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Assigned for All Purposes:
Judge Melissa R. McCormick
Dept. CX104

Attorneys for Plaintiff
JOAN S. WALTER

SUPERIOR COURT OF CALIFORNIA
COUNTY OF ORANGE

JOAN S. WALTER, an individual on behalf
of herself and the STATE OF CALIFORNIA,
as Private Attorney General,

Plaintiff,

vs.

CAPO BEACH HEALTHCARE, LLC;
VALLEY POST-ACUTE AND REHAB,
LLC, a California Limited Liability
Company; and DOES 1 through 20, inclusive,

Defendants.

CASE NO. 30-2024-01409294-CU-WT-CXC

VERIFIED COMPLAINT FOR:

- 1. RETALIATION CAL. LAB. CODE § 1102.5;**
 - 2. RETALIATION CAL. LAB. CODE § 6310;**
 - 3. FEHA DISCRIMINATION;**
 - 4. FEHA HARASSMENT;**
 - 5. FEHA RETALIATION;**
 - 6. FAILURE TO PREVENT DISCRIMINATION AND HARASSMENT;**
 - 7. WRONGFUL TERMINATION;**
 - 8. FAILURE TO PROVIDE MEAL PERIODS;**
 - 9. FAILURE TO PROVIDE REST BREAKS;**
 - 10. FAILURE TO PAY ALL WAGES EARNED;**
 - 11. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENT;**
 - 12. WAITING TIME PENALTIES;**
 - 13. FAILURE TO PAY OVERTIME;**
 - 14. FAILURE TO PRODUCE PAYROLL RECORDS;**
 - 15. FAILURE TO PRODUCE PERSONNEL FILE**
 - 16. FAILURE TO REIMBURSE BUSINESS EXPENSES;**
 - 17. BREACH OF CONTRACT;**
 - 18. UNFAIR & UNLAWFUL BUSINESS PRACTICES;**
 - 19. DECLARATORY & INJUNCTIVE RELIEF; AND**
 - 20. VIOLATION OF THE PRIVATE ATTORNEYS GENERAL ACT.**
- JURY TRIAL DEMANDED**

Grochow Law, a Professional Corp.
33 Brookline
Aliso Viejo, CA 92656

1 Plaintiff Joan S. Walter, by and through her attorneys of record, for all causes of action
2 against Defendants, hereby alleges as follows upon information and belief:

3 **PARTIES**

4 1. Ms. Walter is, and at all relevant times herein mentioned was, an individual
5 residing in the County of Orange, State of California.

6 2. Ms. Walter is informed and believes and there upon alleges that, Defendant Capo
7 Beach Healthcare, LLC (“CBH”) is, and at all relevant times herein mentioned was, a California
8 Corporation with its principal place of business in the city of Capistrano Beach, in Orange
9 County, California.

10 3. Ms. Walter is informed and believes and there upon alleges that, Defendant
11 Valley Post-Acute and Rehab, LLC (“VPA” and collectively “Defendants”) is, and at all relevant
12 times herein mentioned was, a California Corporation with its principal place of business in the
13 city of Bakersfield, in Kern County, California.

14 4. Ms. Walter is ignorant of the true names and capacities of the defendants sued
15 herein as DOES 1 to 20, inclusive, (hereinafter the “Doe Defendants”) and therefore sues these
16 defendants by such fictitious names. Ms. Walter will amend this Complaint to insert the true
17 names and capacities of said defendants when they are ascertained. Ms. Walter is informed and
18 believes and thereon alleges that each of such fictitiously named defendants are liable to
19 Ms. Walter for the acts, events, and occurrences alleged herein as a result of said defendants’
20 relationship to all named co-defendants, or by participation in said acts, events, or occurrences.
21 At such times as Doe Defendants’ true names become known to Ms. Walter, she will seek leave
22 of court to amend this Complaint and insert such true names and capacities of such Doe
23 Defendants.

24 5. Ms. Walter is informed and believes, and thereon alleges, that at all times
25 mentioned herein, Doe Defendants and Defendants, and each of them, were the co-owners,
26 partners, agents, servants, employees and/or joint venturers, successors, predecessors, parent or
27 subsidiary corporations of each other co-defendant and were, as such, acting within the scope,
28 course and authority of said partnership, agency, employment, and/or joint venture. Ms. Walter is

1 informed and believes, and thereon alleges, that at all times mentioned herein, Doe Defendants
2 and Defendant, and each of them, are vicariously liable for their co-defendant's actions.

3 6. Ms. Walter is further informed and believes that, at all relevant times, each
4 Defendant was the principal, agent, partner, joint venturer, joint employer, officer, director,
5 controlling shareholder, subsidiary, affiliate, parent corporation, successor in interest and/or
6 predecessor in interest of some or all of the other Defendants, and was engaged with some or all
7 of the other defendants in a joint enterprise for profit, and bore such other relationships to some
8 or all of the other Defendants so as to be liable for their conduct with respect to the matters
9 alleged in this complaint. Ms. Walter is further informed and believes and thereon alleges that
10 each Defendant acted pursuant to and within the scope of the relationships alleged above, and
11 that at all relevant times, each Defendant knew or should have known about, authorized, ratified,
12 adopted, approved, controlled, aided and abetted the conduct of all other Defendants.

13 **JURISDICTION AND VENUE**

14 7. Jurisdiction and venue are proper in this Court because Ms. Walter worked for
15 Defendants while residing in Orange County, California. Moreover, jurisdiction and venue are
16 proper in this Court because Defendants' conduct giving rise to Ms. Walter's causes of action,
17 occurred in the County of Orange, California.

18 8. Ms. Walter has met all the jurisdictional requirements for proceeding with her
19 claims under the California Fair Employment and Housing Act ("FEHA"), including without
20 limitation, California Government Code §§ 12960 and 12965, by timely filing an administrative
21 complaint against Defendants with the California Civil Rights Department ("CRD") on or about
22 June 24, 2024. On June 24, 2024, Ms. Walter received her right-to-sue letter from the CRD
23 against Defendants. True and correct copies of the CRD complaint and right-to-sue letter are
24 collectively attached hereto as **Exhibit 1**.

25 9. Ms. Walter has met all the jurisdictional requirements for proceeding with her
26 PAGA cause of action, including without limitation, on February 12, 2024 and May 22, 2024,
27 Ms. Walter sent written notice to the California Labor & Workforce Development Agency
28 ("LWDA") of Defendants' violations of the California Labor Code, pursuant to PAGA,

California Labor Code § 2699, et seq. Ms. Walter also provided a copy of that notice to Defendant via certified mail. A true and correct copy of the notice is attached hereto as **Exhibit 2** and **Exhibit 3** respectively.

10. As of the date of the filing of this Complaint, the LWDA has not responded nor informed Ms. Walter that it intends to investigate the Labor Code violations detailed in Ms. Walter's written notice. Thus, pursuant to California Labor Code § 2699(a), Ms. Walter and the Aggrieved Employees may seek recovery of any and all applicable civil penalties on behalf of the State of California for Beach House's violations of §§ 201, 202, 203, 204, 218.5, 221, 226, 226.3, 226.7, 227.3, 245-248.5, 233-234, 248.2, 248.6, 510, 512, 551, 552, 558, 1174(d), 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2800, and 2802.

FACTUAL ALLEGATIONS

11. This case is about an employer, creating and encouraging a work environment infused with legal violations, rampant fraudulent practices, condoning unethical methods of medical practice on various levels that engaged officers of the management and employees alike and retaliated against reports of the same.

12. CBH operates as Capistrano Beach Care Center. It is a skilled nursing facility that provides rehabilitative and skilled nursing services to individuals requiring both short-term and long-term care. It purports to be a 93-bed facility. Ms. Walter was among multiple staff members who complained about the billing illegalities and patient safety issues arising from the number of beds CBH actually maintained.

13. Ms. Walter began working as a nurse for Defendants on or around March 20, 2023. During her time at Defendants, Ms. Walter faced constant violations of the law and witnessed conduct that compromised patient health and safety. She was retaliated against for reporting and/or refusing to participate in such conduct.

14. In multiple instances, Ms. Walter reported issues with staff not communicating to her, which impacted her ability to do her job, including but not limited to specific instances on August 21, 2023 and August 27, 2023 to Defendants' Director of Nursing, Curtney Tharp ("Ms. Tharp").

1 15. Then, in or around early September 2023, Ms. Walter was told by another
2 employee that Leilani Cortez, Defendants' then Admissions Nurse, without Ms. Walter's
3 permission, had gone into Ms. Walter's purse and rummaged through it purportedly looking for
4 vitamins for herself. Ms. Walter was horrified as she had personal prescription medications for
5 her private medical mental disability in her purse. After invading Ms. Walter's personal property
6 and undoubtedly finding the prescription medications, Ms. Cortez began treating Ms. Walter
7 disparately, attributing Ms. Walter's requests and complaints to her disability. For example, there
8 was a COVID-19 virus outbreak at the facility and Ms. Walter contracted the virus and had to
9 call out sick. Ms. Cortez told another Defendants employee that Ms. Walter was not sick but had
10 called out because of her "psych issues."

11 16. On or about September 21, 2023, Ms. Cortez's disparate treatment became too
12 much for Ms. Walter to continue enduring and Ms. Walter complained about this incident to
13 Ms. Tharp. Ms. Tharp responded positively, which assured Ms. Walter that she could continue
14 doing her job without retaliation and continue reporting issues as she had seen, hoping that
15 Ms. Tharp would resolve them. However, Ms. Cortez continued to bully Ms. Walter. For
16 example, after Ms. Walter complained to Ms. Tharp, Ms. Walter was informed by another
17 colleague that Ms. Cortez had moved Ms. Walter's purse and placed it in a bleach puddle,
18 ruining the purse. Ms. Walter's purse was the only personal item placed in bleach.

19 17. Incredibly, despite Ms. Walter's complaints of bullying and harassment,
20 Defendants promoted Ms. Cortez to Director of Staff Development shortly after these
21 complaints.

22 18. The staffing issues and failure to comply with rules and regulations kept
23 increasing, which risked patient health and safety, including but not limited to specific instances
24 on September 22, 2023, October 9, 2023, and October 12, 2023. During the October 9, 2023
25 instances, Ms. Walter was provided with a sample document to follow in drafting her
26 assessment. To follow that document, Ms. Walter would have to falsify her assessment.
27 Ms. Walter refused to include the false information in her assessment and instead wrote her notes
28 accurately and truthfully to the best of her abilities and despite the patient not being under her

1 care during the time of the alleged abuse. During the October 12, 2023 instance Ms. Walter was
2 instructed again to provide false information to the fire department, which she refused to do.

