claim Form.

Taxpayer Identification Number Certification - Substitute IRS Form W-9

Enter the last four digits of your Social Security Number:

Under penalties of perjury, I certify that:

1. The last four digits of the social security number shown on this form is part of my correct taxpayer identification number (or I am waiting for a number to be issued to me); **and**
2. I am not subject to backup withholding under the provisions of Section 3406 (a)(1)(C) of the Internal Revenue Code because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; **and**
3. I am a U.S. citizen or resident alien.

Note: If you have been notified by the IRS that you are subject to backup withholding, you must cross out item 2 above.

The IRS does not require your consent to any provision of this document other than this Substitute Form W-9 certification to avoid backup withholding.

Dated: _____

Signature



30763



CLAIM



Page 2 of 2

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LaBoy vs. Bare Escentuals, Inc.
c/o Heffler Claims Group
1515 Market Street, Suite 1700
Philadelphia, PA 19102

PRESORTED
FIRST-CLASS MAIL
U.S. POSTAGE
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LANSDALE, PA
PERMIT NO. 491