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Attorneys for Plaintiff TERESA CARMEN C. MEJIA

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

TERESA CARMEN C. MEJIA, as an
individual and on behalf of all employees
similarly situated,

Plaintiff,

v.

KF CASITAS, LLC dba CASITAS CARE
CENTER, a Limited Liability Company; and
DOES 1 through 50, inclusive,

Defendants.

Case No.: 23STCV06090

[Assigned for all purposes to Hon. Lawrence P.
Riff, Dept. 7]

**DECLARATION OF LILIT TUNYAN IN
SUPPORT OF PLAINTIFF'S MOTION FOR
AN ORDER APPROVING SETTLEMENT
OF CLAIMS BROUGHT PURSUANT TO
THE PRIVATE ATTORNEY GENERAL'S
ACT OF 2004**

Date: May 30, 2024
Time: 10 a.m.
Courtroom: Dept. 7
Judge: Hon. Lawrence P. Riff

Action Filed: March 17, 2023
Trial Date: Not Set

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1. I am admitted, in good standing, to practice as an attorney in the State of California, the United States District Courts for the Central, Eastern and Northern Districts of California. I am the founding partner at the law firm of Tunyan Law, APC. I am a fully qualified, adult resident of the State of California, and, if called as a witness herein, I would testify truthfully to the matters set forth herein. All of the matters set forth herein are within my personal knowledge, except those matters that are stated to be upon information and belief. As to such matters, I believe them to be true. I am one of the attorneys of record for Plaintiff TERESA CARMEN C. MEJIA (“Plaintiff”).

BACKGROUND

4. Defendant is a nursing home providing nursing, wound care and rehabilitation services.
5. For purposes of this settlement, Defendant employed individuals in non-exempt positions in California. The Aggrieved Employees group (also known as the “PAGA Members”) consists of 200 non-exempt employees who are or were employed by Defendant within the State of California from March 17, 2022 to the date of entry of order for approval of the Settlement by the Court or 60 days after February 15, 2024, whichever is earlier (“PAGA period”). It is estimated that there are approximately 5,314 pay periods during PAGA period as of February 15, 2024.

7. On March 16, 2023, Plaintiff's Counsel sent a letter to the LWDA on behalf of Plaintiff, in compliance with California Labor Code § 2699.3. More than 65 days passed after the letter was sent to

1 the LWDA, and the LWDA did not indicate that it intended to investigate the alleged violations
2 referenced in the letter.

3 8. On March 17, 2023, Plaintiff filed a class action complaint (“Complaint”) in the Superior
4 Court of California, Los Angeles County entitled *Mejia v. KF Casitas, LLC dba Casita Care Center*,
5 Case No. 23STCV06090 (the “Lawsuit”). On May 22, 2023, Plaintiff filed her First Amended
6 Complaint adding a case of action for civil penalties under PAGA. On August 31, 2023, the Court
7 granted Defendant’s motion to compel Plaintiff to arbitrate her individual claims and to dismiss class
8 claims and denied Defendant’s motion to compel Plaintiff to arbitrate her individual claims arising under
9 the Labor Code Private Attorneys General Act of 2004, Labor Code § 2698, et seq. (“PAGA”) and to
10 dismiss her non-individual PAGA claims. In lieu of arbitrating Plaintiff’s individual non-PAGA claims
11 and litigating Plaintiff’s representative PAGA claims, the parties agreed to mediation with the scope of
12 Plaintiff’s individual claims and individual and non-individual PAGA claims. After exchanging
13 documents and voluminous data prior to mediation, Plaintiff and Defendant reached a proposed
14 settlement that will resolve the PAGA claims pending in this action and Plaintiff’s individual claims
15 pursuant to a separate individual settlement and release agreement.

16 9. Defendant denies all liability and admit to no claim by virtue of its agreement to settle.
17 Plaintiff and Plaintiff’s Counsel have also taken into account the uncertainty and risk of the outcome of
18 further litigation, and the difficulties and delays inherent in such litigation, including those involved in
19 PAGA claim representative adjudication. Plaintiff and Plaintiff’s Counsel further recognize the burdens
20 of proof necessary to establish liability for the claims asserted in the lawsuit, Defendant’s defenses, and
21 the difficulties in establishing entitlement to monetary recovery. Plaintiff and Plaintiff’s Counsel have
22 also considered the Parties’ settlement discussions, as well as the evaluations of the mediator, who is
23 experienced and well-regarded in complex labor and employment matters.

24 10. Because Court approval of a PAGA settlement is required, this settlement is presented to this
25 Court for review and approval.

26 11. Counsel for Plaintiff has thoroughly investigated the facts relating to the claims alleged in the
27 operative complaint and have made a thorough study of the legal principles applicable to the claims
28 asserted against Defendant. Based on their investigation and evaluation of this case, Plaintiff’s Counsel

1 have concluded that the settlement is fair, reasonable, and adequate in light of all known facts and
2 circumstances, including the defenses asserted by Defendant, potential adverse findings regarding
3 liability, and numerous potential appellate issues.

4 12. The Parties agreed to participate in a mediation in an effort to resolve the PAGA claims
5 asserted in this matter. The Parties selected mediator Kevin T. Barnes, Esq., a neutral with extensive
6 experience litigating and mediating wage and hour class and representative actions. The Parties
7 participated in a full-day mediation on February 15, 2024. They have not reached a settlement on the
8 mediation day but continued settlement negotiations with the assistance of the mediator and reached a
9 settlement shortly after the mediation. The Parties then spent many weeks thereafter negotiating the
10 detailed terms of the Settlement memorialized in a long-form agreement to resolve this matter.

11 13. Prior to the mediation, Plaintiff requested substantial data from Defendant, and Defendant
12 provided requested data. Prior to and during the mediation, the Parties exchanged extensive information
13 and engaged in discussions regarding their evaluations of the case and various aspects of the case,
14 including but not limited to, the risks and delays of further litigation, the risks to the Parties of proceeding
15 with representative adjudication, the law relating to off-the-clock theory, meal and rest periods, PAGA
16 representative actions, and wage-and-hour law and enforcement, as well as the evidence produced and
17 analyzed, and the possibility of appeals, among other things. Plaintiff's Counsel conducted significant
18 investigation and informal discovery regarding the facts of the case, including and not limited to, the
19 exchange, review, and analysis of a large volume of documents and data obtained from Defendant,
20 Plaintiff, and other sources. The volume of data and documents that Plaintiff's Counsel reviewed and
21 analyzed included and was not limited to Plaintiff and Aggrieved Employees' employment records, a
22 detailed sampling of Aggrieved Employees' time and pay data, Defendant's Employee Handbook,
23 arbitration agreements signed by non-exempt employees, employment practices, procedures, and
24 policies including, but not limited to Defendant's expenses policy, meal and rest periods policy, work
25 time policy, overtime policy, pay periods and pay days policy, among other information and documents.
26 Counsel for the Parties also met and conferred on numerous occasions, e.g., to discuss issues relating to
27 the production of documents and data prior to the mediation. Plaintiff's Counsel also drafted the pleading
28 and the mediation brief and prepared for and attended court proceedings, mediation, and settlement

1 negotiations, among other tasks.

2 14. Counsel for the Parties have also invested time researching and investigating the applicable
3 law, which is constantly evolving as it relates to representative PAGA claims, off-the-clock theory, meal
4 and rest periods, wage-and-hour law and enforcement, Plaintiff's claims and damages, and Defendant's
5 defenses thereto, as well as facts discovered.

6 15. Based on Plaintiff's Counsel's analysis, the result achieved in this litigation is fair, adequate,
7 and reasonable. Based on investigation and information discovered, Plaintiff's Counsel believes that
8 there is sufficient evidence to support the allegations made in the lawsuit, including the allegations that
9 Defendant, with respect to Plaintiff and the Aggrieved Employees, *inter alia*, failed to properly pay
10 overtime wages, failed to provide compliant meal and rest periods and to pay associated premium pay,
11 failed to timely pay wages during employment and upon termination of employment, failed to provide
12 compliant wage statements, failed to maintain requisite payroll records, and failed to reimburse necessary
13 business expenses, and thereby engaged in conduct giving rise to civil penalties recoverable under the
14 Private Attorneys General Act of 2004 (California Labor Code sections 2698, et seq.). As a result of
15 alleged uniform practices, Plaintiff claims that Aggrieved Employees were not paid all of the
16 compensation that was owed to them by Defendant. Thus, in Plaintiff's Counsel's view, it is clear that
17 the outcome of this litigation would be determined by Defendant's uniform operations and employment
18 practices, policies, and procedures that Plaintiff alleges applied across Defendant's hourly-paid or non-
19 exempt employees in California during the PAGA period.

20 21 SUMMARY OF THE SETTLEMENT TERMS

22 16. Key provisions of the proposed settlement include the following:

- 23 (a) The Aggrieved Employees: The Aggrieved Employees (also known as the
24 "PAGA Members") are: "All non-exempt or hourly employees of Defendant who
25 worked for Defendant in the State of California from March 17, 2022 to the date
26 of entry of order for approval of the Settlement by the Court or 60 days after
27 February 15, 2024, whichever is earlier." It is estimated that there are
28 approximately 5,314 pay periods during the period from March 17, 2022 through

February 15, 2024 (“PAGA Period”). (Agreement, ¶ 1.4, 1.19, 4.1.)

(b) No Reversion: The Settlement is ***non-reversionary***. (Agreement, ¶ 3.1.)

(c) Gross Settlement Amount: Defendant agrees to pay the maximum sum of **\$150,000.00** (hereinafter referred to as the “Gross Settlement Amount” or “GSA”) for settlement of the PAGA Penalties, which shall be inclusive of Individual PAGA Payments, the LWDA PAGA Payment, Plaintiff’s Counsel’s attorneys’ fees and costs and the settlement administrator’s fees and costs. (Agreement, ¶ 1.10.)

(d) Net Settlement Amount: At least **\$84,560.80** will be available for distribution to the Aggrieved Employees and the LWDA. Of this amount, the LWDA will receive at least **\$63,420.60** under the Agreement, and Aggrieved Employees will receive at least **\$21,140.20**. (Agreement, ¶ 1.15.)

