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April 14, 2026

VIA ONLINE SUBMISSION

California Labor & Workforce Development Agency
ATTN: PAGA Administrator
(<https://dir.govfa.net/411>)

Subject: *Cierra Shellhorn v. Kadiant LLC, et al.*

Dear PAGA Administrator:

This office represents Cierra Shellhorn in connection with her claims under the California Labor Code. Ms. Shellhorn was an employee of KADIANT LLC, KADIANT BAY LLC, KADIANT CENTRAL VALLEY LLC, KADIANT SACRAMENTO LLC, and/or KADIANT SO CAL LLC. For the purpose of this letter, Ms. Shellhorn collectively refers to these entities as "KADIANT."

The employers may be contacted directly at the addresses below:

KADIANT LLC
850 TOWBIN AVENUE
LAKEWOOD, NJ 08701

KADIANT BAY LLC
850 TOWBIN AVENUE
LAKEWOOD, NJ 08701

KADIANT CENTRAL VALLEY LLC
850 TOWBIN AVENUE
LAKEWOOD, NJ 08701

KADIANT SACRAMENTO LLC
850 TOWBIN AVENUE
LAKEWOOD, NJ 08701

KADIANT SO CAL LLC
850 TOWBIN AVENUE
LAKEWOOD, NJ 08701

Ms. Shellhorn intends to seek civil penalties, attorneys' fees, costs, and other available relief for violations of the California Labor Code, which are recoverable under sections 2698, *et seq.*, the Labor Code Private Attorneys General Act of 2004 ("PAGA"). Ms. Shellhorn seeks relief on behalf of himself, the State of California, and other persons who are or were employed by KADIANT as a non-exempt, hourly paid employee in California and who received at least one wage statement ("aggrieved employees"). This letter is sent in compliance with the notice and reporting requirements of California Labor Code section 2699.3.

KADIANT employed Ms. Shellhorn as an hourly paid, non-exempt employee from approximately 2023 through January 2026. Ms. Shellhorn worked for KADIANT as an Instructional Assistant at its center located in Sacramento, California (2751 Wilmington Avenue, Sacramento, California 95820). During her employment, Ms. Shellhorn typically worked ten (10) or more hours per day, and five (5) days per week. At the time her employment ended, Ms. Shellhorn was compensated approximately \$22.26 per hour. Her job duties include, without limitation, providing services to students on the autism spectrum by applying behavioral therapy, providing meals, and assisting with hygiene routines.

KADIANT committed each of the following Labor Code violations against Ms. Shellhorn, the facts and theories of which follow, making him an “aggrieved employee” pursuant to California Labor Code section 2699(c)(1):¹

KADIANT’s Company-Wide and Uniform Payroll and HR Practices

KADIANT LLC, KADIANT BAY LLC, KADIANT CENTRAL VALLEY LLC, KADIANT SACRAMENTO LLC, and KADIANT SO CAL LLC are Delaware limited liability companies. Together, they provide behavioral therapy and related critical services to individuals diagnosed with an autism spectrum disorder. Upon information and belief, KADIANT maintains a single, centralized Human Resources (HR) department at its company headquarters in Lakewood, New Jersey, for all non-exempt, hourly paid employees working for KADIANT in California, including Ms. Shellhorn and other aggrieved employees. At all relevant times, KADIANT issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Ms. Shellhorn and other aggrieved employees, regardless of their location or position.

Upon information and belief, KADIANT maintains a centralized Payroll department at its company headquarters Lakewood, New Jersey, which processes payroll for all non-exempt, hourly paid employees working for KADIANT in California, including Ms. Shellhorn and other aggrieved employees. Further, KADIANT issues the same formatted wage statements in the same manner for all non-exempt, hourly paid employees working in California, including Ms. Shellhorn and other aggrieved employees, irrespective of their location, position, or manner in which each employee’s employment ended. In other words, KADIANT utilized the same methods and formulas when calculating wages due to Ms. Shellhorn and other aggrieved employees in California.