3 19. Soon after Ms. Walter's refusal to participate in this fraudulent reporting, she
4 noticed a shift in management's treatment of her that was clearly retaliatory. For example,
5 patients' conditions would frequently change requiring COC assessments, such as where a
6 patient falls or has a new skin tear, but other nursing staff were not performing these assessments
7 or documenting the changes. Ms. Walter would document these changes during her shifts and
8 other nurses would become frustrated with her, claiming she was "making more paperwork for
9 everyone," when, in reality, she was adhering to patient health and safety standards. When she
10 informed management that such assessments were not being performed by other nurses, nothing
11 was done to correct those nurses. In reporting this issue, Ms. Walter was clear to management as
12 to how not conducting and documenting COC assessments endangered patient health and safety.

13 20. To add to the parade of horrors at Defendants, narcotics and other medications
14 were being mismanaged. Ms. Walter repeatedly told Ms. Tharp that medications, including
15 narcotics and critical drugs, like insulin and chemotherapy medication, were being signed for
16 from the medication cart that Ms. Walter would also use but that there was evidence that the
17 medications were not making it to patients, along with other mismanagement. Ms. Walter further
18 reported that some of these instances resulted in patients not receiving the proper medications
19 and/or proper dosages and resulted in Defendants being unable to accurately track medication
20 administration.

21 21. The retaliation became more extreme as Defendants attempted to move Ms.
22 Walter from providing care for the 25-30 patients in the hall she had been working with for
23 months, which would disrupt the continuity of those patient's care. Ms. Walter pushed back and
24 was able to maintain working with those patients, but other nurses backlashed at her by making
25 frivolous complaints.

26 22. On or about October 15, 2023, the same day that Ms. Walter had complained to
27 Ms. Tharp about being pushed to care for different patients after multiple shifts in a row working
28 with a specific group of patients, explaining that this would disrupt continuity of care,

Ms. Cortez admitted a new patient admission and Ms. Walter did not sign for that patient's admission because she had no support or prior notice to prepare for the numerous procedures she needed to follow before admitting that patient. The patient was extremely agitated, and Ms. Walter felt unsafe due to the patient's aggressive behavior and paranoia. Despite her requesting assistance, no one helped Ms. Walter work with the threatening patient and the male nurse who brought the patient to Ms. Walter left her alone with the patient. Ms. Walter could not administer any medication to the patient because the patient was running around the facility, and she could not physically restrain him. The patient further harassed Ms. Walter by grabbing her inner thighs and later her right breast when she was walking with him attempting to calm him down.

23. Ms. Walter reported the assault to Ms. Tharp and Michael Falco ("Mr. Falco") Defendants' new Administrator, explaining that she was not feeling well and needed to go to urgent care for immediate medical attention. Not only was nothing done to address the assault, but Mr. Falco told Ms. Walter that she would be abandoning her patients if she left and pressured her to continue working. Ms. Walter kept working despite experiencing concerning symptoms, much like a panic attack, she was crying, could not catch her breath, had a very elevated heart rate, concerning chest pressure, and had vomited. She felt hurt, humiliated, afraid, and alone.

24. As her symptoms worsened following the assault, Ms. Walter took it upon herself to ensure that each one of the patients under her care was assigned another nurse. Upon confirming that each patient was reassigned, counting out the medication on the cart she was managing, she reported this to Ms. Tharp and Mr. Falco and finally received permission to go home. Nothing was ever done to address Ms. Walter's sexual assault by the patient, not even an incident report, and incredibly, that same patient was assigned to Ms. Walter upon her return to work a few days later.

25. To be clear, this was not the first time Ms. Walter was physically abused by a patient at Defendants, several times she had her hair pulled, she was hit on the head and scratched, but nothing was ever done to help her and Defendants took no measures to protect its nurses, such as hiring security or reporting.

1 26. On or around December 6, 2023, another LVN came in an hour and a half late and
2 Ms. Walter was preparing to transfer patients to him as she should have ended her shift already.
3 She provided him with detailed documentation and notes, explaining each patient's issues. When
4 the physician called to give that LVN orders, he claimed Ms. Walter had not provided him any
5 information about the patients. The LVN got upset with Ms. Walter when she instructed him that
6 it was his job to do reporting and COCs as necessary during his shift, claiming that Ms. Walter
7 was making more work for him and claiming ignorance over knowing anything about the
8 patient's condition, despite Ms. Walter's detailed transfer notes. Again, the other LVN should
9 have been caring for this patient but did not timely show up to his shift. Ms. Walter was written
10 up for essentially not doing the other LVNs work and instructing him to do his own work.
11 Defendants used this write up as a pretext to terminate Ms. Walter, claiming that she was not
12 able to keep up with the work she was assigned.

13 27. The above instances of false reports, workplace safety violations, physical
14 assaults, and other illegalities were just a few examples of illegal conduct at Defendants. During
15 her employment, Ms. Walter witnessed and reported, in writing, many other instances of illegal
16 conduct, such as consent forms for treatment never being signed by patients or their guardians
17 prior to treatment and the administration of psychotropics drugs to patients without the requisite
18 permission.

19 28. Ms. Walter's reporting of such blatant illegalities and refusal to participate in
20 illegal conduct, along with her need to address her anxiety caused by the illegalities, subjected
21 her to retaliation and led to Defendants terminating her employment on December 11, 2023.

22 **FIRST CAUSE OF ACTION**

23 **WHISTLEBLOWER RETALIATION**

24 **(Against All Defendants and Does 1-20)**

25 29. As a separate and distinct cause of action, Ms. Walter complains and re-alleges all
26 the allegations contained in this Complaint and incorporates them by reference into this cause of
27 Action as though fully set forth herein, except those allegations which are inconsistent with this
28 cause of action.

1 30. California Labor Code § 1102.5(b) provides,

2 An employer, or any person acting on behalf of the employer, shall
3 not retaliate against an employee for disclosing information, or
4 because the employer believes that the employee disclosed or may
5 disclose information, to a government or law enforcement agency, to
6 a person with authority over the employee or another employee who
7 has the authority to investigate, discover, or correct the violation or
8 noncompliance, or for providing information to, or testifying before,
9 any public body conducting an investigation, hearing, or inquiry, if
10 the employee has reasonable cause to believe that the information
11 discloses a violation of state or federal statute, or a violation of or
12 noncompliance with a local, state, or federal rule or regulation,
13 regardless of whether disclosing the information is part of the
14 employee's job duties.

15 31. California Labor Code § 1102.5(c) provides,

16 An employer, or any person acting on behalf of the employer, shall
17 not retaliate against an employee for refusing to participate in an
18 activity that would result in a violation of state or federal statute, or a
19 violation of or noncompliance with a local, state, or federal rule or
20 regulation.

21 32. As detailed above, Ms. Walter reported numerous patient health and safety
22 violations, workplace safety concerns and violations, among other illegal activity.

23 33. Also, as detailed above, Ms. Walter refused to participate in falsifying medical
24 reports.

25 34. Defendants retaliated against Ms. Walter as a proximate result of her reporting of
26 and refusal to participate in illegal activities by changing her role and eventually terminating her
27 employment.

28 35. As a direct and proximate result of Defendants' conduct, Ms. Walter has incurred
and will continue to incur general and special damages in an amount to be proven at trial. These
damages include, but are not limited to, lost income, employment, career opportunities,
depression, anxiety, embarrassment, anger, humiliation, loss of enjoyment of life, and severe
emotional distress. The emotional distress that Ms. Walter incurred has further manifested itself
in physical symptoms that include, but are not limited to, insomnia, agoraphobia, loss of appetite,
weight loss, flare up of a stomach ulcer, and headaches.

1 36. The acts taken toward Ms. Walter alleged herein were carried out by Defendants’
2 officers, directors, and/or managing agents acting in a despicable, oppressive, fraudulent,
3 malicious, deliberate, egregious and inexcusable manner and in conscious disregard for the rights
4 and safety of Ms. Walter, thereby justifying an award of punitive damages in a sum appropriate
5 to punish and make an example of Defendants, pursuant to California Civil Code § 3294.

6 37. Ms. Walter has incurred and continues to incur legal expenses and attorneys’ fees,
7 and hereby requests her attorneys’ fees pursuant to California Government Code § 12965.

8 **SECOND CAUSE OF ACTION**

9 **WHISTLEBLOWER RETALIATION (CAL. LAB. CODE § 6310)**

10 **(Against All Defendants and Does 1-20)**

11 38. As a separate and distinct cause of action, Ms. Walter complains and re-alleges all
12 the allegations contained in this Complaint and incorporates them by reference into this cause of
13 Action as though fully set forth herein, except those allegations which are inconsistent with this
14 cause of action.

15 39. California Labor Code § 6310 subdivision (a)(1), prohibits any “person” from
16 discriminating against an employee who makes “any oral or written complaint” regarding
17 “employee safety or health.” “Subdivision (b) provides that ‘[a]ny employee who is discharged,
18 threatened with discharge, demoted, suspended, or in any other manner discriminated against in
19 the terms and conditions of employment by his or her employer because the employee has made
20 a bona fide oral or written complaint to . . . his or her employer . . . of unsafe working conditions,
21 or work practices . . . shall be entitled to reinstatement and reimbursement for lost wages and
22 work benefits caused by the acts of the employer.” *Sheridan v. Touchstone Television Prods.,*
23 LLC (2015) 241 Cal.App.4th 508, 512.

24 40. As detailed above, Ms. Walter complained to Defendants about the unsafe
25 conditions of Defendants’ nursing facilities in the State of California wherein Ms. Walter was
26 physically and sexually harassed by patients. Physical and sexual harassment at a worksite is a
27 serious safety concern.

41. Defendants retaliated against Ms. Walter as a proximate result of her complaints by terminating her employment.

42. Ms. Walter's complaint of unsafe working conditions were substantial motivating reasons for Defendants' decision to discharge her.

43. As a direct and proximate result of Defendants' conduct, Ms. Walter has incurred and will continue to incur general and special damages in an amount to be proven at trial. These damages include lost income, employment, career opportunities, depression, anxiety, embarrassment, anger, humiliation, loss of enjoyment of life, and severe emotional distress. The emotional distress that Ms. Walter incurred has further manifested itself in physical symptoms that include, but are not limited to, insomnia, agoraphobia, loss of appetite, weight loss, flare up of a stomach ulcer, and headaches.