(e) Attorneys’ Fees: Plaintiff’s Counsel request an award of attorneys’ fees in the amount of **\$50,000.00**, which is one third of the GSA. (Agreement, ¶ 3.2.1.)

(f) Litigation Costs: Plaintiff’s Counsel’s litigation costs are capped to a maximum amount of **\$15,000.00**. Those actual costs are **\$11,439.20** which include the future costs of motion and final report filing and CaseAnywhere fees. Therefore, Plaintiff requests **\$11,439.20** for litigation costs. (Agreement, ¶¶ 3.2.1.)

(g) Settlement Administration: Payment to Aggrieved Employees and administration will be accomplished through third-party settlement administrator Simpluris, Inc., which has agreed to perform Administrator duties for a flat not to exceed fee of **\$4,000.00**, which is reasonable, based on all of the services offered. (Agreement, ¶ 3.2.2.)

(h) General Release Payment: Upon approval of this PAGA settlement Plaintiff shall receive a general release payment as a consideration for general release of her individual claims in accordance with the separate individual settlement agreement entered between the Parties. The General Release Payment is not included in

1 GSA (Agreement, ¶ 5.1.)

- 2 (i) Uncashed Checks: Funds represented by checks returned as undeliverable after a
3 re-mailing, and funds represented by checks remaining un-cashed for more than
4 180 days after issuance, will be tendered to the Unclaimed Property Fund in the
5 name of the Aggrieved Employee. (Agreement, ¶ 4.4.3.)
- 6 (j) Release: In exchange for the above settlement consideration, Defendant shall be
7 entitled to a release from the LWDA and each and every Aggrieved Employee,
8 including Plaintiff.¹ (Agreement, ¶¶ 5.1-5.2.)
- 9 (k) Notice to LWDA: The Declaration of Lilit Tunyan confirms that notice was
10 provided to the LWDA and attaches the confirmatory submission documents.
11 (Tunyan Decl., ¶ 46 and Exh. 3.)

12 17. A true and correct copy of the PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT
13 AGREEMENT AND RELEASE is attached hereto as **Exhibit “1.”**

14 THE SETTLEMENT MEETS ALL THE CRITERIA FOR APPROVAL

15 18. Plaintiff and Plaintiff’s counsel have diligently investigated the claim in this matter. Plaintiff
16 and Counsel concluded, after taking into account the disputed factual and legal issues involved in this
17 Action, the substantial risks attending further prosecution, including risks related to the outcome of
18 possible summary judgment efforts, and the substantial benefits to be received pursuant to the
19 compromise and settlement of the Action as set forth in the Settlement, that settlement on the terms
20 agreed to are in the best interest of Plaintiff and the Aggrieved Employees and are fair and reasonable.
21 Plaintiff’s and Defendant’s Counsel brought to bear a great deal of experience with wage and hour
22 actions in negotiating the settlement of this case.

23 19. Resolution at this time will forestall the need for additional expensive and time-consuming
24 litigation that could very well result in an outcome less satisfactory than that proposed under this
25 settlement. But, before any other consideration, we have agreed to this settlement because it is
26

27 ¹ This comports with settled California Supreme Court authority. *See Arias v. Superior Court*, 46
28 Cal. 4th 969, 986 (2009) (concluding that “with respect to the recovery of civil penalties, nonparty
employees as well as the government are bound by the judgment in an action brought under the act....”).

1 objectively reasonable. The potential for resolution benefits the aggrieved employees and the State of
2 California, since they do not have to wait additional years for a similar recovery. The efficiency of this
3 litigation benefits the Court, the parties and their counsel. A settled resolution now is the most realistic
4 method for addressing the claims raised in this matter.

5 20. We have engaged in the necessary investigation in this case that made it possible for us to
6 exercise informed judgment in those aspects of the settlement process in which we were involved. The
7 Defendant in this matter produced important information, including policies and time data, and discloses
8 key legal defenses it intended to rely upon. The information, coupled with other data and aggrieved
9 employee interviews, was sufficient to permit Plaintiff's counsel to adequately evaluate the settlement.
10 Plaintiff had more than enough information upon which to evaluate a fair and reasonable settlement
11 amount.

12 21. Here, the expense, complexity and likely duration of future litigation was to some extent an
13 unknown. However, what is certain is that to adequately establish the foundational violations that would
14 support a substantial penalty award, tremendous time and expense would be invested. To adequately
15 establish that aggrieved employees experience the alleged violations, and at what frequency, most of the
16 aggrieved employees would need to be interviewed in a systematic fashion and their testimony cataloged
17 in way sufficiently meaningful to permit the submission of summary evidence at trial, such as via survey.
18 *First*, the burdensome nature of such a process would be expensive and time-consuming. *Second*, the
19 individuals already interviewed confirmed substantial risk that the Court would either substantially
20 reduce any penalty ultimately awarded *or* conclude that the conduct was insufficient to support a penalty
21 award. *Third*, it would be essentially impossible to formulate an objectively reliable means of
22 summarizing testimonial experiences, other than by an extraordinarily detailed survey. And formulating
23 such a survey would have been important, since frequency of violations would need to be established
24 before any penalties could be recovered. In sum, the evidence collected to date leads Plaintiff to conclude
25 that, to the extent violations occurred, a fact which Defendant dispute, some violations were **not**
26 systematic and **not** uniform across all of Defendant's employees who worked during the relevant period.
27 Alternatively, direct testimony would have been required from as many of the roughly **200** aggrieved
28 employees as could be obtained, which would be, at best, very difficult.

1
2 ESTIMATE OF THE VALUE OF THE CLAIMS

3 22. Defendant denies Plaintiff's claims alleged in Plaintiff's operative complaint. Plaintiff's
4 Counsel considered defense arguments, e.g., that the employer's practices, policies, and procedures
5 complied with the law, that Defendant paid Aggrieved Employees over the California minimum wage
6 for all hours worked, that employees worked off-the-clock without knowledge of a supervisor or
7 Defendant, that Defendant correctly paid overtime for all overtime hours worked, that no waiting-time
8 penalties were due because waiting time penalties only arise from "willful" failure to pay wages due and
9 owing at the time of termination or resignation, that Plaintiff and Aggrieved Employees suffered no
10 actual injury from the alleged wage statement violations and that this alleged violation and the alleged
11 recordkeeping violation are entirely derivative of the other causes of action, and that a policy and practice
12 of reimbursing employees for necessary business-related expenses exists. Plaintiff's Counsel also
13 considered the likelihood of Plaintiff's success in establishing that any of provisions of the California
14 Labor Code, on which the civil penalties under PAGA are predicated, were violated and that such
15 violations were injurious and/or warranted imposition of civil penalties. Plaintiff's Counsel also
16 considered that trial courts have wide discretion when assessing penalties under PAGA, and that it could
17 be determined that individual liability issues predominate (e.g. due to purported variation in shifts, job
18 duties, and other circumstances which could raise individualized questions of fact) and could pose
19 challenges to manageability, and the merits of Plaintiff's claims.

20 23. Plaintiff's Counsel considered information obtained through investigations and from
21 Plaintiff, as well as class data and information obtained from Defendant and other sources, and created
22 violation, damages, and penalties valuations and models prior to reaching the settlement. Based thereon,
23 Plaintiff calculated the potential value of the claims. However, the potential value of each claim assumed
24 an exposure based on the Plaintiff having proven all elements of the claims and entitlement to monetary
25 recovery, despite risks associated with demonstrating manageability, and establishing liability and any
26 underlying California Labor Code violations and damages, and significant additional costs that would
27 have to be incurred in order to certify the case and establish liability and damages. Plaintiff also faced the
28 risk of the Court finding that individualized issues predominate, such that the action is not suitable for

1 representative adjudication. While Plaintiff's Counsel disagreed with defense arguments and factual
2 contentions, Plaintiff's recognized the circumstances and realities of the case, applicable case law and
3 regulations, the costs and expenses of further litigation, and risks to recovery, and applied appropriate
4 discounts for them.

5 24. After analyzing the claims in this matter, Plaintiff has concluded that the value of this
6 Settlement is fair, adequate, and reasonable. The Settlement provides a significant monetary benefit that
7 falls well within "the range of an acceptable settlement" under the circumstances, which is the standard
8 on which the instant Settlement must be judged. As held by the Ninth Circuit, a settlement may be fair
9 and reasonable even where it only provides a fraction of what could have been obtained at trial. The
10 reasonable value of the Settlement was evaluated two ways.

11 (a) First, using the most straightforward formulation of applying the "catch-all" \$100 penalty
12 specified in Labor Code § 2699(f)(2) to each pay period per employee, for all of the estimated
13 5,314 pay periods through mediation, the maximum single penalty plausible exposure under that
14 direct approach is **\$531,400.00**. The Settlement of **\$150,000.00** is about 28.2% of roughly
15 estimated maximum single penalty exposure value. When considering the serious risks discussed
16 herein, and the Court's inherent power to adjust penalties downward to reflect an employer that
17 sought to be in compliance with wage and hour laws, even if mistakes were sometimes made, the
18 compromise figure is reasonable.