Violation of California Labor Code §§ 510 and 1198 – Unpaid Overtime

California Labor Code sections 510 and 1198 and the applicable Industrial Welfare Commission (“IWC”) Wage Order require employers to pay employees working more than eight (8) hours in a day or more than forty (40) hours in a workweek at the rate of time-and-one-half (1 ½) times the regular rate of pay for all hours worked in excess of eight (8) hours in a day or more than forty (40)

¹ These facts, theories, and claims are based on Ms. Shellhorn’s experience and counsel’s review of those records currently available relating to Ms. Shellhorn’s employment. Discovery conducted in litigation of wage and hour claims such as these often reveals additional claims that the aggrieved employee was not initially aware of (because the aggrieved employee was not aware of the law’s requirements, the employer misinformed its employee of the law’s requirements, or because the employer effectively hid the violations). Thus, Ms. Shellhorn reserves the right to supplement this letter with additional facts, theories, and claims if he becomes aware of them subsequent to the submission of this letter.

hours in a workweek. The applicable IWC Wage Order further provides that employers are required to pay employees working more than twelve (12) hours in a day overtime compensation at a rate of two (2) times their regular rate of pay. An employee's regular rate of pay includes all remuneration for employment paid to, or on behalf of, the employee, including nondiscretionary bonuses and incentive pay.

KADIANT willfully failed to pay all overtime wages owed to Ms. Shellhorn and other aggrieved employees. During the relevant time period, Ms. Shellhorn and other aggrieved employees were not paid overtime premiums for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty (40) hours in a week, because all hours that they worked were not recorded.

First, during the relevant time period, KADIANT had, and continues to have, a company-wide policy and/or practice of requiring Ms. Shellhorn and other aggrieved employees to perform work-related tasks off-the-clock outside of their scheduled shifts and on their days off. For example, KADIANT had, and continues to have, a company-wide policy and/or practice requiring Ms. Shellhorn and other aggrieved employees to respond to communications before and after their shifts. For instance, Ms. Shellhorn was required to communicate, via the application Microsoft Teams on her personal mobile device, with managers and coworkers while off-the-clock to discuss transportation logistics for their students on a daily basis. As a further example, Ms. Shellhorn often completed parts of her mandatory online training modules off-the-clock outside of her scheduled shifts because she was not always permitted to set aside her daily workload in order to complete the training modules during her shifts. Thus, KADIANT failed to track the time Ms. Shellhorn and other aggrieved employees spent working outside of their shifts, and Ms. Shellhorn and other aggrieved employees received no compensation for this time.

Second, KADIANT had, and continues to have, a company-wide policy and/or practice of understaffing its facilities while assigning heavy workloads. KADIANT's uniform practice of understaffing resulted in a failure to provide Ms. Shellhorn and other aggrieved employees with adequate meal period coverage, because there were too few employees on duty to handle the workload, such as attending to students with disabilities exhibiting behaviors, e.g., hitting, spitting, and kicking; assisting students with bathroom routines; and providing meals and snacks. Because KADIANT did not employ or staff a sufficient number of employees to handle the heavy workload, there was no one available to relieve employees needing meal period coverage, and Ms. Shellhorn and other aggrieved employees were not always afforded uninterrupted 30-minute meal periods during shifts when they were entitled to receive a meal period. Additionally, KADIANT, on a company-wide basis, had a practice of failing to schedule meal periods, which further caused Ms. Shellhorn and other aggrieved employees to not be relieved of their duties for compliant meal periods. For example, Ms. Shellhorn missed her meal periods or had them interrupted at times due to the heavy workload and lack of coverage.

Moreover, KADIANT had, and continues to have, a company-wide policy and/or practice of requiring that Ms. Shellhorn and other aggrieved employees respond to their personal mobile devices and/or company-issued radio at all times, including during meal periods. As a result, KADIANT's management contacted Ms. Shellhorn on her personal mobile device and/or company-issued radio to discuss work-related matters, time for which she was not paid. KADIANT did not compensate Ms. Shellhorn and other aggrieved employees for the time they spent working off the clock during meal periods.

Third, on information and belief, KADIANT's management adjusted Ms. Shellhorn's and aggrieved employees' time records to reflect compliant meal periods, regardless of whether they had received a compliant meal period or not. Additionally, KADIANT's company-wide timekeeping system prevented Ms. Shellhorn and other aggrieved employees from recording all hours worked when their meal periods were shortened or interrupted, because the system locked out Ms. Shellhorn and other aggrieved employees once they clocked out for a meal period, and would not permit them to clock back in from a meal period until 30 minutes elapsed. Thus, KADIANT did not record all hours worked during meal periods, and Ms. Shellhorn and other aggrieved employees performed work during meal periods for which they were not paid.