44. The acts taken toward Ms. Walter alleged herein were carried out by Defendants' officers, directors, and/or managing agents acting in a despicable, oppressive, fraudulent, malicious, deliberate, egregious and inexcusable manner and in conscious disregard for the rights and safety of Ms. Walter, thereby justifying an award of punitive damages in a sum appropriate to punish and make an example of Defendants, and each of them, pursuant to California Civil Code § 3294.

45. Ms. Walter has incurred and continues to incur legal expenses and attorneys' fees, and hereby requests her attorneys' fees pursuant to California Government Code § 12965.

THIRD CAUSE OF ACTION

DISCRIMINATION IN VIOLATION OF THE FEHA

(Against All Defendants and Does 1-20)

46. As a separate and distinct cause of action, Ms. Walter complains and re-alleges all the allegations contained in this Complaint and incorporates them by reference into this cause of action as though fully set forth herein, except those allegations which are inconsistent with this cause of action.

47. At all times mentioned herein, Defendants were employers as defined under the FEHA. At all times mentioned herein, FEHA, California Government Code §§ 12900, et seq.,

1 was in full force and effect and was binding on Defendants, as Defendants regularly employed
2 five or more persons.

3 48. Pursuant to California Government Code § 12940(a), it is an unlawful
4 employment practice for an employer to discriminate against any employee in the terms,
5 conditions, or privileges of employment because of, inter alia, their sex, gender, medical
6 condition, or physical or mental disability.

7 49. Defendants discriminated against Ms. Walter and subjected her to adverse
8 employment actions, including, but not limited to, denial of employment benefits, privileges, and
9 wrongful termination. Defendants' conduct as alleged herein constitutes unlawful discrimination
10 in violation of Government Code § 12940(a).

11 50. Ms. Walter's sex, gender, medical condition, or physical or mental disability,
12 were motivating factors in Defendants' aforementioned decisions that were adverse to
13 Ms. Walter in regard to compensation and terms, conditions, and privileges of employment.

14 51. As a direct and proximate result of Defendants' conduct, Ms. Walter has incurred
15 and will continue to incur general and special damages in an amount to be proven at trial. These
16 damages include lost income, employment, career opportunities, depression, anxiety,
17 embarrassment, anger, humiliation, loss of enjoyment of life, and severe emotional distress. The
18 emotional distress that Ms. Walter incurred has further manifested itself in physical symptoms
19 that include, but are not limited to, insomnia, agoraphobia, loss of appetite, weight loss, flare up
20 of a stomach ulcer, and headaches.

21 52. The acts taken toward Ms. Walter alleged herein were carried out by Defendants'
22 officers, directors, and/or managing agents acting in a despicable, oppressive, fraudulent,
23 malicious, deliberate, egregious and inexcusable manner and in conscious disregard for the rights
24 and safety of Ms. Walter, thereby justifying an award of punitive damages in a sum appropriate
25 to punish and make an example of Defendants and each of them, pursuant to California Civil
26 Code § 3294.

27 53. Ms. Walter has incurred and continues to incur legal expenses and attorneys' fees,
28 and hereby requests her attorneys' fees pursuant to California Government Code § 12965.

FOURTH CAUSE OF ACTION

HARASSMENT IN VIOLATION OF THE FEHA

(Against All Defendants and Does 1-20)

54. As a separate and distinct cause of action, Ms. Walter complains and re-alleges all the allegations contained in this Complaint and incorporates them by reference into this cause of action as though fully set forth herein, except those allegations which are inconsistent with this cause of action.

55. Under the California Government Code § 12940(j)(1), it is an unlawful employment practice for an employer to harass any employee in the terms, conditions, or privileges of employment because of, *inter alia*, sex, gender, medical condition, or physical or mental disability. The FEHA holds employers strictly liable when the harassment is perpetrated by a supervisor. Cal. Gov. Code § 12940(j)(1); *Doe v. Capital Cities* (1996) 50 Cal. App. 4th 1038, 1045.

56. Under the California Government Code § 12940(j)(1), “[a]n employer may also be responsible for the acts of nonemployees, with respect to harassment of employees ... if the employer, or its agents or supervisors, knows or should have known of the conduct and fails to take immediate and appropriate corrective action.”

57. Defendants knew or should have known that its clients were physically and sexually harassing its female employees, including Ms. Walter, as Ms. Walter reported this to Defendants’ supervisors and management.

58. Despite knowing that its clients were physically and sexually harassing its female employees, Defendants took no steps to stop the behavior and failed to take immediate and appropriate corrective action, resulting in Ms. Walter and others facing continuing harassment.

59. As a direct and proximate result of Defendants’ conduct, Ms. Walter has incurred and will continue to incur general and special damages in an amount to be proven at trial. These damages include lost income, employment, career opportunities, depression, anxiety, embarrassment, anger, humiliation, loss of enjoyment of life, and severe emotional distress. The emotional distress that Ms. Walter incurred has further manifested itself in physical symptoms

1 that include, but are not limited to, insomnia, agoraphobia, loss of appetite, weight loss, flare up
2 of a stomach ulcer, and headaches.

3 60. The acts taken toward Ms. Walter alleged herein were carried out by Defendants'
4 officers, directors, and/or managing agents acting in a despicable, oppressive, fraudulent,
5 malicious, deliberate, egregious and inexcusable manner and in conscious disregard for the rights
6 and safety of Ms. Walter, thereby justifying an award of punitive damages in a sum appropriate
7 to punish and make an example of Defendants and each of them, pursuant to California Civil
8 Code § 3294.

9 61. Ms. Walter has incurred and continues to incur legal expenses and attorneys' fees,
10 and hereby requests her attorneys' fees pursuant to California Government Code § 12965.

11 **FIFTH CAUSE OF ACTION**

12 **RETALIATION IN VIOLATION OF THE FEHA**

13 **(Against All Defendants and Does 1-20)**

14 62. As a separate and distinct cause of action, Ms. Walter complains and re-alleges all
15 the allegations contained in this Complaint and incorporates them by reference into this cause of
16 action as though fully set forth herein, except those allegations which are inconsistent with this
17 cause of action.

18 63. California Government Code § 12940(h) prohibits an employer from
19 discriminating or retaliating against any person who opposed any practices forbidden by the
20 FEHA. Ms. Walter will establish a prima facie case of retaliation under FEHA because she can
21 show (1) that she engaged in a protected activity; (2) that she was thereafter subjected to adverse
22 employment action; and (3) a causal link between the two.

23 64. As outlined above Defendants retaliated against Ms. Walter based on her sex,
24 gender, medical condition, and/or mental or physical disability. Defendants further retaliated by
25 terminating Ms. Walter after she reported the above described harassment.

26 65. As a direct and proximate result of CBH's conduct, Ms. Walter has incurred and
27 will continue to incur general and special damages in an amount to be proven at trial. These
28 damages include lost income, employment, career opportunities, depression, anxiety,

embarrassment, anger, humiliation, loss of enjoyment of life, and severe emotional distress. The emotional distress that Ms. Walter incurred has further manifested itself in physical symptoms that include, but are not limited to, insomnia, agoraphobia, loss of appetite, weight loss, flare up of a stomach ulcer, and headaches.

66. The acts taken toward Ms. Walter alleged herein were carried out by Defendants' officers, directors, and/or managing agents acting in a despicable, oppressive, fraudulent, malicious, deliberate, egregious and inexcusable manner and in conscious disregard for the rights and safety of Ms. Walter, thereby justifying an award of punitive damages in a sum appropriate to punish and make an example of Defendants and each of them, pursuant to California Civil Code § 3294.

67. Ms. Walter has incurred and continues to incur legal expenses and attorneys' fees, and hereby requests her attorneys' fees pursuant to California Government Code § 12965.

SIXTH CAUSE OF ACTION

FAILURE TO TAKE ALL REASONABLE STEPS NECESSARY TO PREVENT DISCRIMINATION AND HARASSMENT IN VIOLATION OF FEHA (Against All Defendants and Does 1-20)

68. As a separate and distinct cause of action, Ms. Walter complains and re-alleges all the allegations contained in this Complaint and incorporates them by reference into this cause of action as though fully set forth herein, except those allegations which are inconsistent with this cause of action.

69. Pursuant to California Government Code § 12940(k), it is an unlawful employment practice for an employer to fail to take all reasonable steps necessary to prevent discrimination, harassment, and retaliation in the workplace.

70. As stated herein, Defendants subjected Ms. Walter to discrimination and harassment in the workplace.

71. Defendants failed to take all reasonable steps to prevent discrimination, harassment, and retaliation in the workplace against Ms. Walter, and to take immediate and

1 appropriate corrective action to remedy the unlawful conduct. Defendants also had a pattern and
2 practice of doing such.

3 72. As a direct and proximate result of Defendants' conduct, Ms. Walter has incurred
4 and will continue to incur general and special damages in an amount to be proven at trial. These
5 damages include lost income, employment, career opportunities, depression, anxiety,
6 embarrassment, anger, humiliation, loss of enjoyment of life, and severe emotional distress. The
7 emotional distress that Ms. Walter incurred has further manifested itself in physical symptoms
8 that include, but are not limited to, insomnia, agoraphobia, loss of appetite, weight loss, flare up
9 of a stomach ulcer, and headaches.

10 73. The acts taken toward Ms. Walter alleged herein were carried out by Defendants'
11 officers, directors, and/or managing agents acting in a despicable, oppressive, fraudulent,
12 malicious, deliberate, egregious and inexcusable manner and in conscious disregard for the rights
13 and safety of Ms. Walter, thereby justifying an award of punitive damages in a sum appropriate
14 to punish and make an example of Defendants, and each of them, pursuant to California Civil
15 Code § 3294.

16 74. Ms. Walter has incurred and continues to incur legal expenses and attorneys' fees,
17 and hereby requests her attorneys' fees pursuant to California Government Code § 12965.

18 **SEVENTH CAUSE OF ACTION**

19 **WRONGFUL TERMINATION IN VIOLATION OF PUBLIC POLICY**

20 **(Against All Defendants and Does 1-20)**

21 75. As a separate and distinct cause of action, Ms. Walter complains and re-alleges all
22 the allegations contained in this Complaint and incorporates them by reference into this cause of
23 Action as though fully set forth herein, except those allegations which are inconsistent with this
24 cause of action.