19 (b) Second, the Settlement can also be evaluated by looking at each allegation and the
20 penalty that would attach thereto. The Settlement of **\$150,000.00** is 72% of the **\$209,680.00**
21 estimate of *risk-adjusted* penalty recovery (excluding interest) at this stage in the litigation, *based*
22 *upon a penalty-by-penalty analysis*. On that basis, it would be unwise to pass up this settlement
23 opportunity. This assessment is based on a carefully constructed model of the current fair value of
24 the case, using estimated risks, appellate authority, and estimates of violation frequency by pay
25 period. The maximum calculated plausible risk-adjusted exposure is **\$1,048,400.00**, *when*
26 *examining each penalty provision separately*. The estimate of the value of each claim consists of
27 the following components:
28

- The reasonably estimated penalty exposure for unpaid overtime for off-the-clock and improper overtime rate calculation work (Labor Code § 558) was estimated to be **\$265,700.00**. The risk-adjusted estimated exposure is estimated to be **\$53,140.00**, based on a risk reduction of 80%, before any Court-imposed reductions for good faith conduct by Defendant.
- The reasonably estimated penalty exposure for meal period violations (Labor Code § 558) was estimated to be **\$68,450.00**. The risk-adjusted estimated exposure is estimated to be **\$13,690.00**, based on a risk reduction of 80%, before any Court-imposed reductions for good faith conduct by Defendant.
- The reasonably estimated penalty exposure for rest period violations (Labor Code § 558) was estimated to be **\$265,400.00**. The risk-adjusted estimated exposure is estimated to be **\$53,080.00**, based on a risk reduction of 80%, before any Court-imposed reductions for good faith conduct by Defendant.
- The reasonably estimated penalty exposure for late payment of wages and late wage statements (Labor Code § 210) was estimated to be \$164,050.00. The risk-adjusted estimated exposure is estimated to be \$32,810.00, based on a risk reduction of 80%, before any Court-imposed reductions for good faith conduct by Defendant. This penalty is contingent on unpaid wage penalties.
- The reasonably estimated exposure for unreimbursed necessary expenses over the class period (Labor Code § 2802) was calculated at **\$14,100.00**. Based on the records of facial violations and the serious risk that employee choice would become an issue that impeded proof, the risk-adjusted estimated exposure is estimated to be **\$2,820.00**, based on a risk reduction of 80%, before any Court-imposed reductions for good faith conduct by Defendant.
- The risk-adjusted penalty recovery for violation of Labor Code § 226 was estimated to be approximately **\$53,140.00**, on a maximum exposure of **\$265,700.00**. A risk reduction of 80% was applied to reflect the contingent nature of this claim and the additional need to demonstrate willful misconduct.

- The risk-adjusted penalty recovery for violation of Labor Code §1197.1 for Labor Code Labor Code § 203 violation was estimated to be approximately **\$1,000.00**, on a maximum exposure of **\$5,000.00**. A risk reduction of 80% was applied to reflect the contingent nature of this claim and the additional need to demonstrate willful misconduct.
- Performing risk-adjusted valuations for all claims yields a total value in the range of **\$209,680.00**.

The Settlement of **\$150,000.00** is about **14%** of roughly estimated non-single penalty maximum exposure value of **\$1,048,400.00**. Notably, the maximum plausible exposure assumes high violation rates that would not likely be demonstrated. And the maximum plausible exposure assumes either the participation of all aggrieved employees or the use of surveys or statistical data as a surrogate, which would still require the participation of hundreds of persons to have adequate validity. Finally, Defendant's ability to assert viable legal defenses would further reduce the maximum plausible exposure. Beyond that, the Court would retain discretion to reduce any established penalties based upon Defendant's compliant policies. Thus, the likely PAGA exposure is far below the optimistic estimate. Accordingly, settlement is in the best interests of the Aggrieved Employees.

25. Plaintiff's Counsel are also of the opinion that because the issues here are fairly contested, there is a possibility of the Court not awarding PAGA penalties even if Plaintiff prevailed on the merits due to the largely discretionary nature of awarding PAGA penalties. Indeed, under Labor Code section 2699, subdivision (e)(2), a Court can reduce PAGA penalties "if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." (Lab. Code § 2699(e)(2).) In other words, were this matter to go to trial, any award granted would be at the discretion of the Court and subject to a substantial reduction.

26. The Settlement is the product of arm's-length negotiations between the Parties occurring throughout the litigation. In light of the uncertainties of protracted litigation and the state of the law regarding the legal positions of the Parties, the settlement amount reflects the best feasible recovery. The settlement amount is, of course, a compromise figure. By necessity it took into account risks related to liability, damages, and all the defenses asserted by the Defendant. Given the strong case that Defendant could bring to bear, this is not an inconsequential settlement.

1 ESTIMATED SETTLEMENT PAYMENTS

2 27. The amount to be designated as PAGA Penalties is \$84,560.80 which will be distributed as
3 75% (\$63,420.60) to the LWDA and 25% (\$21,140.20) to the Aggrieved Employees.

4 OTHER PENDING ACTIONS

5 28. I made reasonable inquiry, and I am not aware of any actions which assert claims similar to
6 those asserted in the above-captioned matter, on behalf of a group of individuals some or all of whom
7 would be members of the PAGA group defined in this action.

8 THE EXPERIENCE OF COUNSEL

9 29. I am a founding partner of Tunyan Law, APC and has been engaged in the practice of
10 employment and labor law for more than four years and focused exclusively on plaintiffs' employment
11 law and wage-and-hour class actions and more than twenty-four years in practice of law in general. I
12 have handled hundreds of wage-related class actions.

13 30. Prior to establishing my own practice, I was an associate attorney at Moon & Yang, APC and
14 Mahoney Law Group, APC. Since I was admitted to the California Bar, my practice has focused mainly
15 on labor and employment class action lawsuits involving California and federal labor laws. Along with
16 those firm's other attorneys I have successfully settled more than 50 class action and PAGA matters
17 during that time span and was routinely appointed lead or co-lead class counsel in courts in California
18 including by way of motion for class certification.

19 31. I received my Juris Doctorate from the State Yerevan University and my LL.M. from
20 University of Minnesota Law School. Prior to moving to California and starting to practice law in
21 California I practiced law in Armenia for about twenty years as a licensed attorney. I have been general
22 counsel and head of legal department for big telecommunication and financial corporations in Armenia
23 for the last 12 years prior to moving to California. I managed corporate legal department and corporate
24 legal and regulatory affairs and handled complex litigation matters as well as complex transactions for
25 many years.

26 32. I am a current member of the California Employment Lawyers Association (CELA) and the
27 California Consumer Attorneys Association of Los Angeles (CAALA). I have been an active member of
28 the State Bar of California in good standing.

33. I am experienced in prosecuting employment matters, particularly class actions, and I focused a substantial percentage of my practice on wage, hour, and working conditions violations. In addition to the present case, I represented plaintiffs and the class members and have extensively worked on many wage-and-hour class cases and have been appointed as class or PAGA counsel along with other counsel and co-counsel for wage-and-hour class action lawsuits in various counties throughout California such as: *Oregel v. Diablo Range Framing, Inc.*, Contra Costa County Superior Court, Case N C23-00697, *Gonzalez v. RV Retailer San Diego, LLC, et al.*, Riverside County Superior Court, Case N CVRI2301403, *Evans, et al. v. Downtown Women's Center*, Los Angeles County Superior Court, Case N 22STCV06578 (class certification motion granted in part); *Sanchez v. Anodizing Industries, Inc.*, Los Angeles County Superior Court, Case N 21STCV30722; *Godoy v. Intertrade Industries, LTD*, Orange County Superior Court, Case No. 30-2020-01151921-CU-OE-CXC; *Fuentes v. Actron Manufacturing Inc.*, Los Angeles Superior Court, Case N 20STCV31099; *Gonzalez v. Community Health Systems, Inc.*, San Bernardino County Superior Court, Case N CIVDS2015678; *Rodriguez v. Progress Lighting, Inc. et al.*, San Bernardino County Superior Court, Case N CIVDS2023894; *Castillo v. Gibson Overseas, Inc.*, San Bernardino Superior Court, Case N CIVDS2022537; *Mumphrey v. People's Care Northern California, Inc. et al.*, San Joaquin County Superior Court, Case N STK-CV-UOE-2019-0016397; *Ochoa v. Orlando Spring Corp*, Los Angeles Superior Court, Case N 20STCV343129; *Findley v. USC, et al.*, Los Angeles Superior Court, Case N 20STCV47290; *Maldonado v. Techmer PM, LLC*, Los Angeles Superior Court, Case N 20STCV21918; *Huerta v. IRS*, Los Angeles Superior Court, Case N 20STCV09163; *Mata v. Marukai Corporation*; Los Angeles Superior Court, Case N 20STCV00959; *Tapia v. Home &Body*; Orange County Superior Court, Case N 30-2020-01155185-CU-OE-CXC; *Ruvalcaba v. Quinn Group, Inc.*, Los Angeles Superior Court, Case N 20STCV41323; *Bravo v. FIDM*, Los Angeles Superior Court, Case N 19STCV25338; *Lomeli v. Plaskolite et al.*, Los Angeles Superior Court, Case N 21STCV14611; *Alcantar v. Classic Salads LLC*, Santa Cruz County Superior Court, Case N 21CV002309; *Casas v. Freedom Solar Services, et al.*, Los Angeles Superior Court, Case N 21STCV20233; *Serrano v. Barstow Community Hospital*, San Bernardino Superior Court, Case N CIVDS2006967; *Lopez v. Fairway Staffing Services, et al.*, Los Angeles Superior Court, Case N

1 21STCV26640; *Linden v. Marugame Udon USA, LLC*, Los Angeles Superior Court, Case No.
2 20STCV00728; *Salter v. U.S. Reports*, et al., Los Angeles Superior Court, Case N 19STCV30384;
3 *Perez v. Torn & Glasser, Inc.*, Los Angeles Superior Court, Case N 21STCV43614; *Gomez v. Arya*
4 *Ice Cream Distributing Co., Inc*, Los Angeles Superior Court, Case N 21STCV31170; *Herrera v.*
5 *Coastal Construction & Lumber*, Santa Cruz County Superior Court, Case N 22CV394683; *Garcia*
6 *v. San Jose Water Company*, Santa Clara County Superior Court, Case No. 22CV396328; *Ramirez v.*
7 *Partners Personnel Management Services LLC*, Los Angeles Superior Court, Case N
8 21STCV31253; *Ramirez v. Merrill Gardens LLC*, Eastern District Court of California, Case N1:22-
9 cv-00542-DAD-SAB; *Garcia v. Tri-Valley Plastering, Inc.*, Fresno County Superior Court, Case N
10 22CECG00591; *Garcia v. South Valley Companies, Inc.*, Kern County Superior Court, Case N
11 BCV-22-100465; *Morales v. Wiseguys Custom Home Theater, LLC*, San Diego Superior Court, Case
12 N37-2019-00070151-CU-OE-CTL.