KADIANT knew or should have known that as a result of these company-wide practices and/or policies, Ms. Shellhorn and other aggrieved employees were performing assigned duties off-the-clock outside of their shifts and during meal periods, and were suffered or permitted to perform work for which they were not paid. Because Ms. Shellhorn and other aggrieved employees regularly worked shifts of eight (8) hours a day or more, or forty (40) hours a week or more, some of this off-the-clock work qualified for overtime premium pay. Therefore, Ms. Shellhorn and other aggrieved employees were not paid overtime wages for all of the overtime hours they actually worked.

KADIANT's failure to pay Ms. Shellhorn and other aggrieved employees the balance of overtime compensation, as required by California law, violates the provisions of California Labor Code sections 510 and 1198. Ms. Shellhorn and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring KADIANT into compliance with the applicable IWC Wage Order and Labor Code sections 510 and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 – Unpaid Minimum Wages

California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 require employers to pay employees the minimum wage fixed by the IWC. The payment of a lesser wage than the minimum so fixed is unlawful. Compensable work time is defined in Wage Order No. 4-2001 as "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." Cal. Code Regs. Tit. 8, § 11040(2)(L) (defining "Hours Worked").

First, as set forth above, KADIANT had, and continues to have, company-wide policies and/or practices of requiring Ms. Shellhorn and other aggrieved employees to perform work-related tasks while off-the-clock outside of their scheduled shifts and on their days off, including responding to phone communications from coworkers and supervisors and completing mandatory training modules. KADIANT failed to track this time that Ms. Shellhorn and other aggrieved employees spent working off-the-clock, and thus, Ms. Shellhorn and other aggrieved employees received no compensation for this time.

Second, as stated, due to KADIANT's policies and/or practices of understaffing their facilities while assigning heavy workloads, failing to schedule meal periods, and requiring employees to respond to phone and/or radio communications during meal periods, Ms. Shellhorn and other aggrieved employees were impeded from taking all uninterrupted meal periods to which they were entitled and were required to work off-the-clock during meal periods, have their meal periods interrupted, and/or were otherwise not relieved of all duties during unpaid meal periods.

Additionally, as stated, on information and belief, KADIANT's management adjusted employee time records to reflect compliant meal periods even when meal periods were missed, short, and/or interrupted. Moreover, as stated, KADIANT's company-wide timekeeping system prevented Ms. Shellhorn and other aggrieved employees from entering time worked during meal periods because the system locked out Ms. Shellhorn and other aggrieved employees for a full 30 minutes. Thus, KADIANT systematically failed to pay Ms. Shellhorn and other aggrieved employees for actual hours worked during unpaid meal periods because these hours were not always correctly recorded.

KADIANT did not pay minimum wages for all hours worked by Ms. Shellhorn and other aggrieved employees. To the extent that these off-the-clock hours did not qualify for overtime premium payment, KADIANT did not pay at least minimum wages for those hours worked off-the-clock in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198.

Accordingly, KADIANT regularly failed to pay at least minimum wages to Ms. Shellhorn and other aggrieved employees for all of the hours they worked in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Ms. Shellhorn and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring KADIANT into compliance with the applicable IWC Wage Order and Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198 – Failure to Provide Meal Periods

California Labor Code sections 226.7, 512(a), 516, and 1198 and the applicable IWC Wage Order require employers to provide meal periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. Pursuant to Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order, an employer may not require, cause or permit an employee to work for a period of more than five (5) hours per day without providing the employee with an uninterrupted meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is not more than six (6) hours, the meal period may be waived by mutual consent of both the employer and the employee. Under California law, first meal periods must start after no more than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal.4th 1004, 1041-1042 (2012). Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order also require employers to provide a second meal period of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay an employee one (1) additional hour of pay at the employee's regular rate, except that if the total hours worked is no more than twelve (12) hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

First, as stated, KADIANT had, and continues to have, company-wide policies and/or practices of understaffing its facilities while assigning heavy workloads, such as attending to students with disabilities exhibiting behavioral issues, assisting students with bathroom routines, and providing meals and snacks, which has resulted in a lack of meal period coverage and prevented Ms. Shellhorn and other aggrieved employees from taking all timely, uninterrupted meal periods to which they were entitled. Additionally, as stated, KADIANT had a company-wide practice of failing to schedule meal periods, which further caused Ms. Shellhorn and other aggrieved employees to not be relieved of their duties for compliant meal periods.