25 76. It is an unlawful employment practice and against the public policy of the State of
26 California for an employer to discharge, expel, or otherwise discriminate against any person
27 because the person has opposed any unlawful practice or has refused to engage in any unlawful
28 practice. *Tameny v. Atlantic Richfield Co.*, 27 Cal.3d 167 (1980).

4 78. Defendants terminated Ms. Walter's employment in retaliation for refusing to
5 participate in Defendants' illegal conduct.

6 79. As a direct and proximate result of Defendants' conduct, Ms. Walter has incurred
7 and will continue to incur general and special damages in an amount to be proven at trial. These
8 damages include, but are not limited to, lost income, employment, career opportunities,
9 depression, anxiety, embarrassment, anger, humiliation, loss of enjoyment of life, and severe
10 emotional distress. The emotional distress that Ms. Walter incurred has further manifested itself
11 in physical symptoms that include, but are not limited to, insomnia, agoraphobia, loss of appetite,
12 weight loss, flare up of a stomach ulcer, and headaches.

80. The acts taken toward Ms. Walter alleged herein were carried out by Defendants' officers, directors, and/or managing agents acting in a despicable, oppressive, fraudulent, malicious, deliberate, egregious and inexcusable manner and in conscious disregard for the rights and safety of Ms. Walter, thereby justifying an award of punitive damages in a sum appropriate to punish and make an example of Defendants, and each of them, pursuant to California Civil Code § 3294.

81. Ms. Walter has incurred and continues to incur legal expenses and attorneys' fees,
and hereby requests her attorneys' fees pursuant to California Government Code § 12965.

22 **FAILURE TO PROVIDE MEAL PERIODS**
23 **(Against All Defendants and Does 1-20)**

24 82. As a separate and distinct cause of action, Ms. Walter complains and re-alleges all
25 the allegations contained in this Complaint and incorporates them by reference into this cause of
26 Action as though fully set forth herein, except those allegations which are inconsistent with this
27 cause of action.

1 83. At all relevant times, California Labor Code § 512(a) provides that an employer
2 may not require, cause, or permit an employee to work for a period of more than five hours per
3 day without providing the employee with a duty free meal period of not less than thirty minutes,
4 except that if the total work period per day of the employee is not more than six hours, the meal
5 period may be waived by mutual consent of both the employer and the employee.

6 84. At all relevant times herein, California Labor Code §§ 226.7 and 512(a) provided
7 that no employer shall require an employee to work during any meal period mandated by an
8 applicable order of the Industrial Wage Commission (“IWC”).

9 85. At all relevant times, California Labor Code §§ 226.7 and 512(a) and IWC Order
10 4-2001 require employers to provide a second duty free meal period of not less than thirty
11 minutes if an employee works over ten hours per day or to pay an employee one additional hour
12 of pay at the employee’s regular rate, except that if the total hours worked is no more than twelve
13 hours, the second meal period may be waived by mutual consent of the employer and the
14 employee only if the first meal period was not waived.

15 86. Defendants failed to provide Ms. Walter with compliant duty-free meal periods
16 and/or to pay Ms. Walter one additional hour of pay for all duty-free meal periods that were not
17 provided in accordance with California Labor Code §§ 226.7 and 512. Defendants also did not
18 provide or authorize Ms. Walter and others similarly situated with a second 30-minute duty-free
19 meal periods on days that they worked in excess of 10 hours in one day or pay them one
20 additional hour for the missed meal period as a penalty premium.

21 87. Defendants’ conduct described in this Complaint violated the provisions of
22 California Labor Code §§ 226.7 and 512 and IWC Order 4-2001, in that Defendants did not
23 provide Ms. Walter duty-free meal periods or pay to Ms. Walter one hour wages as
24 compensation for all the duty-free meal periods not provided as required by law. Ms. Walter is
25 entitled to recover the unpaid wages that Defendants owes her, plus interest on that amount at the
26 rate of ten percent per annum, reasonable attorneys’ fees, and costs of suit.

27 88. Defendants knew or should have known that because of these policies, Ms. Walter
28 and others similarly situated were prevented from being relieved of all duties and required to

1 perform their assigned work duties during meal periods. As a result, Defendants failed to provide
2 Ms. Walter and others similarly situated compliant meal periods in violation of California Labor
3 Code §§ 226.7 and 512 and failed to pay the full meal period premiums due.

4 89. As a proximate result of the aforementioned violations, Ms. Walter has been
5 damaged in an amount according to proof at the time of trial, but not in an amount in excess of
6 the jurisdiction of this Court.

7 **NINTH CAUSE OF ACTION**

8 **FAILURE TO PROVIDE REST BREAKS**

9 **(Against All Defendants and Does 1-20)**

10 90. As a separate and distinct cause of action, Ms. Walter complains and re-alleges all
11 the allegations contained in this Complaint and incorporates them by reference into this cause of
12 action as though fully set forth herein, except those allegations which are inconsistent with this
13 cause of action.

14 91. At all relevant times, Ms. Walter was entitled to the benefits and protections
15 under California Labor Code §§ 226.7 and 1198, and IWC Order No. 4-2001.

16 92. California Labor Code § 1198 and IWC Order No. 4-2001, provides, regarding
17 rest periods, that “[e]very employer shall authorize and permit all employees to take rest periods,
18 which insofar as practicable shall be in the middle of each work period. The authorized rest
19 period time shall be based on the total hours worked daily at the rate of ten (1) minutes net rest
20 time per four (4) hours work or major fraction thereof.”

21 93. Ms. Walter was entitled to rest breaks for each of the shifts that she worked. Ms.
22 Walter was never provided the rest breaks. Therefore, Defendants deprived her on one rest break
23 each shift that she worked.

24 94. Defendants failed to pay Ms. Walter the additional wages required by California
25 Labor Code § 226.7 for all rest breaks not provided to her.

26 95. As a result of Defendants’ conduct, Ms. Walter has suffered damages subject to
27 proof to the extent she was not paid additional wages for all rest breaks not provided to her.
28

1 96. Accordingly, Ms. Walter is entitled to premium wages for all workdays she
2 worked, pursuant to California Labor Code § 226.7.

3 **TENTH CAUSE OF ACTION**

4 **FAILURE TO PAY ALL WAGES EARNED FOR ALL HOURS WORKED (CAL. LAB.**
5 **CODE §§ 510, 1194, 1194.2, 1197, AND 1197.1)**

6 **(Against All Defendants and Does 1-20)**

7 97. As a separate and distinct cause of action, Ms. Walter complains and re-alleges all
8 the allegations contained in this Complaint and incorporates them by reference into this cause of
9 action as though fully set forth herein, except those allegations which are inconsistent with this
10 cause of action.

11 98. At all relevant times, Wage Order No. 1-2001 defined “Hours Worked” as “the
12 time during which an employee is subject to the control of an employer and includes all the time
13 the employee is suffered or permitted to work, whether or not required to do so.”

14 99. Section 4 of Wage Order No. 1-2001 requires every employer to pay each
15 employee at least minimum wage for all hours worked.

16 100. At all relevant times, California Labor Code §§ 1194, 1197, and 1197.1 provide
17 that the minimum wage fixed by the IWC is the minimum wage to be paid to employees, and the
18 payment of a wage less than the minimum so fixed is unlawful.

19 101. Defendants failed to pay Ms. Walter her wages at their minimum wage rate, even
20 though they knew the hours that she worked and was not paid for and her overtime work.

21 102. Defendants further failed to pay Ms. Walter for all overtime hours worked.

22 103. Defendants did not pay at least minimum wages for the hours worked off-the-
23 clock in violation of California Labor Code §§ 1182.12, 1194, 1197, and 1197.1.

24 104. Defendants further failed to provide Ms. Walter with earned bonuses and/or
25 incentive pay. Such pay is also wages.

26 105. Therefore, Ms. Walter is entitled to recover from Defendants the unpaid wages,
27 plus interest on that amount, liquidated damages, penalties, reasonable attorneys’ fees, and costs
28 of this suit pursuant to California Labor Code §§ 1194 and 1194.2.

1 106. The acts of Defendants were carried out by managing agents, were made with
2 gross negligence and/or were intentional, willful and malicious and done in conscious disregard
3 of Ms. Walter's rights, and the general public, and Ms. Walter is seeking to enforce important
4 rights affecting the public interest within the meaning of California Code of Civil Procedure §
5 1021.5.

6 107. As a proximate result of the aforementioned violations, Ms. Walter has been
7 damaged in an amount according to proof at the time of trial the extent that they were not paid
8 wages at a minimum wage rate for all hours worked, but not in an amount in excess of the
9 jurisdiction of this Court.

10 **ELEVENTH CAUSE OF ACTION**

11 **FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS**

12 **(Against All Defendants and Does 1-20)**

13 108. As a separate and distinct cause of action, Ms. Walter complains and re-alleges all
14 the allegations contained in this Complaint and incorporates them by reference into this cause of
15 action as though fully set forth herein, except those allegations which are inconsistent with this
16 cause of action.

17 109. Pursuant to California Labor Code § 226, on a semi-monthly basis or at the time
18 of the payment of wages, Defendants were required to furnish all employees with an accurate
19 itemized statement in writing showing, inter alia: (1) gross wages earned; (2) total hours worked
20 by the employee; (3) the number of piece-rate units earned and any applicable piece rate if the
21 employee is paid on a piece-rate basis; (4) all deductions; (5) net wages earned; (6) the inclusive
22 dates of the period for which the employee is paid; (7) the name of the employee and only the
23 last four digits of his or her social security number; (8) the name and address of the legal entity
24 that is the employer; and (9) all applicable hourly rates in effect during the pay period and the
25 corresponding number of hours worked at each hourly rate by the employee.

26 110. Upon payment of wages, Defendants failed to furnish Ms. Walter with an
27 itemized statement in writing that complied with California Labor Code § 226.

111. As a result of Defendants' unlawful conduct, Ms. Walter and others similarly situated have suffered injury.

112. Pursuant to California Labor Code § 226(e), employees such as Ms. Walter who suffer injury as a result of a knowing and intentional failure by an employer to comply with the provisions of California Labor Code § 226(a) are entitled to recover the greater of all actual damages or fifty dollars (\$50.00) 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 exceeding an aggregate penalty of four thousand dollars (\$4,000), and are entitled to costs and reasonable attorneys' fees.