13 34. Artur Tunyan is another partner and attorney at Tunyan Law, APC. He received his Juris
14 Doctorate from the State Yerevan University and his LL.M. from the American University of
15 Armenia and University of Illinois Chicago, School of Law. Prior to moving to California and
16 starting to practice law in California he practiced law in Armenia for about twenty-five years. He
17 oversaw international donor-funded projects for the judiciary and managed public-private
18 partnership initiatives in sectors such as energy, banking, finance, and aviation. He managed
19 complex transactions and litigation matters for many years.

20 REASONABLENESS OF THE REQUESTED FEE AWARD

21 35. When this case was taken on a contingent fee basis, with the firm agreeing to assume
22 responsibility for litigation costs, the ultimate result was far from certain. In the course of this litigation,
23 Tunyan Law, APC, paid filing fees, copy charges, expert fees, mediation fees, mailing, telephone and
24 express mail charges. There was never a guarantee that Tunyan Law, APC would recoup those
25 expenditures. The firm took on this case, which necessarily required the firm to forego other
26 opportunities, given finite resources to devote to cases.

27 36. Because of the uncertainty of the outcome in this and other wage and hour litigation
28 undertaken by Tunyan Law, APC, we took this case with the expectation that a risk enhancement, either

1 in the form of a lodestar multiplier or a percentage of the fund award equivalent thereto, would be
2 available if we prevailed. This expectation stems from the fact that many cases we undertake as putative
3 class actions do not resolve successfully.

4 37. Counsel's experience in employment class actions was integral in evaluating strengths and
5 weaknesses of the case against Defendant and the reasonableness of the settlement. Practice in the
6 narrow fields of wage and hour litigation requires skill and knowledge concerning the rapidly evolving
7 substantive law (state and federal), as well as the procedural law of class action litigation.

8 38. In the past four years, I have settled many wage-and-hour class actions. Just as the Court in
9 *Chavez v. Netflix, Inc.*, 162 Cal. App. 4th 43, 66, n.11 (2008) observed, it has been my experience, that
10 attorney fee awards of one-third of a common settlement fund are the rule, rather than the exception.
11 Here, PAGA group Counsel agrees that they will seek no more than one third of the settlement amount in
12 fees. This is consistent with common practice, consistent with Ninth Circuit practice, consistent with
13 California law approving the percentage of the fund method to award fees from a common fund, *Laffitte*
14 *v. Robert Half Intern. Inc.*, 1 Cal. 5th 480, 503 (2016), and not inappropriate in light of the many hours
15 expended by attorneys performing work for Plaintiff before and after the filing of this matter. That work
16 includes:

- 17 (a) Numerous interviews with Plaintiff and review of documents provided by Plaintiff;
- 18 (b) Legal research and investigation regarding the Defendant's practices at numerous
19 points in the litigation;
- 20 (c) Preparation of multiple drafts of the original complaints and finalization and filing
21 of the original complaints;
- 22 (d) Extensive "meet and confer" efforts with Defendant's counsel to obtain relevant
23 documents and information through informal discovery;
- 24 (e) Drafting and amending the LWDA Notice letter;
- 25 (f) Drafting an amending complaints and stipulations;
- 26 (g) Review of payroll, job position, and time data;
- 27 (h) Analysis of the audit results and preparation of a damages model with the aid of a
28 statistics expert;

- (i) Review and revisions to the damage model and supporting data analysis;
- (j) Research and preparation of Plaintiff's mediation brief;
- (k) Attendance at mediation;
- (l) Drafting, negotiating, and reviewing multiple drafts of the Agreement and attachments;
- (m) Preparation of the motion for settlement approval; and,
- (n) Review of edits to the motion for settlement approval and revisions to all documents to conform.

39. The actual lodestar incurred by Plaintiff's counsel is approximately **\$73,697.50** to date (and estimated to be **\$75,947.50**). The breakdown of work by attorney is as follows:

Attorney	Time	Rate	Total
Lilit Tunyan	137.7	\$550	\$75,735.00
Artur Tunyan	5.9	\$450	\$2,655.00
	143.6	Total:	\$78,390.00

40. I also anticipate that we will spend an additional 5 hours on this matter, appearing at the hearing of this Motion, working with the administrator to process the Settlement, and preparing final accounting filings after distribution of the Settlement, for an additional lodestar of \$2,750.00.

41. The fee request is **\$50,000.00**, which is one third of the Gross Settlement Amount, as specified in the Settlement Agreement. The requested sum of **\$50,000.00** constitutes a negative lodestar multiplier of 1.6, when compared to just the recorded, and estimated future lodestar of Tunyan Law, APC, totaling **\$81,140.00** (\$78,390.00 + \$2,750).

42. The Agreement also provides for the award of actual costs. Plaintiff's actual, out-of-pocket costs in taking on representation in this Lawsuit on a contingency basis are currently \$11,439.20 which include future motion, final report filing and CaseAnywhere fees, as set forth in **Exhibit "2."** Therefore, Tunyan Law, APC, requests an award of **\$11,439.20** to reimburse costs incurred in bringing this action.

43. The parties have agreed that administration will be handled by a third-party administrator. In counsel's experience as class counsel in similar wage-and-hour actions with a similar number of employees, Simpluris, Inc. is fully capable of administering the Settlement at a competitive and reasonable cost and should be approved by the Court to administer the Settlement notice process. After obtaining competing bids from four potential settlement administrators (Simpluris, Inc., CPT Group class action administrators, Phoenix class action administrators and ILYM Group, Inc.), the Parties have agreed to retain Simpluris, Inc. ("Settlement Administrator"), which quoted the lowest flat fee of \$4,000.00, to handle the notice and settlement administration process. The Parties respectfully request that the Court appoint Simpluris, Inc. to handle these procedures and serve as the Settlement Administrator. Settlement Administration Fees are currently estimated not to exceed \$4,000.00 and will be paid out of the Gross Settlement Amount, subject to approval of the Court.

44. As noted above, a true and correct copy of the PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AGREEMENT AND RELEASE is attached hereto as **Exhibit “1.”**

NOTICE WAS PROVIDED TO THE LWDA

I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct. Executed this 2nd day of April 2024, at Glendale, California.

Thurs

PROOF OF SERVICE

Exhibit “1”

Lilit Tunyan (SBN 329351)
ltunyan@tunyanlaw.com
Artur Tunyan (SBN 349174)
atunyan@tunyanlaw.com
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Attorneys for Plaintiff Teresa Carmen C. Mejia,
as an individual and on behalf of all employees
similarly situated

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Attorneys for Defendant KF Casitas, LLC dba Casitas Care Center

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

TERESA CARMEN C. MEJIA, as an
individual and on behalf of all employees
similarly situated,

Plaintiff,

v.

KF CASITAS, LLC dba CASITAS CARE
CENTER, a Limited Liability Company; and
DOES 1 through 50, inclusive,

Defendants.

Case No. 23STCV06090

[Assigned for all purposes to Hon. Lawrence P.
Riff, Dept. 7]

PAGA SETTLEMENT AGREEMENT

Complaint Filed: March 17, 2023
Trial: None Yet Set

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement” or “Settlement”) is made by and between Plaintiff TERESA CARMEN C. MEJIA (“Plaintiff”) and Defendant KF CASITAS, LLC dba CASITAS CARE CENTER (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

1.1. “Action” means the Plaintiff’s PAGA lawsuit alleging wage and hour violations against Defendant captioned *Mejia v. KF Casitas, LLC dba Casitas Care Center*, Case N 23STCV06090, initiated on March 17, 2023 and pending in Superior Court of the State of California, County of Los Angeles.

1.2. “Administrator” means Simpluris, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of this Settlement.

1.4. “Aggrieved Employee” means a non-exempt or hourly employee of Defendant who worked for Defendant during the PAGA Period.

1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendant’s possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.

1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.

1.7. “Court” means the Superior Court of California, County of Los Angeles.

1.8. “Defense Counsel” means Levinson Arshonsky Kurtz & Komsky, LLP.

1.9. "Effective Date" means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Approving the PAGA Settlement and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) the day the Court enters Judgment if no objections are filed to this settlement or if all objections are withdrawn prior to the Court ruling on them; or (b) sixty-one (61) days after the date of entry of the settlement approval order if objections are filed and overruled and no appeal is taken from the order approving the settlement; or (c) if a timely appeal is made, ten (10) business days after the final resolution of that appeal if the appeal is rejected, the settlement is upheld, and the settlement approval order is no longer subject to further judicial review..

1.10. "Gross Settlement Amount" means \$150,000.00 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administrator's Expenses Payment. In addition to Gross Settlement Amount Defendant will pay \$10,000 to Plaintiff in lieu of arbitrating Plaintiff's individual claims and in consideration for representing Aggrieved Employees and for general release of Plaintiff's all claims beyond PAGA claims released in this action in accordance with a separate individual settlement and release agreement entered between the Parties.

1.11. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.

1.12. "Judgment" means the judgment entered by the Court based upon the Final Approval.

1.13. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.14. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.15. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.

1.16. "PAGA Counsel" means Tunyan Law, APC.

1.17. "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.

1.18. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.19. "PAGA Period" means the period from March 17, 2022 to the date of entry of order for approval of the Settlement by the Court or 60 days after February 15, 2024, whichever is earlier."

1.20. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.21. "PAGA Notice" means Plaintiff's March 16, 2023 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a). attached to this Agreement as **Exhibit A**.

1.22. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees and the 75% to LWDA in settlement of PAGA claims.

1.23. "Plaintiff" means Terese Carmen C. Mejia, the named plaintiff in the Action.

1.24. "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.

1.25. "Released PAGA Claims" means the claims being released by the Plaintiff and PAGA Counsel and as described in Paragraph 5 below.

1.26. "Released Parties" means: Defendant and each of their former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

1.27. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.28. "Defendant" means named Defendant KF Casitas, LLC dba Casitas Care Center.