As a result, Ms. Shellhorn and other aggrieved employees had to work through all or part of their meal periods, had their meal periods interrupted, and/or had to wait extended periods of time before taking meal periods. For example, Ms. Shellhorn sometimes worked through her meal periods or took them late, after the fifth hour of work, due to the lack of coverage and the heavy workload. Moreover, KADIANT had, and continue to have, a policy and/or practice of requiring that Ms. Shellhorn and other aggrieved employees carry and respond to personal mobile devices and/or company-issued radios at all times, including during meal periods. As a result, KADIANT's management contacted Ms. Shellhorn and other aggrieved employees on their personal mobile devices and/or company-issued radios during meal periods to discuss work-related matters.

Second, as stated, on information and belief, because KADIANT frowned upon employees accruing meal period premiums, KADIANT's management adjusted employee time records to reflect compliant meal periods, regardless of whether they had received a compliant meal period or not, in order to strictly limit the meal period premiums that KADIANT would otherwise owe. As a result of these policies, KADIANT falsified and deducted meal periods from Ms. Shellhorn's and aggrieved employees' time records even when meal periods were missed, short, interrupted, and/or late and thus systematically failed to correctly record meal periods.

Additionally, as set forth above, KADIANT's company-wide timekeeping system prevented Ms. Shellhorn and other aggrieved employees from recording when their meal periods were shortened or interrupted, because the system locked out Ms. Shellhorn and other aggrieved employees once they clocked out for a meal period, and would not permit them to clock back in from a meal period before 30 minutes had elapsed.

Third, Ms. Shellhorn and other aggrieved employees worked shifts in excess of ten (10) hours without receiving an uninterrupted second 30-minute meal period. For example, Ms. Shellhorn worked shifts in excess of ten (10) or more hours per day, but was not always provided a second 30-minute meal period. Ms. Shellhorn and other aggrieved employees did not sign valid meal period waivers on days that they were entitled to meal periods and were not relieved of all duties.

At all times herein mentioned, KADIANT knew or should have known that, as a result of these policies, Ms. Shellhorn and other aggrieved employees were prevented from being relieved of all duties and were required to perform some of their assigned duties during meal periods. KADIANT further knew or should have known that KADIANT did not pay Ms. Shellhorn and other aggrieved employees all meal period premiums when meal periods were late, interrupted, shortened, and/or missed.

Furthermore, KADIANT engaged in a company-wide practice and/or policy of not paying all meal period premiums owed when compliant meal periods are not provided. Because of this practice and/or policy, Ms. Shellhorn and other aggrieved employees have not received premium pay for all missed, late, and interrupted meal periods.

Accordingly, Ms. Shellhorn and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring KADIANT into compliance with the applicable IWC Wage Order and Labor Code sections 226.7, 512(a), 516, and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 226.7, 516, and 1198 – Failure to Authorize and Permit Rest Periods

California Labor Code sections 226.7, 516, and 1198 and the applicable IWC Wage Order require employers to provide rest periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. California Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC. The applicable IWC Wage Order provides that "[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period" and that the "rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof" unless the total daily work time is less than three and one-half (3 ½) hours.

To comply with its obligation to authorize and permit rest periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an employer must "relinquish any control over how employees spend their break time, and relieve their employees of all duties—including the obligation that an employee remain on call. A rest period, in short, must be a period of rest." *Augustus, et al. v. ABM Security Services, Inc.*, 2 Cal.5th 257, 273 (2016).

During the relevant time period, KADIANT regularly failed to authorize and permit Ms. Shellhorn and other aggrieved employees to take a ten (10) minute rest period per each four (4) hour period worked or major fraction thereof. As with meal periods, KADIANT's company-wide policies and/or practices, including understaffing and assigning heavy workloads, prevented Ms. Shellhorn and other aggrieved employees from being relieved of all duty in order to take compliant rest periods. KADIANT also failed to schedule rest periods, which, coupled with KADIANT's failure to provide adequate rest period coverage, further led to Ms. Shellhorn and other aggrieved employees not being authorized and permitted to take rest periods.

Additionally, KADIANT engaged in a company-wide policy and/or practice of requiring Ms. Shellhorn and other aggrieved employees to carry personal mobile devices and/or company-issued radio devices during rest periods and to respond to work-related questions at all times, which prevented Ms. Shellhorn and other aggrieved employees from being able to uninterrupted take rest periods. Ms. Shellhorn and other aggrieved employees were required to and did respond to work-related calls to their personal mobile devices and/or company-issued radio devices during their rest periods.