TWELFTH CAUSE OF ACTION

WAITING TIME PENALTIES

(Against All Defendants and Does 1-20)

113. As a separate and distinct cause of action, Ms. Walter complains and re-alleges all the allegations contained in this Complaint and incorporates them by reference into this cause of action as though fully set forth herein, except those allegations which are inconsistent with this cause of action.

114. California Labor Code § 201 provides that an employer must pay an employee their final wages upon being terminated from their employment. California Labor Code § 202 requires that an employee be paid their final wages within 72 hours after the employer receives notice of their separation.

115. Defendants failed to pay wages of Ms. Walter who was a former employee of Defendants at the time they became due and payable. Thus, Defendants violated California Labor Code §§ 201 and 202.

116. As a result of Defendants' unlawful acts, Ms. Walter is entitled to recover, pursuant to California Labor Code § 203, continuing wages as a penalty from the due date thereof at the same rate until paid or this action was commenced, up to 30 days.

THIRTEENTH CAUSE OF ACTION

FAILURE TO PAY OVERTIME (CAL. LAB. CODE §§ 510, 1194, AND 1198)

(Against All Defendants and Does 1-20)

117. As a separate and distinct cause of action, Ms. Walter complains and re-alleges all the allegations contained in this Complaint and incorporates them by reference into this cause of action as though fully set forth herein, except those allegations which are inconsistent with this cause of action.

118. Pursuant to California Labor Code § 510 and 1194 and Wage Order No. 1-2001, non-exempt employees are entitled to receive a higher rate of pay for all hours worked in excess of eight hours in a workday and/or forty hours in a workweek.

119. California Labor Code § 1198 and Wage Order No. 1-2001 provide that it is unlawful to employ persons without compensating them at a rate of pay either time-and-one-half or two-times that person's regular rate of pay, depending on the number of hours worked by the person on a daily or weekly basis. An employee's regular rate of pay includes all remuneration for employment paid to, or on behalf of, the employee, including non-discretionary bonuses and/or incentive pay.

120. At all relevant times, Defendants employed Ms. Walter as an "employee" within the meaning of the California Labor Code. At all relevant times herein, Defendants failed to pay Ms. Walter all overtime wages earned under the California Labor Code.

121. Ms. Walter worked in excess of eight hours a day, in excess of twelve hours a day, and in excess of forty hours in a week for which she was not paid overtime compensation at the proper rate pursuant to California law. Despite the hours worked by Ms. Walter, Defendants willfully, in bad faith, and in knowing violation of the California Labor Code, failed and refused to pay the lawfully required overtime compensation premium.

122. Defendants' failure to pay Ms. Walter the overtime compensation premium, as required by the applicable Wage Order and the California Labor Code, violates the provisions of California Labor Code §§ 1194, 1198, and 510 and is unlawful.

123. Therefore, Ms. Walter is entitled to recover from Defendants the unpaid wages, plus interest on that amount, liquidated damages, penalties, reasonable attorney fees, and costs of this suit pursuant to California Labor Code §§ 1194 and 1194.2.

FOURTEENTH CAUSE OF ACTION

FAILURE TO TIMELY PROVIDE PAYROLL RECORDS

(Against Defendants and Does 1-20)

124. As a separate and distinct cause of action, Ms. Walter complains and re-alleges all the allegations contained in this Complaint and incorporates them by reference into this cause of action as though fully set forth herein, except those allegations which are inconsistent with this cause of action.

125. California Labor Code §§ 226(b) and (c) require an employer to furnish an employee with a copy of their payroll records within 21 days of receiving a request from that employee.

126. On or about January 7, 2024, through her counsel, Ms. Walter requested a copy of her payroll records from Defendants by certified mail with a return receipt. Defendants failed to provide Ms. Walter with a complete copy of those records within the 21-day requirement.

127. As a result of Defendants' failure to provide Ms. Walter with the requested payroll records, Ms. Walter is entitled to and requests injunctive relief to obtain compliance with California Labor Code § 226.

128. Ms. Walter is also entitled to statutory penalties in the amount of \$750 and an award of attorneys' fees and costs for bringing this action.

FIFTEENTH CAUSE OF ACTION

FAILURE TO TIMELY PROVIDE PERSONNEL FILES

(Against All Defendants and Does 1-20)

129. As a separate and distinct cause of action, Ms. Walter complains and re-alleges all the allegations contained in this Complaint and incorporates them by reference into this cause of action as though fully set forth herein, except those allegations which are inconsistent with this cause of action.

1 130. Under California Labor Code § 1198.5, Ms. Walter had a right to inspect her
2 personnel file records within 30 days of providing a written request.

3 131. On or about January 7, 2024, Ms. Walter, through her counsel, requested her
4 personnel file records pursuant to California Labor Code § 1198.5 from Defendants by letter sent
5 by U.S. certified mail with a return receipt.

6 132. Defendants failed to provide Ms. Walter with a copy of the requested records
7 within 30 days of her written request.

8 133. As a result of Defendants' failure to provide Ms. Walter with the requested
9 personnel file records, Ms. Walter is entitled to and requests injunctive relief to obtain
10 compliance with California Labor Code § 1198.5.

11 134. Ms. Walter is also entitled to statutory penalties in the amount of \$750 and an
12 award of attorneys' fees and costs for bringing this action.

13 **SIXTEENTH CAUSE OF ACTION**

14 **FAILURE TO REIMBURSE BUSINESS EXPENSES**

15 **(Against All Defendants and Does 1-20)**

16 135. As a separate and distinct cause of action, Ms. Walter complains and re-alleges all
17 the allegations contained in this Complaint and incorporates them by reference into this cause of
18 action as though fully set forth herein, except those allegations which are inconsistent with this
19 cause of action.

20 136. California Labor Code § 2802 provides that California employees must be
21 reimbursed for their employment-related business expenses. Section 2802 states, in pertinent
22 part, that "[a]n employer shall indemnify his or her employee for all necessary expenditures or
23 losses incurred by the employee in direct consequence of the discharge of his or her duties."

24 137. Defendants violated California Labor Code § 2802 by requiring Ms. Walter to
25 incur costs and other expenses incidental to the performance of her job duties, including, but not
26 limited to the payment for medical equipment necessary to train Defendants' Certified Nursing
27 Assistant.
28

1 138. Ms. Walter incurred such reasonable and necessary business expenses in order to
2 perform her job and for Defendants' benefit but was not reimbursed. Ms. Walter has sustained
3 damages and losses in the amount of the expenses she incurred.

4 139. Ms. Walter has incurred and continues to incur legal expenses and attorney's fees,
5 and hereby requests her attorneys' fees pursuant to California Labor Code § 2802.

6 **SEVENTEENTH CAUSE OF ACTION**

7 **BREACH OF CONTACT**

8 **(Against All Defendants and Does 1-20)**

9 140. As a separate and distinct cause of action, Ms. Walter complains and re-alleges all
10 the allegations contained in this Complaint and incorporates them by reference into this cause of
11 action as though fully set forth herein, except those allegations which are inconsistent with this
12 cause of action.

13 141. Defendants offered employment benefits to Ms. Walter, including bonus
14 incentives and additional reimbursement incentives for assisting with Defendants' business
15 marketing.

16 142. Ms. Walter accepted the terms of her employment and these bonus incentives and
17 reimbursement incentives and performed to make those incentives earned. In other words,
18 Ms. Walter fulfilled all conditions precedent to earning the bonus and reimbursement incentives
19 offered to her by Defendants.

20 143. However, Defendants refused to pay Ms. Walter according to the bonus and
21 reimbursement agreement, breaching that agreement.

22 144. As a result of Defendants' unlawful conduct in breaching its contract with
23 Ms. Walter, Ms. Walter has been damaged in an amount to be shown according to proof at trial.

24 **EIGHTEENTH CAUSE OF ACTION**

25 **UNFAIR AND UNLAWFUL BUSINESS PRACTICES**

26 **(Against All Defendants and Does 1-20)**

27 145. As a separate and distinct cause of action, Ms. Walter complains and re-alleges all
28 the allegations contained in this Complaint and incorporates them by reference into this cause of

1 action as though fully set forth herein, except those allegations which are inconsistent with this
2 cause of action.

3 146. At all relevant times, Ms. Walter has been entitled to the benefits and protections
4 of California Business and Professions Code §§ 17200, et seq. (“UCL”).

5 147. Defendants’ unlawful conduct alleged herein amounts to and constitutes unfair
6 and unlawful competition within the meaning of the UCL. Due to their unfair and unlawful
7 business practices alleged herein, Defendants have unfairly gained a competitive advantage over
8 other comparable companies doing business in California that comply with their legal obligations
9 to not discriminate against employees in pay or treatment, and comply with the FEHA, among
10 others.

11 148. As a result of Defendants’ unfair and unlawful competition alleged herein,
12 Ms. Walter has suffered injuries in fact and lost money. Ms. Walter was deprived of premium
13 wages for all hours she worked and for which she did not receive compensation for; for the
14 retaliation she endured; for Defendants’ failure to prevent such retaliation from occurring; for
15 Defendants’ wrongful termination of her; among other damages.

16 149. Pursuant to the California Business and Professions Code § 17203, Ms. Walter is
17 entitled to restitution of all monies rightfully belonging to her that Defendants retained by means
18 of their unlawful and unfair business practices.

19 150. In addition, Ms. Walter is entitled to reasonable attorneys’ fees in connection with
20 the UCL cause of action under California Code of Civil Procedure § 1021.5, the substantial
21 benefit doctrine, and/or the common fund doctrine.

22 **NINETEENTH CAUSE OF ACTION**

23 **DECLARATORY & INJUNCTIVE RELIEF**

24 **(Against All Defendants and Does 1-20)**

25 151. As a separate and distinct cause of action, Ms. Walter complains and re-alleges all
26 the allegations contained in this Complaint and incorporates them by reference into this cause of
27 action as though fully set forth herein, except those allegations which are inconsistent with this
28 cause of action.

7 153. Ms. Walter seeks a judicial declaration of the rights and duties of the respective
8 parties.

9 154. Ms. Walter also seeks all appropriate injunctive relief, including, but not limited
10 to, instituting policies, procedures, and training to ensure compliance with the FEHA and the
11 California Labor Code. No previous application for this injunctive relief has been made to this
12 Court.

13 155. If the Court does not grant the injunctive relief sought herein, Ms. Walter will be
14 irreparably harmed and no plain, adequate, or complete remedy at law is available to Ms. Walter
15 to redress the wrongs addressed herein.