2. RECITALS.

2.1. On March 17, 2023, Plaintiff commenced this Action by filing a class action Complaint alleging seven causes of action against Defendant. Plaintiff's Complaint sought damages, on her behalf and on behalf of a class of all non-exempt or hourly employees, for the following alleged violations of the California Labor Code: (1) failure to pay all wages (Labor Code sections 204, 510, 1194, 1198); (2) failure to provide meal periods (Labor Code sections 226.7 and 512); (3) failure to provide rest breaks (Labor Code section 226.7); (4) failure to keep accurate itemized wage statements (Labor Code section 226); (5) failure to pay wages upon termination of employment (Labor Code sections 201–203, 227.3); (6) failure to reimburse for necessary expenditures (Labor Code sections 2802); (7) unfair business practices (Business and Professions Code sections 17200 *et seq.*).

2.2. On May 22, 2023, Plaintiff filed a First Amended Complaint, which added a cause of action for civil penalties pursuant to the PAGA based on the same Labor Code violations alleged in the Complaint. Plaintiff's First Amended Complaint is the operative complaint in the Action (the "Operative Complaint"). Defendant deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in the Operative Complaint and deny any and all liability for the causes of action alleged.

2.3. On August 31, 2023, the Court granted Defendant's motion to compel Plaintiff to arbitrate her individual claims and to dismiss class claims, and the Court denied Defendant's motion to compel Plaintiff to arbitrate her individual PAGA claim and to dismiss her non-individual PAGA claims. In lieu of arbitrating Plaintiff's individual non-PAGA claims and

litigating Plaintiff's individual and representative PAGA claims, the parties agreed to mediation with the scope of Plaintiff's individual claims and individual and non-individual PAGA claims.

2.4. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.

2.5. On February 15, 2023, the Parties participated in an all-day mediation presided over by Kevin T. Barnes, Esq., which led to this Agreement to settle the Action.

2.6. Prior to mediation, Plaintiff obtained, through informal discovery, employee and payroll data, policy documents, and additional information regarding Defendant's non-exempt, hourly employees in California, which Plaintiff's Counsel reviewed and analyzed.

2.7. The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraphs 1.10 and 8, Defendant promises to pay One Hundred Fifty Thousand Dollars (\$150,000.00) and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 33 1/3% which is currently estimated to be \$50,000.00 and PAGA Counsel Litigation Expenses Payment of not more than \$15,000. Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file a motion for PAGA Counsel Fees Payment and PAGA Litigation Expenses Payment

1 with the motion for approval of the Settlement. If the Court approves a PAGA Counsel Fees
2 Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested,
3 the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties
4 shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim
5 to any portion any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses
6 Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel
7 Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full
8 responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA
9 Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies
10 Defendant, from any dispute or controversy regarding any division or sharing of any of these
11 Payments.

12 3.2.2. To the Administrator: An Administrator Expenses Payment not to exceed
13 \$15,000 except for showing of good cause and as approved by the Court. To the extent the
14 Administration Expenses are less or the Court approves payment less than \$15,000, the
15 Administrator will retain the remainder in the Net Settlement Amount. Simpluris, Inc. has been
16 selected as the Administrator, based upon its "not to exceed" bid of \$ 4,000.

17 3.2.3. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount
18 of at least \$81,000 to be paid from the Gross Settlement Amount, with 75% allocated to the
19 LWDA PAGA Payment and 25% allocated to the Individual PAGA Payments.

20 3.2.3.1. The Administrator will calculate each Individual PAGA Payment
21 by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties by the
22 total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the
23 PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay
24 Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on
25 their Individual PAGA Payment.

26 3.2.3.2. If the Court approves PAGA Penalties of less than the amount
27 requested, the Administrator will allocate the remainder to the Net Settlement Amount. The
28 Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

1 **4. SETTLEMENT FUNDING AND PAYMENTS.**

2 4.1. Aggrieved Employee Pay Periods. Based on a review of its records, Defendant
3 estimates there are **200** Aggrieved Employees who worked a total **5,314** of PAGA Pay Periods
4 from March 17, 2022 through February 15, 2024.

5 4.2. Aggrieved Employee Data. Within fourteen (14) days after the Effective Date,
6 Defendant will deliver the Aggrieved Employee Data to the Administrator in the form of a
7 Microsoft Excel spreadsheet. To protect Aggrieved Employee' privacy rights, the Administrator
8 must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data
9 only for purposes of this Settlement and for no other purpose, and restrict access to the
10 Aggrieved Employee Data to Administrator employees who need access to the Aggrieved
11 Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to
12 immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted
13 employee identifying information and to provide corrected or updated Aggrieved Employee Data
14 as soon as reasonably feasible. Without any extension of the deadline by which Defendant must
15 send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will
16 expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related
17 to missing or omitted Aggrieved Employee Data.

18 4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross
19 Settlement Amount by transmitting the funds to the Administrator no later than fourteen (14)
20 days after the Effective Date.

21 4.4. Payments from the Gross Settlement Amount. Within fourteen (14) days after
22 Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all
23 Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment,
24 the PAGA Counsel Fees Payment, the PAGA Counsel Expenses Payment. Disbursement of the
25 PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual
26 PAGA Payments.

27 4.4.1. The Administrator will issue checks for the Individual PAGA Payments
28 and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid along with

1 the Notice of PAGA Representative Action Settlement (attached hereto as **Exhibit B**). The face
2 of each check shall prominently state the date (180 days after the date of mailing) when the
3 check will be voided. The Administrator will cancel all checks not cashed by the void date.
4 Before mailing any checks, the Settlement Administrator must update the recipients' mailing
5 addresses using the National Change of Address Database.

6 4.4.2. The Administrator must conduct an Aggrieved Employee Address Search
7 for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding
8 address. Within 7 days of receiving a returned check the Administrator must re-mail checks to
9 the USPS forwarding address provided or to an address ascertained through the Aggrieved
10 Employee Address Search. The Administrator need not take further steps to deliver checks to
11 Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator
12 shall promptly send a replacement check to any Aggrieved Employee whose original check was
13 lost or misplaced, requested by the Aggrieved Employee prior to the void date.

14 4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is
15 uncashed and cancelled after the void date, the Administrator shall transmit the funds represented
16 by such checks to the California Controller's Unclaimed Property Fund in the name of the
17 Aggrieved Employee.

18 4.4.4. The payment of Individual PAGA Payments shall not obligate Defendant
19 to confer any additional benefits or make any additional payments to the Aggrieved Employees
20 (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

21 **5. RELEASES OF CLAIMS.**

22 Effective on the date when Defendant fully funds the entire Gross Settlement Amount
23 and Plaintiff's general release payment pursuant to the separate agreement entered between the
24 Parties, Plaintiff and PAGA Counsel will release claims against all Released Parties as follows:

25 **5.1 Plaintiff's Release.**

26 5.1.1 **Scope of Plaintiff's Release.** Plaintiff and her respective former and present
27 spouses, representatives, agents, attorneys (including PAGA Counsel), heirs,
28 administrators, successors, and assigns generally, release and discharge Released

1 Parties from all claims, transactions, or occurrences that occurred during the
2 PAGA Period, including, but not limited to: (a) all claims that were, or reasonably
3 could have been, alleged, based on the facts contained in the Operative Complaint
4 and the PAGA Notice ("Plaintiff's Release"). Pursuant to the individual
5 settlement and release agreement Plaintiff also provides a general release of all
6 claims as defined in a separate individual settlement and release agreement.
7 Plaintiff's Release does not does apply to: (i) claims or actions to enforce PAGA
8 Settlement Agreement; (ii) claims premised upon vested rights Plaintiff may have
9 under Defendant's ERISA-covered employee benefit plans; and (iii) claims that
10 controlling law clearly states may not be released by private settlement, such as
11 claims for unemployment benefits, state-sponsored disability benefits, social
12 security benefits, or workers' compensation benefits. With the exception of
13 Plaintiff, who will execute an individual settlement agreement which includes a
14 general release of all claims, this settlement shall not impact Aggrieved
15 Employees' ability to assert claims other than the PAGA claims being released by
16 this Settlement.

17 5.1.2 Plaintiff's Waiver of Rights Under California Civil Code § 1542. For
18 purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the
19 provisions, rights, and benefits, if any, of Section 1542 of the California Civil
20 Code, which reads:

21 **A general release does not extend to claims that the creditor or**
22 **releasing party does not know or suspect to exist in his or her**
23 **favor at the time of executing the release, and that if known by**
24 **him or her would have materially affected his or her settlement**
25 **with the debtor or Released Party.**

26 5.2 Release by Aggrieved Employees: All Aggrieved Employees are deemed to release,
27 on behalf of themselves and their respective former and present representatives, agents,
28 attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for
PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA
Period facts stated in the Operative Complaint and the PAGA Notice ("Released Claims").

1 5.3 Release by PAGA Counsel: PAGA Counsel release on behalf of their present and
2 former attorneys, employees, agents, successors and assigns the Released Parties from all
3 claims for PAGA Counsel Fees incurred in connection with the Operative Complaint and the
4 PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

5 **6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.**

6 The Parties agree to jointly prepare and file an application or motion for approval of this
7 Settlement.

8 6.1. Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all
9 documents necessary for obtaining approval of this Settlement under Labor Code Section 2699,
10 subd. (f)(2)) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a
11 signed declaration from the Administrator attaching its "not to exceed" bid for administering the
12 Settlement and attesting to its willingness to serve; competency; operative procedures for
13 protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data
14 breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential
15 conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any
16 financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iii) a signed
17 declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all
18 necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)),
19 Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code
20 section 2699, subd. (l)(2)); (iv) a redlined version of the parties' Agreement showing all
21 modifications made to the Model Agreement ready for filing with the Court; and (v) all facts
22 relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the
23 Administrator. In their Declarations, Plaintiff and PAGA counsel shall aver that they are not
24 aware of any other pending matter or action asserting claims that will be extinguished or
25 adversely affected by the Settlement.

26 6.2. Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly
27 responsible for expeditiously finalizing and filing the application or motion for approval of this
28 Settlement no later than thirty (30) days after the full execution of this Agreement and, if

1 necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in
2 favor of the motion. PAGA Counsel is responsible for delivering the Court's Preliminary
3 Approval to the Administrator.