Furthermore, upon information and belief, during the relevant time period, KADIANT maintained a company-wide on-premises rest period policy, which effectively required that Ms. Shellhorn and other aggrieved employees remain on the work premises during their rest periods. Because Ms. Shellhorn and other aggrieved employees were restricted from leaving the premises during rest periods, they were denied the ability to use their rest periods freely for their own purposes, such as running personal errands. Thus, KADIANT effectively maintained control over Ms. Shellhorn and other aggrieved employees during rest periods.

As a result of KADIANT's practices and policies, Ms. Shellhorn and other aggrieved employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without receiving all uninterrupted rest periods to which they were entitled. For example, Ms. Shellhorn

usually had to forgo her first and second rest periods and always missed her third rest periods due to the heavy workload and lack of coverage.

KADIANT has also engaged in a company-wide practice and/or policy of not paying rest period premiums owed when compliant rest periods are not authorized and permitted. Because of this practice and/or policy, Ms. Shellhorn and other aggrieved employees have not received premium pay for non-compliant rest periods.

Accordingly, KADIANT failed to authorize and permit all rest periods in violation of California Labor Code sections 226.7, 516, and 1198. Ms. Shellhorn and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring KADIANT into compliance with the applicable IWC Wage Order and Labor Code sections 226.7, 516, and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 226(a), 1174(d), and 1198 – Non-Compliant Wage Statements and Failure to Maintain Accurate Payroll Records

California Labor Code section 226(a) requires employers to make, keep and provide true, accurate, and complete employment records. KADIANT has not provided Ms. Shellhorn and other aggrieved employees with properly itemized wage statements. Labor Code section 226(e) provides that if an employer fails to comply with providing an employee with properly itemized wage statements as set forth in 226(a), then the employee is entitled to recover the greater of all actual damages or \$50 for the initial pay period in which a violation occurs and \$100 per employee for each violation in a subsequent pay period, not to exceed \$4,000. Further, Labor Code section 226.3 provides that any employer who violates section 226(a) shall be subject to a civil penalty in the amount of \$250 per employee per violation in an initial citation and \$1,000 per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage statement or fails to keep the required records pursuant to Section 226(a).

During the relevant time period, KADIANT has knowingly and intentionally provided Ms. Shellhorn and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, KADIANT issued uniform wage statements to Ms. Shellhorn and other aggrieved employees that fail to correctly list: gross wages earned; total hours worked; net wages earned; and all applicable hourly rates in effect during the pay period, including rates of pay for overtime wages, and the corresponding number of hours worked at each hourly rate. Specifically, KADIANT violated sections 226(a)(1), 226(a)(2), 226(a)(5), and 226(a)(9).

Because KADIANT did not accurately record the time Ms. Shellhorn and other aggrieved employees spent working off-the-clock and deducted time from their records for meal periods that were interrupted and/or missed (and therefore time for which they should have been paid), KADIANT did not list the correct amount of gross wages and net wages earned by Ms. Shellhorn and other aggrieved employees in compliance with sections 226(a)(1) and 226(a)(5). For the same reason, KADIANT failed to accurately list the total number of hours worked by Ms. Shellhorn and other aggrieved employees in violation of section 226(a)(2), and failed to list the applicable hourly rates of pay in effect during the pay period and corresponding accurate number of work hours worked at each hourly rate in violation of section 226(a)(9).

The wage statement deficiencies also include, without limitation, failing to list the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; failing to

list all deductions; failing to list the inclusive dates of the period for which employees were paid; failing to list the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number; failing to list the name and address of the legal entity that is the employer; and/or failing to state all hours worked as a result of not recording or stating hours worked off-the-clock.

California Labor Code section 1174(d) provides that “[e]very person employing labor in this state shall . . . [k]eep a record showing the names and addresses of all employees employed and the ages of all minors” and “[k]eep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments” At all relevant times, and in violation of Labor Code section 1174(d), KADIANT willfully failed to maintain accurate payroll records for Ms. Shellhorn and other aggrieved employees showing the daily hours they worked and the wages paid thereto as a result of failing to record the off-the-clock hours that they worked.