TWENTIETH CAUSE OF ACTION

VIOLATION OF THE PRIVATE ATTORNEYS GENERAL ACT

(CAL. LAB. CODE §§ 2698, et. seq.)

(Against All Defendants and Does 1-20)

156. As a separate and distinct cause of action, Ms. Walter complains and re-alleges all the allegations contained in this Complaint and incorporates them by reference into this cause of action as though fully set forth herein, except those allegations which are inconsistent with this cause of action.

157. Ms. Walter is an "aggrieved employee," as that term is defined under Labor Code section 2699(c), as Ms. Walter was employed by Defendants during the applicable statutory limitations period and suffered one or more of the Labor Code violations set forth herein. Accordingly, Ms. Walter seeks to recover on behalf of the State of California, and all Aggrieved Employees, the civil penalties provided by PAGA, plus reasonable attorney's fees and costs. Ms.

1 Walter has standing to bring a PAGA cause of action on behalf of the State and all Aggrieved
2 Employees, as Plaintiff was jointly employed by Defendants and is thereby affected by one or
3 more of the alleged violations. See *Huff v. Securitas Security Services USA, Inc.* (2018) 23
4 Cal.App.5th 745, 757. A PAGA plaintiff has authority to seek penalties for all known violations
5 committed by the employer regardless of whether Plaintiff experienced all violations personally.

6 158. Ms. Walter brings this cause of action as an agent or proxy for the State of
7 California, and in this capacity, seeks penalties on behalf of all similarly situated Aggrieved
8 Employees of Defendants who suffered from Defendants' violations of California Labor Code §§
9 201, 202, 203, 204, 218.5, 221, 226, 226.3, 226.7, 227.3, 245-248.5, 233-234, 248.2, 248.6, 510,
10 512, 551, 552, 558, 1174(d), 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2800, and 2802.

11 159. There were times where Ms. Walter and other Aggrieved Employees were
12 suffered and/or permitted to work, but not compensated for that time worked. Defendants failed
13 to pay Ms. Walter and other Aggrieved Employees for all hours worked at her minimum wage
14 rate, even though Defendants knew she and other Aggrieved Employees worked those hours in
15 violation of California Labor Code §§ 204, 1194, 1197, and 1197.1.

16 160. When Ms. Walter and other Aggrieved Employees worked more than eight hours
17 in a day or forty hours in a week, Defendants failed to compensate her at the requisite overtime
18 rate. Thus, Defendants failed to pay Ms. Walter and the other Aggrieved Employees the overtime
19 compensation premium, as required by the applicable Wage Order No. 5-2001 and the California
20 Labor Code, violating the provisions of California Labor Code §§ 510, 512, 1197, 1197.1 and
21 1198.

22 161. When Ms. Walter and other Aggrieved Employees worked a shift of over five
23 hours, there were multiple instances where Ms. Walter and other Aggrieved Employees missed a
24 meal period, did not receive a timely meal period, or were interrupted during their meal period,
25 but never received a meal period premium. Thus, Defendants failed to provide Ms. Walter and
26 other Aggrieved Employees meal periods or meal period premiums for missed meal periods in
27 violation of California Labor Code §§ 204, 226.7 and 512.

1 162. Where Ms. Walter and other aggrieved employees worked at least four hour or
2 major fraction thereof, there were multiple instances where Ms. Walter and other Aggrieved
3 Employees were not provided an uninterrupted rest break or did not receive a timely rest break,
4 but never received a rest break premium. Thus, Defendants failed to provide Ms. Walter and
5 other Aggrieved Employees rest breaks or rest break premiums for missed rest breaks in
6 violation of California Labor Code §§ 226.7 and 1198.

7 163. Ms. Walter and other Aggrieved Employees sometimes worked more than seven
8 days in a row without a rest day. Thus, Defendants failed to provide Ms. Walter and other
9 Aggrieved Employees rest days in violation of California Labor Code §§ 551 and 552.

10 164. Ms. Walter and other Aggrieved Employees were never provided any paid sick
11 days. Thus, Defendants failed to provide Ms. Walter and other Aggrieved Employees with paid
12 sick leave or supplemental paid sick leave, violating Labor Code §§ 245-248.5, 233-234, 248.2,
13 and 248.6.

14 165. While Ms. Walter and other Aggrieved Employees were furnished with some of
15 the instruments they needed for their employment, Ms. Walter and other Aggrieved Employees
16 had to make business expenses to buy other equipment necessary for their role. Because
17 Defendants failed to indemnify Ms. Walter and other Aggrieved Employees for these necessary
18 expenditures incurred as a direct consequence of their discharge of their duties with CBH,
19 Defendants violated Labor Code §§ 2800 and 2802.

20 166. As a result of Defendants' numerous aforementioned violations of the Labor
21 Code, Defendants failed to keep accurate and complete payroll records showing the hours
22 worked daily and the wages paid to Ms. Walter and other Aggrieved Employees. Thus,
23 Defendants violated California Labor Code § 1174(d).

24 167. As a result of Defendants' numerous aforementioned violations of the Labor
25 Code, upon payment of wages, Defendants failed to furnish Ms. Walter and other Aggrieved
26 Employees with an itemized statement in writing that complied with California Labor Code §
27 226.

28

1 168. As a result of Defendants’ numerous aforementioned violations of the Labor
2 Code, Defendants failed to pay wages of other Aggrieved Employees who were former
3 employees at the time they became due and payable. Thus, Defendants violated California Labor
4 Code §§ 201 and 202.

5 169. Defendants failed to provide Ms. Walter with her complete personnel and payroll
6 records, in violation of California Labor Code §§ 226 and 1198.5. Section 226 requires an
7 employer to furnish to employees and keep accurate, itemized wage statements with specific
8 information related to the payment of an employee’s wages. Defendants was required to provide
9 Ms. Walter with these records within “21 calendar days from the date of the request.” See Cal.
10 Lab. Code §§ 226(b), (c). In addition, Section 432 requires an employer to provide a copy of
11 “any instrument relating to the obtaining or holding of employment” that an employee signed
12 upon request of the employee. Similarly, Section 1198.5 provides that an employee has the right
13 to receive a copy of “the personnel records that the employer maintains relating to the
14 employee’s performance or to any grievance concerning the employee” within “30 calendar
15 days” from the date the employer receives the request.

16 170. On January 7, 2024, Lauren Grochow, Esq. of Grochow Law sent by certified
17 mail with return receipt and email a letter to Defendants seeking specific records relating to
18 Ms. Walter’s employment. Defendants were obligated to timely produce these records upon
19 Ms. Walter’s request pursuant to California Labor Code §§ 226, 432, and 1198.5. As of the date
20 of this letter, Defendants have failed to provide Ms. Walter with the records she requested within
21 the statutory deadlines. Defendants’ failure to provide the employment records to which
22 Ms. Walter was entitled under Labor Code sections 226, 432, and 1198.5 upon her request
23 constitutes violations of these Sections, which are actionable under PAGA. Thus, Ms. Walter is
24 an Aggrieved Employee and has standing to seek civil penalties for Defendants’ violations of the
25 Labor Code as discussed herein.

26 171. Defendants wrongfully discharged Ms. Walter for reporting workplace health and
27 safety violation. California Labor Code § 6310 subdivision (a)(1), prohibits any “person” from
28 discriminating against an employee who makes “any oral or written complaint” regarding

“employee safety or health.” “Subdivision (b) provides that ‘[a]ny employee who is discharged, threatened with discharge, demoted, suspended, or in any other manner discriminated against in the terms and conditions of employment by his or her employer because the employee has made a bona fide oral or written complaint to . . . his or her employer . . . of unsafe working conditions, or work practices . . . shall be entitled to reinstatement and reimbursement for lost wages and work benefits caused by the acts of the employer.” *Sheridan v. Touchstone Television Prods., LLC* (2015) 241 Cal.App.4th 508, 512. Ms. Walter and other aggrieved employees complained to Defendants about the unsafe conditions of Defendants’ nursing facilities after being sexually harassed by a patient, among other health and safety violations. Sexual harassment at a worksite is a serious safety concern as were the other health and safety violations. Defendants retaliated against Ms. Walter as a proximate result of her complaints by terminating her employment. Ms. Walter’s complaint of unsafe working conditions and the health issues she faced thereafter were substantial motivating reasons for Defendants’ decision to discharge her. Ms. Walter is informed and believes that other aggrieved employees have faced similar retaliation after making such complaints.

172. Pursuant to California Labor Code § 2699, Ms. Walter, individually and on behalf of the other Aggrieved Employees, seeks civil penalties for Defendants’ Labor Code violations alleged herein, as well as attorneys’ fees and costs, including but not limited to:

173. Penalties under California Labor Code § 2699 in the amount of \$100 for each Aggrieved Employee per pay period for the initial violation and \$200 for each Aggrieved Employee per pay period or each subsequent violation;

174. Penalties under California Code of Regulations, Title 8 § 11040 in the amount of \$50 for each Aggrieved Employee per pay period for the initial violation and \$100 for each Aggrieved Employee per pay period for each subsequent violation;

a. Penalties under California Labor Code § 210 in addition to and independent from any other penalty provided under the California Labor Code, in the amount of \$100 for each Aggrieved Employee per pay period for the initial violation and \$200 for each Aggrieved Employee per pay period or each subsequent violation;

- b. Penalties under California Labor Code § 558, in an amount of \$50 for each initial violation and a \$100 penalty for each subsequent violation;
- c. Penalties under California Labor Code § 1197.1 in the amount of \$100 for each Aggrieved Employee per pay period for the initial violation and \$250 for each Aggrieved Employee per pay period or each subsequent violation;
- d. An amount sufficient to recover unpaid wages under California Labor Code § 1197.1;
- e. Any and all additional penalties as provided by the California Labor Code and/or other law; and
- f. Attorneys' fees and costs pursuant to California Labor Code §§ 210, 1194, and 2699, and any other applicable law.

PRAYER FOR RELIEF

Ms. Walter prays for judgment against Defendants and Doe Defendants 1-20 on all causes of action as follows:

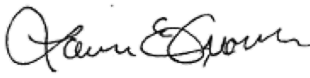
1. For general damages according to proof at trial;
2. For special damages according to proof at trial;
3. For attorneys' fees pursuant to California Government Code § 12965 and any other applicable statutes;
4. For exemplary and punitive damages according to proof at trial;
5. For all costs of suit herein incurred;
6. For all penalties available under California Civil Code § 3294 any other applicable statutes;
7. For an award of interest, including prejudgment interest, as provided by law and according to proof at trial;
8. Post-judgment interest on all unpaid amounts;
9. For declaratory relief sought herein;
10. For injunctive relief sought herein; and
11. For such other and further relief as the Court may deem just and proper.