4 6.3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed application
5 or motion for approval of this Settlement and/or the supporting declarations and documents,
6 PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties
7 by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the
8 Court does not grant the motion for approval of this Settlement or conditions its approval on any
9 material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously
10 work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to
11 modify the Agreement and otherwise satisfy the Court's concerns.

12 7. SETTLEMENT ADMINISTRATION.

13 7.1. Selection of Administrator. The Parties have jointly selected Simpluris, Inc. to serve
14 as the Administrator and verified that, as a condition of appointment, Simpluris, Inc. agrees to be
15 bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in
16 exchange for payment of Administration Expenses. The Parties and their Counsel represent that
17 they have no interest or relationship, financial or otherwise, with the Administrator other than a
18 professional relationship arising out of prior experiences administering settlements.

19 7.2. Employer Identification Number. The Administrator shall have and use its own
20 Employer Identification Number for purposes of calculating payroll tax withholdings and
21 providing reports state and federal tax authorities.

22 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that
23 meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation
24 section 468B-1.

25 7.4. Administrator Duties. The Administrator has a duty to perform or observe all tasks
26 to be performed or observed by the Administrator contained in this Agreement or otherwise.

27 ///

28 ///

1 **8. AGGRIEVED EMPLOYEE SIZE ESTIMATES AND ESCALATOR CLAUSE**

2 Based on its records, Defendant estimates that, as of the date of mediation, there are 200
3 Aggrieved Employees who worked 5,314 Pay Periods from March 17, 2022 to February 15,
4 2024. The settlement as negotiated contemplates a PAGA Pay Period count through court
5 approval. If the number of actual PAGA pay periods during the PAGA period exceeds 10% of
6 the estimated pay periods (i.e., exceeds 5,846 pay periods), Defendant shall increase the Gross
7 Settlement Amount by a pro-rata dollar value equal to the number of pay periods in excess of
8 5,846 pay periods. For example, if there is a 1% increase over 10% then the Gross Settlement
9 Amount increases by 1%. However, if the escalator clause is triggered, Defendant may
10 alternatively choose to end the PAGA Period on the date that the increase would otherwise be
11 triggered.

12 **9. CONTINUING JURISDICTION OF THE COURT.**

13 The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the
14 Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or
15 Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-
16 Judgment matters as are permitted by law.

17 9.1. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
18 conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and
19 PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel waive all
20 rights to appeal from the Judgment, including all rights to post-judgment and appellate
21 proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary
22 writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such
23 motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to
24 perform under this Agreement will be suspended until such time as the appeal is finally resolved
25 and the Judgment becomes final, except as to matters that do not affect the amount of the Net
26 Settlement Amount.

27 ///

28 ///

1 **10. ADDITIONAL PROVISIONS.**

2 10.1. No Admission of Liability or Representative Manageability for Other Purposes.

3 This Agreement represents a compromise and settlement of highly disputed claims. Nothing in
4 this Agreement is intended or should be construed as an admission by Defendant that any of the
5 allegations in the Operative Complaint have merit or that Defendant have any liability for any
6 claims asserted; nor should it be intended or construed as an admission by Plaintiff that
7 Defendant's defenses in the Action have merit. The Parties agree that representative treatment is
8 for purposes of this Settlement only. If, for any reason the Court does not approve this
9 Settlement, Defendant reserves all available defenses to the claims in the Action, and Plaintiff
10 reserves the right to contest Defendant's defenses. The Settlement, this Agreement and Parties'
11 willingness to settle the Action will have no bearing on, and will not be admissible in connection
12 with, any litigation (except for proceedings to enforce or effectuate the Settlement and this
13 Agreement).

14 10.2. Integrated Agreement. Upon execution by all Parties and their counsel, this
15 Agreement together with its attached exhibits shall constitute the entire agreement between the
16 Parties relating to the Settlement, superseding any and all oral representations, warranties,
17 covenants, or inducements made to or by any Party.

18 10.3. Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant
19 and represent that they are authorized by Plaintiff and Defendant, respectively, to take all
20 appropriate action required or permitted to be taken by such Parties pursuant to this Agreement
21 to effectuate its terms, and to execute any other documents reasonably required to effectuate the
22 terms of this Agreement including any amendments to this Agreement.

23 10.4. Cooperation. The Parties and their counsel will cooperate with each other and use
24 their best efforts, in good faith, to implement the Settlement by, among other things, modifying
25 the Settlement Agreement, submitting supplemental evidence and supplementing points and
26 authorities as requested by the Court. In the event the Parties are unable to agree upon the form
27 or content of any document necessary to implement the Settlement, or on any modification of the
28

1 Agreement that may become necessary to implement the Settlement, the Parties will seek the
2 assistance of a mediator and/or the Court for resolution.

3 10.5. No Prior Assignments. The Parties separately represent and warrant that they have
4 not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
5 encumber to any person or entity and portion of any liability, claim, demand, action, cause of
6 action, or right released and discharged by the Party in this Settlement.

7 10.6. No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant nor Defense Counsel
8 are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be
9 relied upon as such within the meaning of United States Treasury Department Circular 230 (31
10 CFR Part 10, as amended) or otherwise.

11 10.7. Modification of Agreement. This Agreement, and all parts of it, may be amended,
12 modified, changed, or waived only by an express written instrument signed by all Parties or their
13 representatives, and approved by the Court.

14 10.8. Agreement Binding on Successors. This Agreement will be binding upon, and
15 inure to the benefit of, the successors of each of the Parties.

16 10.9. Applicable Law. All terms and conditions of this Agreement and its exhibits will
17 be governed by and interpreted according to the internal laws of the state of California, without
18 regard to conflict of law principles.

19 10.10. Cooperation in Drafting. The Parties have cooperated in the drafting and
20 preparation of this Agreement. This Agreement will not be construed against any Party on the
21 basis that the Party was the drafter or participated in the drafting.

22 10.11. Confidentiality. To the extent permitted by law, all agreements made, and orders
23 entered during Action and in this Agreement relating to the confidentiality of information shall
24 survive the execution of this Agreement.

25 10.12. Use and Return of Aggrieved Employee Data. Information provided to PAGA
26 Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data
27 provided to PAGA Counsel by Defendant in connection with the mediation, other settlement
28 negotiations, or in connection with the Settlement, may be used only with respect to this

Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendant unless, prior to the Administrator's payment of all Settlement Funds, Defendant make a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.

10.13. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

10.14. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

10.15. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:
Lilit Tunyan (SBN 329351)
ltunyan@tunyanlaw.com
Artur Tunyan (SBN 349174)
atunyan@tunyanlaw.com
TUNYAN LAW, APC
535 N Brand Blvd. Suite 285
Glendale, California 91203
Telephone: (323) 410-5050

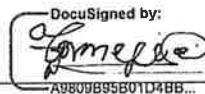
To Defendant:
James S. Cooper (SBN 162469)
jcooper@lakklawyers.com
LEVINSON ARSHONSKY
KURTZ & KOMSKY, LLP
15303 Ventura Blvd., Suite 1650
Sherman Oaks, California 91403
Telephone: (818) 382-3434
Facsimile: (818) 382-3433

10.16. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

10.17. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

The Parties hereby execute this Agreement.

Dated: 3/16/2024 | 8:04 PM PDT **TERESA CARMEN C. MEJIA**

By: A9809B95B01D4BB...

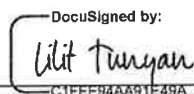
Teresa Carmen C. Mejia

Dated: **KF CASITAS, LLC dba CASITAS CARE CENTER**

By: 
[NAME] *Rosa E. Valdivia*
[TITLE] *Administrator*

APPROVED AS TO FORM:

Dated: 3/16/2024 | 11:52 PM PDT **TUNYAN LAW, APC**

By: C1FEE84AA91E49A...

Lilit Tunyan
Artur Tunyan
Attorneys for Plaintiff Teresa Carmen C. Mejia

Dated: 4-1-24

LEVINSON ARSHONSKY KURTZ & KOMSKY, LLP

By: 
James S. Cooper
Attorneys for Defendant KF Casitas, LLC
dba Casitas Care Center

Exhibit “A”



TUNYAN LAW

Lilit Tunyan, Esq.
1336 Rossmoyne Avenue,
Glendale, CA 91207
Tel: (323) 410-5050
ltunyan@tunyanlaw.com

March 16, 2023

VIA ONLINE SUBMISSION

Labor & Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612
PAGAfilings@dir.ca.gov

VIA CERTIFIED MAIL

Return Receipt Requested

Agent for Service of Process for
KF Casitas, LLC dba Casitas Care Center
Jacob Winter
6300 Wilshire Blvd., Suite 1800
Los Angeles, CA 90048

VIA CERTIFIED MAIL

Return Receipt Requested

KF Casitas, LLC dba Casitas Care Center
10626 Balboa Blvd.
Granada Hills, CA 91344

**NOTICE OF LABOR CODE VIOLATIONS PURSUANT TO
LABOR CODE SECTION § 2698 ET SEQ.**

Re: *Teresa Carmen C. Mejia v. KF Casitas, LLC dba Casitas Care Center*

To Whom It May Concern:

Please be advised that my office has been retained by Teresa Carmen C. Mejia ("Plaintiff") to pursue a Labor Code Private Attorney General Act (PAGA) representative action (Cal. Lab. Code §§ 2699, *et seq.*) against her former employer KF Casitas, LLC dba Casitas Care Center ("Defendant"). The purpose of this letter is to comply with PAGA and set forth the facts and

theories of California Labor Code violations which Plaintiff alleges Defendant engaged in with respect to Plaintiff and all of Defendant's aggrieved employees.

Plaintiff wishes to pursue a PAGA representative action on behalf of herself as an aggrieved employee, on behalf of the State of California, and on behalf of all other current and former aggrieved employees who worked for Defendant in California as an hourly paid, non-exempt employee at any time within the applicable statutory period (hereafter, the "Aggrieved Employees").

Plaintiff and the Aggrieved Employees of Defendant suffered the Labor Code violations described below.