California Labor Code section 1198 provides that the maximum hours of work and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he employment of any employees for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC Wage Order, employers are required to keep accurate time records showing when the employee begins and ends each work period and meal period. During the relevant time period, KADIANT engaged in company-wide practices and/or policies of failing to record actual hours worked (including falsifying time records by recording that compliant meal periods were taken regardless of if or when meal periods were actually taken), and thereby failed to keep accurate records of work period and meal period start and end times for Ms. Shellhorn and other aggrieved employees, in violation of section 1198. Also, in light of KADIANT’s failure to provide Ms. Shellhorn and other aggrieved employees with second 30-minute meal periods to which they were entitled, KADIANT kept no records of meal start and end times for second meal periods.

Because KADIANT failed to provide the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on wage statements, Ms. Shellhorn and other aggrieved employees have been prevented from verifying, solely from information on the wage statements themselves, that they were paid correctly and in full. Instead, Ms. Shellhorn and other aggrieved employees have had to look to sources outside of the wage statements themselves and reconstruct time records to determine whether in fact they were paid correctly and the extent of underpayment, thereby causing them injury.

Ms. Shellhorn and other aggrieved employees are entitled to recover civil penalties, attorneys’ fees, costs, and interest thereon, and seek injunctive relief to bring KADIANT into compliance with the applicable IWC Wage Order and Labor Code sections 226(a), 1174(d), and 1198, pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f), and (k).

Violation of California Labor Code § 204 – Failure to Timely Pay Wages During Employment

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment

between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. Alternatively, California Labor Code section 204 provides that the requirements of this section are deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven (7) calendar days following the close of the payroll period.

During the relevant time period, KADIANT willfully failed to pay Ms. Shellhorn and other aggrieved employees all wages due including, but not limited to, overtime wages, minimum wages, and/or meal and rest period premiums, within any time period specified by California Labor Code section 204.

Ms. Shellhorn and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring KADIANT into compliance with Labor Code section 204, pursuant to Labor Code sections 210 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 201 and 202 – Failure to Timely Pay Final Wages Upon Termination

California Labor Code sections 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.

On information and belief, KADIANT had a company-wide practice and/or policy of paying departing employees their final wages late, instead of adhering to the time requirements set forth in Labor Code sections 201 and 202. For example, KADIANT terminated Ms. Shellhorn's employment on or around January 29, 2026; however, KADIANT did not provide Ms. Shellhorn with her final wages until on or about February 6, 2026. Thus, KADIANT failed to pay Ms. Shellhorn her final wages immediately at the time of discharge, in violation of California Labor Code section 201.

Additionally, KADIANT willfully failed to pay Ms. Shellhorn and other aggrieved employees who are no longer employed by KADIANT all their earned wages, including, but not limited to, overtime wages, minimum wages, and/or meal and rest period premiums, either at the time of discharge, or within seventy-two (72) hours of their leaving KADIANT's employ.

Ms. Shellhorn and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring KADIANT into compliance with Labor Code sections 201 and 202, pursuant to Labor Code sections 256 and/or 2699(a), (f), and (k).

Violation of California Labor Code § 206.5 – Release of Claims for Wages Due

California Labor Code section 206.5 prohibits employers from requiring employees to execute releases of a claim or right "on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made. A release required or executed in violation of the provisions of this section shall be null and void as between the employer and the

employee. . . . ‘[E]xecution of a release’ includes requiring an employee, as a condition of being paid, to execute a statement of the hours he or she worked during a pay period which the employer knows to be false.”

During the relevant time period, on information and belief, KADIANT required Ms. Shellhorn and other aggrieved employees to release their claims for hours worked and/or meal and rest period violations, as a condition of receiving their paychecks. For example, on information and belief, near the end of every pay period, KADIANT required Ms. Shellhorn and other aggrieved employees to attest and/or sign verifications that all time worked was recorded accurately on KADIANT’s timekeeping system. KADIANT compelled Ms. Shellhorn and other aggrieved employees to affirm these false verifications when they, in fact, had not received all earned and unpaid wages, including overtime wages, minimum wages, and/or meal and rest period premiums.

KADIANT’s policy and practice of requiring Ms. Shellhorn and other aggrieved employees to release their claims for uncompensated hours worked and/or their claims for meal and/or rest period violations, as a condition to receiving their wages, is in violation of California Labor Code section 206.5. Ms. Shellhorn and other aggrieved employees are entitled to civil penalties, attorneys’ fees, costs, and interest thereon, and seek injunctive relief to bring KADIANT into compliance with Labor Code section 206.5, pursuant to Labor Code sections 2699(a), (f) and (k).

Violation of California Labor Code § 1198 and California Code of Regulations Title 8, Section 11040 Subdivision 13(B) – Failure to Provide Suitable Resting Facilities

California Labor Code section 1198 makes it illegal to employ an employee under conditions of labor that are prohibited by the applicable wage order. California Labor Code section 1198 requires that “. . . the standard conditions of labor fixed by the commission shall be the . . . standard conditions of labor for employees. The employment of any employee . . . under conditions of labor prohibited by the order is unlawful.” California Code of Regulations, Title 8, section 11040(13)(B) provides that “[s]uitable resting facilities shall be provided in an area separate from the toilet rooms and shall be available to employees during work hours.”

KADIANT’s California facilities are generally similar in their layout and design and there was, and continues to be, space that allows for a resting facility that employees may use to cease work and recover during meal or rest periods. KADIANT could have provided Ms. Shellhorn and other aggrieved employees with a suitable resting facility within all of its facilities, with reasonable or no modification, but instead denied, and continues to deny, employees suitable areas to rest (e.g., a breakroom with seats). Further, for facilities that did have a breakroom, the breakrooms were often locked or were otherwise unusable for employees to rest. As a result, Ms. Shellhorn and other aggrieved employees were forced to adjust to areas not conducive to resting or search for areas outside of the facility which are not designated or reserved for their rest.

KADIANT did not provide Ms. Shellhorn and other aggrieved employees with suitable resting facilities during their work hours, particularly during rest or meal periods. In other words, during the times when Ms. Shellhorn and other aggrieved employees were legally allowed to forgo assigned tasks, as in during a meal or rest period, KADIANT denied them any area within its facilities to cease work and recover. Moreover, KADIANT did not inform Ms. Shellhorn and other aggrieved employees of their rights to suitable resting facilities under California law.

As a result of KADIANT's company-wide failure to provide suitable resting facilities in all of its facilities, Ms. Shellhorn and other aggrieved employees were forced to adjust to areas not conducive to resting or search for facilities outside their facilities to cease work and recover. KADIANT's failure to provide suitable resting facilities to Ms. Shellhorn and other aggrieved employees violates California Labor Code section 1198 and IWC Wage Order No. 4-2001, subdivision 13(B).

Ms. Shellhorn and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring KADIANT into compliance with the applicable IWC Wage Order and Labor Code section 1198, pursuant to Labor Code sections 1194.5 and/or 2699(a), (f), and (k).

Violation of California Labor Code § 2802 – Unreimbursed Business Expenses

California Labor Code section 2802 requires employers to pay for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal.App.4th 1137, 1144 (2014). The applicable wage order, IWC Wage Order No. 4-2001, provides that: "[w]hen tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft."

During the relevant time period, KADIANT had a company-wide policy of requiring Ms. Shellhorn and other aggrieved employees to utilize their own personal mobile devices, including, but not limited to, cellular phones, and/or mobile data for work-related purposes, but failed to reimburse them for all of the costs of their work-related mobile device expenses. For example, Ms. Shellhorn was required to use her personal cellular phone to communicate with KADIANT's management via phone calls and text messages to discuss work-related matters, such as logistics for student pick-up and drop-off. As a further example, Ms. Shellhorn was required to download the Microsoft Teams mobile application onto her personal cellular phone in order to review and respond to work-related messages. Although KADIANT required Ms. Shellhorn and other aggrieved employees to utilize their personal mobile devices and/or mobile data to carry out their work-related responsibilities, KADIANT failed to fully reimburse them for these costs.

KADIANT could have provided Ms. Shellhorn and other aggrieved employees with the actual equipment for use on the job, such as company mobile devices; or, KADIANT could have fully reimbursed employees for the costs of their mobile device usage. Instead, KADIANT passed these operating costs off onto Ms. Shellhorn and other aggrieved employees.

Thus, KADIANT had, and continues to have, a company-wide policy and/or practice of not reimbursing employees for expenses necessarily incurred in violation of California Labor Code section 2802. Ms. Shellhorn and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring KADIANT into compliance with the applicable IWC Wage Order and Labor Code section 2802, pursuant to Labor Code section 2699(a), (f), and (k).