Grochow Law, a Professional Corp.
33 Brookline
Aliso Viejo, CA 92656

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Dated: June 24, 2024

GROCHOW LAW, A PROFESSIONAL CORP.

By: 

Lauren E. Grochow
Daniel M. Kalinowski
Attorney for Plaintiff Joan S. Walter

Grochow Law, a Professional Corp.
33 Brookline
Aliso Viejo, CA 92656

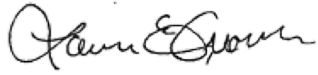
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DEMAND FOR JURY TRIAL

Plaintiff Joan S. Walter hereby demands a trial by jury on all applicable claims.

Dated: June 24, 2024

GROCHOW LAW, A PROFESSIONAL CORP.

By: 

Lauren E. Grochow
Daniel M. Kalinowski
Attorneys for Plaintiff Joan S. Walter

VERIFICATION

I, Joan S. Walter, am a plaintiff in the above-entitled action. I have read the foregoing VERIFIED COMPLAINT FOR: **1. WHISTLEBLOWER RETALIATION CAL. LAB. CODE § 1102.5; 2. WHISTLEBLOWER RETALIATION CAL. LAB. CODE § 6310; 3. FEHA DISCRIMINATION; 4. FEHA HARASSMENT; 5. FEHA RETALIATION; 6. FAILURE TO PROVIDE MEAL PERIODS; 7. FAILURE TO PREVENT DISCRIMINATION AND HARASSMENT; 8. WRONGFUL TERMINATION; 9. FAILURE TO PROVIDE REST BREAKS; 10. FAILURE TO PAY ALL WAGES EARNED; 11. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENT; 12. WAITING TIME PENALTIES; 13. FAILURE TO PAY OVERTIME; 14. FAILURE TO PRODUCE PAYROLL RECORDS; 15. FAILURE TO PRODUCE PERSONNEL FILE; 16. FAILURE TO REIMBURSE BUSINESS EXPENSES; 17. BREACH OF CONTRACT; 18. UNFAIR & UNLAWFUL BUSINESS PRACTICES; 19. DECLARATORY & INJUNCTIVE RELIEF; AND 20. VIOLATION OF THE PRIVATE ATTORNEYS GENERAL ACT (“Verified Complaint”)** and know its contents. The matters stated in the Verified Complaint are true based on my own personal knowledge, except as to those matters stated on information and belief, and as to those matters, I believe them to be true.

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

Executed on 06/24/2024, at Dana Point, California

Joan Walter
Joan Walter (Jun 24, 2024 15:32 PDT)
Joan S. Walter

EXHIBIT 1



Civil Rights Department

2218 Kausen Drive, Suite 100 | Elk Grove | CA | 95758
1-800-884-1684 (voice) | 1-800-700-2320 (TTY) | California's Relay Service at 711
calcivilrights.ca.gov | contact.center@calcivilrights.ca.gov

June 24, 2024

Lauren Grochow
33 Brookline
Aliso Viejo, CA 92656

RE: **Notice to Complainant's Attorney**
CRD Matter Number: 202406-25204324
Right to Sue: Walter / Capo Beach Healthcare, LLC et al.

Dear Lauren Grochow:

Attached is a copy of your complaint of discrimination filed with the Civil Rights Department (CRD) pursuant to the California Fair Employment and Housing Act, Government Code section 12900 et seq. Also attached is a copy of your Notice of Case Closure and Right to Sue.

Pursuant to Government Code section 12962, CRD will not serve these documents on the employer. You must serve the complaint separately, to all named respondents. Please refer to the attached Notice of Case Closure and Right to Sue for information regarding filing a private lawsuit in the State of California. A courtesy "Notice of Filing of Discrimination Complaint" is attached for your convenience.

Be advised that the CRD does not review or edit the complaint form to ensure that it meets procedural or statutory requirements.

Sincerely,

Civil Rights Department



Civil Rights Department

2218 Kausen Drive, Suite 100 | Elk Grove | CA | 95758
1-800-884-1684 (voice) | 1-800-700-2320 (TTY) | California's Relay Service at 711
calcivilrights.ca.gov | contact.center@calcivilrights.ca.gov

June 24, 2024

RE: **Notice of Filing of Discrimination Complaint**
CRD Matter Number: 202406-25204324
Right to Sue: Walter / Capo Beach Healthcare, LLC et al.

To All Respondent(s):

Enclosed is a copy of a complaint of discrimination that has been filed with the Civil Rights Department (CRD) in accordance with Government Code section 12960. This constitutes service of the complaint pursuant to Government Code section 12962. The complainant has requested an authorization to file a lawsuit. A copy of the Notice of Case Closure and Right to Sue is enclosed for your records.

Please refer to the attached complaint for a list of all respondent(s) and their contact information.

No response to CRD is requested or required.

Sincerely,

Civil Rights Department



Civil Rights Department

KEVIN KISH, DIRECTOR

2218 Kausen Drive, Suite 100 | Elk Grove | CA | 95758
1-800-884-1684 (voice) | 1-800-700-2320 (TTY) | California's Relay Service at 711
calcivilrights.ca.gov | contact.center@calcivilrights.ca.gov

June 24, 2024

Joan Walter

RE: **Notice of Case Closure and Right to Sue**
CRD Matter Number: 202406-25204324
Right to Sue: Walter / Capo Beach Healthcare, LLC et al.

Dear Joan Walter:

This letter informs you that the above-referenced complaint filed with the Civil Rights Department (CRD) has been closed effective June 24, 2024 because an immediate Right to Sue notice was requested.

This letter is also your Right to Sue notice. According to Government Code section 12965, subdivision (b), a civil action may be brought under the provisions of the Fair Employment and Housing Act against the person, employer, labor organization or employment agency named in the above-referenced complaint. The civil action must be filed within one year from the date of this letter.

To obtain a federal Right to Sue notice, you must contact the U.S. Equal Employment Opportunity Commission (EEOC) to file a complaint within 30 days of receipt of this CRD Notice of Case Closure or within 300 days of the alleged discriminatory act, whichever is earlier.

Sincerely,

Civil Rights Department

**COMPLAINT OF EMPLOYMENT DISCRIMINATION
BEFORE THE STATE OF CALIFORNIA
Civil Rights Department
Under the California Fair Employment and Housing Act
(Gov. Code, § 12900 et seq.)**

In the Matter of the Complaint of

Joan Walter

CRD No. 202406-25204324

Complainant,

vs.

Capo Beach Healthcare, LLC
35410 Del Rey
Capistrano Beach, CA 92624

Valley Post-Acute and Rehab LLC
1801 Julian Avenue
Bakersfield, CA 93304

Respondents

-
1. Respondent **Capo Beach Healthcare, LLC** is an **employer** subject to suit under the California Fair Employment and Housing Act (FEHA) (Gov. Code, § 12900 et seq.).
 2. Complainant is naming **Valley Post-Acute and Rehab LLC** business as Co-Respondent(s).
 3. Complainant **Joan Walter**, resides in the City of , State of .
 4. Complainant alleges that on or about **December 11, 2023**, respondent took the following adverse actions:
Complainant was harassed because of complainant's sex/gender, sexual harassment-hostile environment, disability (physical, intellectual/developmental, mental health/psychiatric), family care and medical leave (cfra) related to serious health condition of employee or family member, child bonding, or military exigencies.
Complainant was discriminated against because of complainant's sex/gender, sexual harassment-hostile environment, disability (physical, intellectual/developmental, mental health/psychiatric), family care and medical leave (cfra) related to serious health condition of employee or family member, child bonding, or military exigencies and as a result of the discrimination was terminated, denied any employment benefit or privilege, denied work

opportunities or assignments, denied accommodation for a disability, denied employer paid health care while on family care and medical leave (cfra), denied family care and medical leave (cfra) related to serious health condition of employee or family member, child bonding, or military exigencies.

Complainant experienced retaliation because complainant reported or resisted any form of discrimination or harassment, requested or used a disability-related accommodation, participated as a witness in a discrimination or harassment complaint, requested or used family care and medical leave (cfra) related to serious health condition of employee or family member, child bonding, or military exigencies and as a result was terminated, denied any employment benefit or privilege, denied work opportunities or assignments, denied accommodation for a disability, denied family care and medical leave (cfra) related to serious health condition of employee or family member, child bonding, or military exigencies.

Additional Complaint Details:

1 VERIFICATION

2 I, **Lauren Grochow**, am the **Attorney** in the above-entitled complaint. I have read
3 the foregoing complaint and know the contents thereof. The matters alleged are
4 based on information and belief, which I believe to be true.

5 On June 24, 2024, I declare under penalty of perjury under the laws of the State of
6 California that the foregoing is true and correct.

7 **Aliso Viejo, CA**
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EXHIBIT 2



lauren@grochowlaw.com
949.506.1494
33 Brookline
Aliso Viejo, CA 92656

February 12, 2024

BY ELECTRONIC SUBMISSION

State of California

Labor & Workforce Development Agency

PAGAfilings@dir.ca.gov

Re: Ms. Joan Walter's PAGA Notice of Labor Code Violations by *Capo Beach Healthcare, LLC*.

Dear Representative,

We have been retained to represent Joan Walter in connection with her claims against Capo Beach Healthcare, LLC ("CBH") under the California Labor Code. Ms. Walter was an employee of CBH who was wrongfully terminated after reporting numerous legal violations to her supervisors and managers.

Ms. Walter is pursuing her claim under the Private Attorneys General Act of 2004 ("PAGA") on a representative basis. Therefore, Ms. Walter seeks penalties for violations of the California Labor Code and conditions of labor prohibited by the applicable California Wage Order 5-2001, on behalf of the State of California and similarly situated former and current employees who worked at CBH against whom one or more the below described violations was committed ("Aggrieved Employees"), which are recoverable under the PAGA. Pursuant to California Labor Code § 2699.3, we are providing written notice that CBH is in violation of various provisions of the California Labor Code.

SUMMARY OF CBH'S LABOR CODE VIOLATIONS

CBH is subject to and has violated and continues to violate the applicable California Wage Order 5-2001 and California Labor Code §§ 201, 202, 203, 204, 218.5, 221, 226, 226.3, 226.7, 227.3, 245-248.5, 233-234, 248.2, 248.6, 510, 512, 551, 552, 558, 1174(d), 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2800, and 2802.

FACTS AND THEORIES SUPPORTING THE ALLEGATIONS AGAINST CBH

California Labor Code § 2699.3 requires that a claimant send a certified letter to the employer in question and the California Labor & Workforce Development Agency ("LWDA"), setting forth the facts and theories to support the alleged Labor Code violations, thereby giving the LWDA an opportunity to investigate the claims and/or take any action it deems appropriate. Thus, the



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Aliso Viejo, CA 92656

facts and theories supporting the Labor Code violations experienced by Ms. Walter set forth above and Aggrieved Employees are as follows:

- There were times where Ms. Walter and other Aggrieved Employees were suffered and/or permitted to work, but not compensated for that time worked. CBH failed to pay Ms. Walter and other Aggrieved Employees for all hours worked at her minimum wage rate, even though CBH knew she and other Aggrieved Employees worked those hours in violation of California Labor Code §§ 204, 1194, 1197, and 1197.1.
- When Ms. Walter and other Aggrieved Employees worked more than eight hours in a day or forty hours in a week, CBH failed to compensate her at the requisite overtime rate. Thus, CBH failed to pay Ms. Walter and the other Aggrieved Employees the overtime compensation premium, as required by the applicable Wage Order No. 5-2001 and the California Labor Code, violating the provisions of California Labor Code §§ 510, 512, 1197, 1197.1 and 1198.
- When Ms. Walter and other Aggrieved Employees worked a shift of over five hours, there were multiple instances where Ms. Walter and other Aggrieved Employees missed a meal period, did not receive a timely meal period, or were interrupted during their meal period, but never received a meal period premium. Thus, CBH failed to provide Ms. Walter and other Aggrieved Employees meal periods or meal period premiums for missed meal periods in violation of California Labor Code §§ 204, 226.7 and 512.
- Where Ms. Walter and other aggrieved employees worked at least four hour or major fraction thereof, there were multiple instances where Ms. Walter and other Aggrieved Employees were not provided an uninterrupted rest break or did not receive a timely rest break, but never received a rest break premium. Thus, CBH failed to provide Ms. Walter and other Aggrieved Employees rest breaks or rest break premiums for missed rest breaks in violation of California Labor Code §§ 226.7 and 1198.
- Ms. Walter and other Aggrieved Employees sometimes worked more than seven days in a row without a rest day. Thus, CBH failed to provide Ms. Walter and other Aggrieved Employees rest days in violation of California Labor Code §§ 551 and 552.
- Ms. Walter and other Aggrieved Employees were never provided any paid sick days. Thus, CBH failed to provide Ms. Walter and other Aggrieved Employees with paid sick leave or supplemental paid sick leave, violating Labor Code §§ 245-248.5, 233-234, 248.2, and 248.6.



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- While Ms. Walter and other Aggrieved Employees were furnished with some of the instruments they needed for their employment, Ms. Walter and other Aggrieved Employees had to make business expenses to buy other equipment necessary for their role. Because CBH failed to indemnify Ms. Walter and other Aggrieved Employees for these necessary expenditures incurred as a direct consequence of their discharge of their duties with CBH, CBH violated Labor Code §§ 2800 and 2802.
- As a result of CBH's numerous aforementioned violations of the Labor Code, CBH failed to keep accurate and complete payroll records showing the hours worked daily and the wages paid to Ms. Walter and other Aggrieved Employees. Thus, CBH violated California Labor Code § 1174(d).
- As a result of CBH's numerous aforementioned violations of the Labor Code, upon payment of wages, CBH failed to furnish Ms. Walter and other Aggrieved Employees with an itemized statement in writing that complied with California Labor Code § 226.
- As a result of CBH's numerous aforementioned violations of the Labor Code, CBH failed to pay wages of other Aggrieved Employees who were former employees at the time they became due and payable. Thus, CBH violated California Labor Code §§ 201 and 202.
- CBH failed to provide Ms. Walter with her complete personnel and payroll records, in violation of California Labor Code §§ 226 and 1198.5. Section 226 requires an employer to furnish to employees and keep accurate, itemized wage statements with specific information related to the payment of an employee's wages. CBH was required to provide Ms. Walter with these records within "21 calendar days from the date of the request." See Cal. Lab. Code §§ 226(b), (c). In addition, Section 432 requires an employer to provide a copy of "any instrument relating to the obtaining or holding of employment" that an employee signed upon request of the employee. Similarly, Section 1198.5 provides that an employee has the right to receive a copy of "the personnel records that the employer maintains relating to the employee's performance or to any grievance concerning the employee" within "30 calendar days" from the date the employer receives the request.

On January 7, 2024, Lauren Grochow, Esq. of Grochow Law sent by certified mail with return receipt and email a letter to CBH seeking specific records relating to Ms. Walter's employment. CBH was obligated to timely produce these records upon Ms. Walter's request pursuant to California Labor Code §§ 226, 432, and 1198.5. According to the USPS Tracking Number (9414711899562637012823), USPS delivered the letter to CBH



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33 Brookline
Aliso Viejo, CA 92656

on January 10, 2024 and it was signed for. As of the date of this letter, CBH has failed to provide Ms. Walter with the records she requested within the statutory deadlines. CBH's failure to provide the employment records to which Ms. Walter was entitled under Labor Code sections 226, 432, and 1198.5 upon her request constitutes violations of these Sections, which are actionable under PAGA. Thus, Ms. Walter is an Aggrieved Employee and has standing to seek civil penalties for CBH's violations of the Labor Code as discussed herein.

- CBH wrongfully discharged Ms. Walter for reporting workplace health and safety violation. California Labor Code § 6310 subdivision (a)(1), prohibits any "person" from discriminating against an employee who makes "any oral or written complaint" regarding "employee safety or health." "Subdivision (b) provides that '[a]ny employee who is discharged, threatened with discharge, demoted, suspended, or in any other manner discriminated against in the terms and conditions of employment by his or her employer because the employee has made a bona fide oral or written complaint to . . . his or her employer . . . of unsafe working conditions, or work practices . . . shall be entitled to reinstatement and reimbursement for lost wages and work benefits caused by the acts of the employer.'" *Sheridan v. Touchstone Television Prods., LLC* (2015) 241 Cal.App.4th 508, 512. Ms. Walter and other aggrieved employees complained to CBH about the unsafe conditions of CBH's nursing facilities after being sexually harassed by a patient, among other health and safety violations. Sexual harassment at a worksite is a serious safety concern as were the other health and safety violations. CBH retaliated against Ms. Walter as a proximate result of her complaints by terminating her employment. Ms. Walter's complaint of unsafe working conditions and the health issues she faced thereafter were substantial motivating reasons for Capo's decision to discharge her. Ms. Walter is informed and believes that other aggrieved employees have faced similar retaliation after making such complaints.

The purpose of this letter is to satisfy this PAGA notice requirement prior to Ms. Walter seeking civil penalties allowed by law for the above detailed violations on behalf of herself and the other Aggrieved Employees. Therefore, we respectfully request that you respond to our office and CBH within 65 days, if your office intends to investigate any of the above factual and legal allegations.

//



lauren@grochowlaw.com
949.506.1494
33 Brookline
Aliso Viejo, CA 92656

Sincerely,

Lauren E. Grochow
GROCHOW LAW, APC

CC BY CERTIFIED MAIL ONLY:

Capo Beach Healthcare, LLC

Attn: David Levy

1470 N. Fair Oaks Ave.

Pasadena, CA 91103-1801

Capo Beach Healthcare, LLC

Attn: Human Resources and/or Legal Dept.

35410 Del Rey

Capistrano Beach, CA 9624

EXHIBIT 3



lauren@grochowlaw.com
949.506.1494
33 Brookline
Aliso Viejo, CA 92656

May 22, 2024

BY ELECTRONIC SUBMISSION

State of California

Labor & Workforce Development Agency

PAGAfilings@dir.ca.gov

Re: Ms. Joan Walter's Amended PAGA Notice of Labor Code Violations by *Capo Beach Healthcare, LLC* and *Valley Post-Acute and Rehab LLC*

Dear Representative,

We have been retained to represent Joan Walter in connection with her claims against Capo Beach Healthcare, LLC and Valley Post-Acute and Rehab LLC (collectively, "CBH") and under the California Labor Code. Ms. Walter was an employee of CBH who was wrongfully terminated after reporting numerous legal violations to her supervisors and managers.

Ms. Walter is informed and believes that Valley Post-Acute and Rehab LLC is a parent, managing, and controlling agent of Capo Beach Healthcare, LLC, and has sufficient control over Capo Beach Healthcare, LLC's day-to-day operations to give rise to the violations alleged herein.

Ms. Walter is pursuing her claim under the Private Attorneys General Act of 2004 ("PAGA") on a representative basis. Therefore, Ms. Walter seeks penalties for violations of the California Labor Code and conditions of labor prohibited by the applicable California Wage Order 5-2001, on behalf of the State of California and similarly situated former and current employees who worked at CBH against whom one or more the below described violations was committed ("Aggrieved Employees"), which are recoverable under the PAGA. Pursuant to California Labor Code § 2699.3, we are providing written notice that CBH is in violation of various provisions of the California Labor Code.

SUMMARY OF CBH'S LABOR CODE VIOLATIONS

CBH is subject to and has violated and continues to violate the applicable California Wage Order 5-2001 and California Labor Code §§ 201, 202, 203, 204, 218.5, 221, 226, 226.3, 226.7, 227.3, 245-248.5, 233-234, 248.2, 248.6, 510, 512, 551, 552, 558, 1174(d), 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2800, and 2802.



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Aliso Viejo, CA 92656

FACTS AND THEORIES SUPPORTING THE ALLEGATIONS AGAINST CBH

California Labor Code § 2699.3 requires that a claimant send a certified letter to the employer in question and the California Labor & Workforce Development Agency ("LWDA"), setting forth the facts and theories to support the alleged Labor Code violations, thereby giving the LWDA an opportunity to investigate the claims and/or take any action it deems appropriate. Thus, the facts and theories supporting the Labor Code violations experienced by Ms. Walter set forth above and Aggrieved Employees are as follows:

- There were times where Ms. