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Attorneys for Plaintiffs

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF SAN MATEO

STACEY SERNA and LOURDES DE
GUZMAN ANGEL, on behalf of the State
of California, as private attorneys general,

Plaintiffs,

vs.

GURNICK ACADEMY OF MEDICAL
ARTS, LLC, a California Limited Liability
Company,

Defendants.

Case No.: 22-CIV-01185

**SUPPLEMENTAL DECLARATION OF
KYLE NORDREHAUG IN SUPPORT OF
MOTION TO APPROVE PAGA
SETTLEMENT**

Con't Hearing Date: January 18, 2024
Con't Hearing Time: 11:00 a.m.

Judge: Hon. Susan L. Greenberg
Dept.: 3
Courtroom: 2B

Action Filed: March 17, 2022
Trial Date: None Set

1 I, Kyle Nordrehaug, declare as follows:

2 1. I am the partner in the law firm of Blumenthal Nordrehaug Bhowmik De Blouw
3 LLP, attorneys for Plaintiffs Stacey Serna and Lourdes De Guzman Angel (“Plaintiffs”). As
4 such, I am fully familiar with the facts, pleadings and history of this matter. I am submitting
5 this supplemental declaration in support of the Plaintiffs’ Motion to Approve PAGA
6 Settlement in this matter and to address the issues raised by the Court in the ruling dated
7 December 14, 2023. The following facts are within my own personal knowledge, and if called
8 as a witness, I could and would testify competently to the matters stated herein.

9
10 2. ISSUE #1 – Service on the LWDA: The PAGA Settlement Agreement
11 (“Agreement”) and the Motion to Approve PAGA Settlement were served on the LWDA on
12 behalf of Plaintiff Serna on September 15, 2023, and were served on the LWDA on behalf of
13 Plaintiff Angel on December 14, 2023. The service in both LWDA case no. LWDA-CM-
14 837373-21 and LWDA-CM-870972-22 are now reflected on the LWDA website.

15
16 3. ISSUE #2 – Definition of the Aggrieved Employees: As explained at the hearing
17 on December 14, 2023, the definition of Aggrieved Employees for remote workers includes
18 both exempt and non-exempt employees, as both types of workers experienced the alleged
19 violations resulting from remote work. The complaint in the *Angel* action included both
20 exempt and non-exempt employees in the allegations relating to remote workers, and so both
21 are properly included in the PAGA settlement.

22
23 4. ISSUE #3 – Costs: The Memorandum was incomplete as to costs and should
24 have stated the PAGA Counsel Litigation Expenses Payment sought is \$20,000, which was
25 the cap. The declarations of Kyle Nordrehaug at ¶9 (\$9,677.09) and Julian Hammond at ¶41
26 (\$18,436.22) in support of the motion detailed the costs incurred in the total amount of
27 \$28,113.31. The proposed order submitted herewith reflects the PAGA Counsel Litigation

1 Expenses Payment in the capped amount of \$20,000.

2
3 4. ISSUE #4 – Declaration of the Settlement Administrator: The Declaration of
4 Lisa Mullins on behalf of the Settlement Administrator was filed on December 13, 2023 and
5 details the qualifications of the Settlement Administrator.

6
7 5. ISSUE #5 – Proposed Notice: The Parties have prepared and agreed on a
8 proposed notice to accompany the checks to the Aggrieved Employees. A true and correct
9 copy of the proposed notice is attached hereto as Exhibit #1.

10
11 6. ISSUES #6 and 7 – Proposed Order: A [REVISED PROPOSED] ORDER AND
12 JUDGMENT APPROVING PAGA SETTLEMENT is submitted herewith, which includes
13 both the Agreement and the proposed notice as Exhibits #1 and 2, respectively, and deletes the
14 identified language as per the Court's order.

15
16 7. ISSUE #8 – Cy Pres: The Parties have conferred and have agreed on the *cy pres*
17 beneficiary Alliance for Children's Rights to receive the funds from uncashed checks. The
18 Alliance for Children's Rights complies with California Code of Civil Procedure § 384 and all
19 Parties have confirmed that they have no conflict with the Alliance for Children's Rights as
20 the *cy pres* beneficiary. A Stipulation is submitted herewith.

21
22 I declare under penalty of perjury under the laws of the State of California that the
23 foregoing is true and correct. Executed this 10th day of January, 2024, at San Diego,
24 California.

25
26 
27 Kyle Nordrehaug

EXHIBIT #1

NOTICE OF PAGA SETTLEMENT

Serna v. Gurnick Academy of Medical Arts, LLC,

Superior Court of the State of California, County of San Mateo Case No. 22-CIV-01185

ILYM Group

P.O. Box

Telephone:

«Barcode»

«BarcodeString»

SIMID «SIMID»

«FirstName» «LastName»

«Address1» «Address2»

«City» «State» «Zip»

You are receiving this notice as a result of lawsuits brought on a representative basis under the California Private Attorneys General Act, Labor Code § 2698 *et seq.* (“PAGA”) by Plaintiffs Lourdes De Guzman Angel and Stacey Serna (“Plaintiffs”) acting in their private attorney general capacity against Defendant Gurnick Academy of Medical Arts, LLC (“Defendant”) (the “Action”). Through the Action, Plaintiffs sought to recover civil penalties for purported violations of the California Labor Code on behalf of all individuals who are or previously were employed by Defendant in California and classified as a non-exempt employee at any time during the PAGA Period (August 23, 2020, to June 25, 2023) and **all current and former employees of Defendant in California who were required to work remotely during the Remote PAGA Period (March 18, 2020, to June 25, 2023) (collectively the “Aggrieved Employees”).**

Defendant denies all claims and allegations in the Action, denies that it owes any penalties to Plaintiffs and/or the Aggrieved Employees, and asserts that it has fully complied with all applicable Labor Code and all other provisions of law noted below. Nevertheless, to avoid further costs and time in defending the Action, Defendant settled the Action, and the Court has approved the settlement and release of all “Released PAGA Claims”. “Released PAGA Claims” means all claims for PAGA penalties and attorney’s fees and costs of suit arising out of PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint in either *Lourdes De Guzman Angel vs. Gurnick Academy of Medical Arts, LLC*, or *Stacey Serna vs. Gurnick Academy of Medical Arts, LLC*, respectively, and the respective PAGA Notices submitted by each Plaintiff to the LWDA, which occurred during the PAGA Period and Remote PAGA Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, and California class claims, and PAGA claims outside of the PAGA Period.

According to Defendant’s records, you are an Aggrieved Employee and are therefore entitled to an Individual PAGA Payment under the Court-approved allocation. The enclosed settlement check, which you are receiving in your capacity as an Aggrieved Employee, shall remain valid for 180 days after mailing.

Please Note: One hundred percent of your payment will be considered civil penalties; may be subject to local, state, and/or federal tax withholdings; and will be reported to the IRS and applicable state tax authorities. You should rely on your own tax advisors as to the tax consequences of your Individual PAGA Payment. Neither Plaintiffs nor Defendant have made or will make any representations or warranties regarding the taxation of your Individual PAGA Payment. Nothing within this notice or any other communication shall constitute or be construed or relied upon as tax advice within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended).

Do not call or write the Court or Office of the Clerk to ask questions about the settlement or your Individual PAGA Payment. If you have any questions, you may call or write to ILYM Group (the Administrator) using the contact information at the top of this correspondence.