Violation of California Labor Code § 2810.5(a)(1)(A)-(C) – Failure to Provide Notice of Material Terms of Employment

California's Wage Theft Prevention Act was enacted to ensure that employers provide employees with basic information material to their employment relationship at the time of hiring, and to ensure that employees are given written and timely notice of any changes to basic information material to their employment. Codified at California Labor Code section 2810.5, the Wage Theft Prevention Act provides that at the time of hiring, an employer must provide written notice to employees of the rate(s) of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, the regular payday designated by the employer, and any allowances claims as part of the minimum wage, including meal or lodging allowances. Effective January 1, 2015, an employer's written notice pursuant to section 2810.5 must also include a statement that the employee may accrue and use sick leave; has a right to request and use accrued paid sick leave; may not be terminated or retaliated against for using or requesting the use of accrued paid sick leave; and has the right to file a complaint against an employer who retaliates.

On information and belief, KADIANT failed to provide Ms. Shellhorn and other aggrieved employees written notice that lists the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C). KADIANT's failure to provide Ms. Shellhorn and other aggrieved employees with written notice of basic information regarding their employment with KADIANT is in violation of Labor Code section 2810.5.

Ms. Shellhorn and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring KADIANT into compliance with Labor Code section 2810.5, pursuant to Labor Code sections 2699(a), (f), and (k).

California Labor Code § 558(a)

California Labor Code section 558(a) provides "[a]ny employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid" Labor Code section 558(c) provides that "[t]he civil penalties provided for in this section are in addition to any other civil or criminal penalty provided by law." KADIANT, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Ms. Shellhorn's and other aggrieved employees' rights by violating various sections of the California Labor Code.

Accordingly, Ms. Shellhorn seeks the remedies set forth in Labor Code section 558 for himself, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 1194.5, 2699(a), 2699(k), 2699.3(a) and 2699.3(c), 2699.5, and 558, Ms. Shellhorn, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties and injunctive relief for herself, all other aggrieved employees, and the State of California against KADIANT for violations of California Labor Code sections 201, 202, 204, 206.5, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5.

Therefore, on behalf of all aggrieved employees, Ms. Shellhorn seeks all applicable civil penalties related to these violations of the California Labor Code pursuant to PAGA.

Thank you for your attention to this matter. If you have any questions, please contact me at the phone number or address below:

Afife Bicakci
Capstone Law APC
1875 Century Park East, Suite 1860
Los Angeles, CA 90067
(310) 556-4811

Best Regards,

A handwritten signature in black ink, appearing to read 'A. Bicakci', with a stylized flourish at the end.

Afife Bicakci

Copy: KADIANT LLC (via U.S. Certified Mail); KADIANT BAY LLC (via U.S. Certified Mail); KADIANT CENTRAL VALLEY LLC (via U.S. Certified Mail); KADIANT SACRAMENTO LLC (via U.S. Certified Mail); KADIANT SO CAL LLC (via U.S. Certified Mail)

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 Lakewood, NJ 08701

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D. Is delivery address different from item 1? ☐ Yes
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CAPSTONE LAW APC
 1875 Century Park East
 Suite #1860
 Los Angeles, CA 90067

KADIANT LLC
 850 Towbin Avenue
 Lakewood, NJ 08701

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**KADIANT
SACRAMENTO LLC**
850 Towbin Avenue
Lakewood, NJ 08701

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☐ Certified Mail Restricted Delivery ☐ Signature Confirmation Restricted Delivery
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☐ Collect on Delivery Restricted Delivery ☐ Restricted Delivery

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1875 Century Park East
Suite #1860
Los Angeles, CA 90067

**KADIANT
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**SHELLHORN V.
KADIANT**

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KADIANT SO CAL LLC 850 Towbin Avenue Lakewood, NJ 08701		□ Agent □ Addressee	
1. 9589 0710 5270 2639 6039 70		B. Received by (Printed Name)	
2. 9589 0710 5270 2639 6039 70		C. Date of Delivery	
3. 9589 0710 5270 2639 6039 70		Is delivery address different from item 1? □ Yes If YES, enter delivery address below: □ No	
4. 9589 0710 5270 2639 6039 70		Service Type	
5. 9589 0710 5270 2639 6039 70		□ Priority Mail Express® □ Registered Mail™ □ Registered Mail Restricted Delivery □ Certified Mail® □ Certified Mail Restricted Delivery □ Collect on Delivery □ Collect on Delivery Restricted Delivery	
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CAPSTONE LAW, APC
1875 Century Park East
Suite #1860
Los Angeles, CA 90067

KADIANT SO CAL LLC
850 Towbin Avenue
Lakewood, NJ 08701

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