Factual Background Regarding Plaintiff's Employment with Defendant

Defendant owns and operates an industry, business, and establishment within the State of California, including Los Angeles County. As such, Defendant is subject to the California Labor Code and the Wage Orders issued by the Industrial Welfare Commission ("IWC").

Plaintiff worked for Defendant as a housekeeping employee from approximately 2011 to February 22, 2023, primarily in Los Angeles County. Defendant classified Plaintiff as non-exempt from overtime. During the time period that Plaintiff was employed by Defendant, Plaintiff typically worked 5 days per week, and between 8 to 10 hours each workday.

Throughout Plaintiff's employment, Defendant committed numerous labor code violations under state law. As discussed below, Plaintiff's experience working for Defendant was typical and illustrative.

Failure to Pay for All Hours Worked, Including Overtime

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight (8) hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the Industrial Welfare Commission is unlawful.

Throughout the time period involved in this case, Defendant maintained a policy and practice of failing to pay Plaintiff and the Aggrieved Employees for all hours worked (including minimum wages, straight time wages and overtime wages). Defendant regularly used a system of time rounding in a manner that resulted, over a period of time, in failing to compensate Plaintiff and the Aggrieved Employees properly for all the time they have actually worked, even though the realities of Defendant's operations are such that it is possible, practical, and feasible to count and pay for work time to the minute. Accordingly, Defendant frequently paid Plaintiff and the Aggrieved Employees less than all their work time. Some of this unpaid work also should have been paid at the overtime rate. Throughout the statutory period, Defendant also maintained a policy and practice of requiring Plaintiff and the Aggrieved Employees to perform work "off-the-clock". Approximately from March 2020 to February 2021 Defendant required Plaintiff and the Aggrieved Employees to arrive earlier than their scheduled shift to undergo COVID pre-screening prior to clocking in to work but refused to pay for that time. During the statutory period Defendant also required Plaintiff and the Aggrieved Employees to arrive earlier than their scheduled time to wait in line to clock in to work not later than their scheduled shift start time but refused to pay for the time spent in line to clock in to work. In maintaining a practice of not paying all wages owed, Defendant failed to maintain accurate records of the hours Plaintiff and the Aggrieved Employees worked. In doing so, Defendant also failed to maintain accurate records of the hours Plaintiff and the Aggrieved Employees worked.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including overtime.

Failure to Provide Meal Periods

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s).

Despite these legal requirements, Defendant wrongfully failed to provide Plaintiff and the Aggrieved Employees with legally compliant meal periods. Defendant regularly required Plaintiff and the Aggrieved Employees to work in excess of five consecutive hours a day without providing a 30-minute, continuous and uninterrupted, duty-free meal period for every five hours of work, or without compensating Plaintiff and the Aggrieved Employees for meal periods that were not provided by the end of the fifth hour of work or tenth hour of work. Defendant did not adequately inform Plaintiff and the Aggrieved Employees of their right to take a meal period by the end of the fifth hour of work, or, for shifts greater than 10 hours, by the end of the tenth hour of work. Moreover, Defendant did not have adequate written policies or practices providing

meal periods for Plaintiff and the Aggrieved Employees, nor did Defendant have adequate policies or practices regarding the timing of meal periods. Plaintiff and the Aggrieved Employees would often times miss their meal periods, have interrupted or short meal periods. In those occasions when Plaintiff and the Aggrieved Employees had an opportunity to take their first meal periods, Defendant wrongfully required Plaintiff and the Aggrieved employees to combine their 30-minute first meal periods with rest periods instead of taking a separate meal periods and separate rest periods, and wrongfully deducted one hour of pay from Plaintiff's and the Aggrieved Employees' hours. Accordingly, Defendant's policy and practice was to not provide meal periods to Plaintiff and the Aggrieved Employees in compliance with California law.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not provided with all required meal period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for meal periods and that were not provided.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

Failure to Authorize and Permit Rest Periods

Employers are required by California law to authorize and permit breaks of 10 uninterrupted minutes for each four hours of work or major fraction of four hours (i.e. more than two hours). Thus, for example, if an employee's work time is 6 hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Defendant, however, wrongfully failed to authorize and permit Plaintiff and the Aggrieved Employees to take timely and duty-free rest periods. Defendant regularly required Plaintiff and the Aggrieved Employees to work in excess of four consecutive hours a day without Defendant authorizing and permitting them to take a 10 minute, continuous and uninterrupted, rest period for every four hours of work (or major fraction of four hours), or without compensating Plaintiff and the Aggrieved Employees for rest periods that were not authorized or permitted. Defendant did not adequately inform Plaintiff and the Aggrieved Employees of their right to take a rest period. Moreover, Defendant did not have adequate policies or practices permitting or authorizing rest periods for Plaintiff and the Aggrieved Employees, nor did Defendant have adequate policies or practices regarding the timing of rest periods. Defendant did not schedule rest periods every 4 hours or a major fraction. Instead, Defendant wrongfully required Plaintiff and the Aggrieved employees to combine their 30-minute first meal periods with rest periods instead of taking a separate meal periods and separate rest periods, and wrongfully deducted one hour from Plaintiff's and the Aggrieved Employees' hours. Not only Defendant deprived

Plaintiff and the Aggrieved Employees of their right to take rest periods during the timeframe required under California law but refused to pay for rest periods by deducting one hour of pay for combined meal periods and rest periods. Accordingly, Defendant' policy and practice was for Plaintiff and the Aggrieved Employees to work through rest periods and to not authorize or permit them to take any rest periods.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not authorized and permitted to take all required rest period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for rest periods and that they were not authorized and permitted to take.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

Failure to Maintain Accurate Records of Hours Worked

Plaintiff seeks penalties under Labor Code § 1174(d). Pursuant to Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Defendant, however, failed to maintain accurate records of hours worked and all meal periods taken or missed by Plaintiff and the Aggrieved Employees.

Defendant' failure to provide and maintain records required by the Labor Code IWC Wage Orders deprived Plaintiff and the Aggrieved Employees the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Defendant' records. Therefore, Plaintiff and the Aggrieved Employees had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Defendant. As a direct result, Plaintiff and the Aggrieved Employees have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorney's fees in seeking to compel Defendant to fully perform its obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Defendant' knowing failure to comply with the Labor Code and applicable IWC Wage Orders, Plaintiff and the Aggrieved Employees have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 1174.5 for failing to maintain accurate records of hours worked and meal periods.

Failure to Reimburse and Indemnify Expenses

California Labor Code § 2802 requires employers to reimburse employees for their necessary expenditures and losses incurred in direct consequence of the discharge of their duties or of their obedience to directions of the employer.

Throughout the statutory period, Defendant wrongfully required Plaintiff and the Aggrieved Employees to pay expenses that they incurred in direct discharge of their duties for Defendant without reimbursement, which included the purchase and maintenance of the uniforms. Plaintiff and the Aggrieved Employees incurred these substantial expenses as a direct result of performing their job duties for Defendant, and Defendant have failed to indemnify Plaintiff and the Aggrieved Employees for these employment-related expenses.

Failure to Timely Pay All Wages at Termination

Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

Within the applicable statute of limitations, the employment of Plaintiff and many other Aggrieved Employees ended, i.e. was terminated by quitting or discharge, and the employment of others will be. However, during the relevant time period, Defendant failed, and continues to fail to pay Plaintiff and terminated Aggrieved Employees, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Defendant's employ. These unpaid wages include wages for unpaid work time (including minimum and straight time wages), missed meal periods, and missed rest periods.

Defendant's conduct violates Labor Code §§ 201 and 202. Labor Code § 203 provides that if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the wages of the employee shall continue as a penalty wage from the due date, and at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

Accordingly, Plaintiff and the Aggrieved Employees are entitled to recover from Defendant their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to 30 days maximum pursuant to Labor Code § 203.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to timely pay all wages at termination.

Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226(a) provides that every employer shall furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. An employee is presumed to suffer an injury if this information is missing. Lab. Code § 226(e)(2)(B)(iii).

The statute further provides: “An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars (\$4,000), and is entitled to an award of costs and reasonable attorney’s fees.” Lab. Code § 226(e)(1).

Defendant intentionally and willfully failed to provide employees with complete and accurate wage statements. The deficiencies include, among other things, the failure to correctly identify hourly rates, the failure to correctly list gross wages earned, and the failure to list the true net wages earned, including wages for meal periods that were not provided in accordance with California law, wages for rest periods that were not authorized and permitted to take in accordance with California law, and correct wages earned for all hours worked. Moreover, during some pay periods Defendant failed to state the hourly rate, the total hours worked, the pay period beginning and end date in the wage statements at all.

As a result of Defendant violating Labor Code § 226, Plaintiff and similarly Aggrieved Employees suffered injury and damage to their statutorily protected rights.

Accordingly, Plaintiff and similarly Aggrieved Employees are entitled to recover from Defendant the greater of their actual damages caused by Defendant's failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding \$4,000 dollars per employee.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 226.3 for failing to furnish accurate itemized wage statements.

Failure to Pay All Earned Wages Twice Per Month

Based on its failure to pay Plaintiff and the Aggrieved Employees for all wages as discussed above, Defendants also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employees all earned wages two times per month on days designated in advance by the employer as the regular paydays. Labor performed between the 1st and 15th days, inclusive, of any calendar month shall be paid for between the 16th and the 26th day of the month during which the labor was performed, and labor performed between the 16th and the last day, inclusive, of any calendar month, shall be paid for between the 1st and 10th day of the following month. Lab. Code § 204(a). The requirements of this section shall be deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven calendar days following the close of the payroll period. Lab. Code § 204(d).

Here, Defendant paid wages bi-weekly, but often times issued wages seven calendar days following the close of the payroll period.

Throughout the statute of limitations period applicable to this cause of action, employees were also entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for hours worked. However, during all such times, Defendant systematically failed and refused to pay the employees all wages due, and failed to pay those wages twice a month, in that employees were not paid all wages for all meal periods not provided by Defendant, all wages for all rest periods not authorized and permitted by Defendant, and all wages for all hours worked. As a result, Defendant owe employees the legally required wages for unpaid wages, and Plaintiff and the Aggrieved Employees suffered damages in those amounts.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 210 for failing to pay all earned wages twice per month.

Failure to Pay All Accrued Vacation Wages at Termination

Labor Code § 227.3 requires employers to pay employees for all unused vested vacation time at their final rate of pay upon termination of their employment.

During the statutory period, Defendant maintained a policy and practice of failing to pay Plaintiff and the Aggrieved Employees the correct amount of vacation pay owed at the termination of employment. For instance, when Plaintiff's employment with Defendant terminated, she was owed vacation wages at her true final wage rate on her final pay check from Defendant even though he had accrued unused vacation time. On information and belief, Defendant's failure to pay Plaintiff the correct amount of vacation pay was not a single, isolated incident, but was instead part of Defendant's policy and practice that applied to the Aggrieved Employees.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to pay all accrued vacation wages at termination.

Action for Civil Penalties Under PAGA

In light of the above, Plaintiff alleges that Defendant violated the following provisions of the Labor Code with respect to the Aggrieved Employees:

1. Labor Code § 204, 510, 1194, 1197, and 1198 by failing to pay for all hours worked, including minimum wages, straight time wages and overtime wages;
2. Labor Code § 226.7, 512 and applicable Wage Orders by failing to provide meal periods;
3. Labor Code § 226.7 and applicable Wage Orders by failing to authorize and permit rest periods;
4. Labor Code § 1174.5 and applicable Wage Orders by failing to maintain accurate records of hours worked and meal periods taken or missed;
5. Labor Code § 2802 by failing to reimburse and indemnify employees for expenses and losses in the direct consequence and discharge of their duties;
6. Labor Code § 227.3 by failing to pay all vacation wages at termination;
7. Labor Code §§ 201 to 203 by willfully failing to pay all wages owed at termination;
8. Labor Code § 226 by failing to provide accurate itemized wage statements; and
9. Labor Code § 204 by failing to pay all earned wages two times per month.

Therefore, on behalf of all Aggrieved Employees, Plaintiff seeks applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 226.3, 558, 1174.5, 1197.1, 2802, and 2699(f)(2).

Plaintiff has placed Defendant on notice by mailing a certified copy of this correspondence to its corporate address and address of the agent for service, as indicated on the first page.

The facts and claims contained herein are based on the information available at the time of this writing. Therefore, if through discovery and/or expert review, Plaintiff becomes aware of additional compensation owed or losses incurred by Plaintiff or by any other aggrieved employee of Defendant or any additional facts, Plaintiff expressly reserves the right to revise these facts and/or add any new claims by amending the claim letter or by adding applicable causes of action to the complaint which will relate back to the date of this letter.

Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read "L. Tunyan".

Lilit Tunyan, Esq.
Partner
TUNYAN LAW, APC

Exhibit “B”

NOTICE OF PAGA ACTION SETTLEMENT

Mejia v. KF Casitas, LLC dba Casitas Care Center, Los Angeles County Superior Court Case N 23STCV06090
This is not a solicitation by a lawyer. You are not being sued.

IF YOU ARE OR WERE EMPLOYED AS A NON-EXEMPT EMPLOYEE BY DEFENDANT KF CASITAS, LLC dba CASITAS CARE CENTER (“DEFENDANT”) DURING THE PAGA PERIOD (March 17, 2022 through -----), THIS PAGA SETTLEMENT AFFECTS YOUR RIGHTS.

A settlement (the “Settlement”) has been reached in the lawsuit entitled *Mejia v. KF Casitas, LLC dba Casitas Care Center*, Los Angeles County Superior Court Case N 23STCV06090 (the “Action”), asserting claims under the Labor Code Private Attorneys General Act of 2004, Labor Code § 2698, *et seq.* (“PAGA”). The purpose of this Notice is to advise you as to why you have received a portion of the Settlement proceeds. The Settlement resolves the Action.

Who is affected by this proposed Settlement?

The Court has designated, for settlement purposes only, the following persons as “Aggrieved Employees”:

All non-exempt employees worked for Defendant in California at any time during the PAGA Period (the “PAGA Period” refers to the period of March 17, 2022 through -----).

According to Defendant’s records, you are one of the Aggrieved Employees.

What is this case about?

In the Action, Plaintiff Teresa Carmen C. Mejia asserted claims that Defendant violated provisions of the Labor Code giving rise to civil penalty liability under the Labor Code Private Attorneys General Act of 2004 (“PAGA”) [Lab. Code § 2699, *et seq.*].

Defendant denies all liability based on legal and factual defenses to these claims, but Defendant agreed to settle, in recognition of the risks, distractions, and costs associated with litigation.

This Settlement is a compromise reached after good faith, arm’s length negotiations between Plaintiff and Defendant (the “Parties”), through their attorneys and is not an admission of liability on the part of Defendant.

The Court has not ruled on the merits of Plaintiff’s claims or Defendant’s defenses but did approve the Settlement.

What are the Settlement terms?

Defendant will pay \$150,000.00 (the “Gross Settlement Amount”) for: (a) payment of \$----- to the Labor and Workforce Development Agency (“LWDA”) as its 75% share of PAGA penalties; (b) payment of \$----- to Aggrieved Employees as their 25% share of PAGA penalties, (c) payment of attorney’s fees of \$50,000 and litigation costs of up to \$15,000.00; and, (d) payment of administration costs of \$4,000 to the Settlement Administrator.

By operation of the Settlement’s terms, all Aggrieved Employees are deemed to release Defendant and each of their former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates (collectively, the “Released Parties”) from the PAGA claims that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in Plaintiff’s Complaint and PAGA Notice (the “Released Claims”).

The Settlement Payments to Aggrieved Employees are classified as other miscellaneous income and will be reported on IRS Form 1099-MISC, if required¹. Your share was calculated based on the number of pay periods you worked for Defendant during the PAGA Period.

All checks will remain valid and negotiable for one hundred eighty (180) days from the date of the checks’ issuance and shall thereafter automatically be void if not cashed within that time. Uncashed checks will be sent to the California State Controller’s Unclaimed Property division, in the name of the PAGA Settlement Member. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

The Settlement includes a release of PAGA claims asserted in the Action. There is no statutory right for PAGA Settlement Members to object, opt out or otherwise exclude themselves from this Settlement.

PLEASE DO NOT CONTACT THE COURT FOR INFORMATION REGARDING THIS SETTLEMENT.

¹ One hundred percent (100%) of your Individual PAGA Payment under this Settlement will be considered penalties, and will be reported to the IRS and state tax authorities. You should rely on your own tax advisors as to the tax consequences, if any, of your individual PAGA payment. Neither Plaintiff nor Defendant has made 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).

Exhibit “2”

Date	Description	Rate (\$)
3/16/2023	PAGA letter submission to LWDA website	75
3/16/2023	PAGA letter certified mailing costs to Defendant	18.48
3/20/2023	Complaint filing and complex fees	1481.72
3/20/2023	CCCS Addendum re-filing fees	7.26
3/21/2023	Amended Summons re-filing fees	7.26
3/25/2023	Mailing costs of Notice of ISC to Defendant	5.89
3/29/2023	Proof of Service Court filing fees	7.26
3/24/2023	Complaint and Summons process service fee	142.73
	Posting jury fees, court filing fees for filing Notice of posting jury fees and joint Case Management Conference	
5/17/2023	Statement	161.39
5/22/2023	First Amended Complaint court filing fees	7.26
5/31/2023	Notice of Ruling court filing fees	7.26
7/20/2023	Fees for pulling court documents from court dockets	16.6
8/18/2023	Opposition to MTC arbitration court filing fees	7.26
9/6/2023	Case Anywhere quarterly fees	137.4
1/15/2024	Mediation administration non-refundable fee to Judicate West	375
1/20/2024	Mediation fee to Kevin Barnes	5000
1/26/2024	CaseAnywhere quarterly fees	153
2/8/2024	CaseAnywhere quarterly fees	135
2/16/2024	Joint post-mediation Status Conference Statement Court filing fee	7.26
3/15/2021	Economic damages calculation expert fees	3160
4/2/2024	PAGA approval motion court filing fees	68.91
	CaseAnywhere 3 quarterly fees	450
	Final report court filing fee	7.26
Total costs		11439.2

Exhibit “3”

1 **PROOF OF SERVICE**

2 STATE OF CALIFORNIA)
3) ss
4 COUNTY OF LOS ANGELES)

5 I am employed in the county of Los Angeles, State of California. I am over the age of 18
6 and not a party to the within action; my business address is 1336 Rossmoyne Avenue
Glendale, California 91207. On April 2, 2024, I served the foregoing document described as:

7 On the date indicated below, I served the document described as: **DECLARATION OF LILIT**
8 **TUNYAN IN SUPPORT OF PLAINTIFF'S MOTION FOR AN ORDER APPROVING**
9 **SETTLEMENT OF CLAIMS BROUGHT PURSUANT TO THE PRIVATE ATTORNEY**
GENERAL'S ACT OF 2004 on the interested parties in this action by sending a true copy thereof to
interested parties as follows and as stated on the attached service list:

10 James S. Cooper
11 jcooper@lakklawyers.com
Lauri Lord
12 llord@lakklawyers.com
13 **LEVINSON ARSHONSKY**
14 **KURTZ & KOMSKY, LLP**
15 15303 Ventura Blvd., Suite 1650
Sherman Oaks, CA 91403
Telephone: (818) 382-3434
Facsimile: (818) 382-3433

16 *Attorneys for Defendant KF Casitas, LLC dba Casitas Care Center*

17
18 [✓] **BY ELECTRONIC SERVICE:** Based on a court order or an agreement of the parties
19 to accept electronic service, I caused the documents to be sent to the persons at the
20 electronic service addresses listed above via third-party cloud service
CASEANYWHERE. I did not receive an error message.

21 [✓] **BY E-MAIL:** I hereby certify that this document was served from Glendale, California,
22 by e-mail delivery on the parties listed herein at their most recent known e-mail address
or e-mail of record in this action.

23 I declare under penalty of perjury under the laws of the State of California that the
24 above is true and correct.

25 Executed on April 2, 2024 at Glendale, California.

26
27 Lilit Tunyan
Name



Signature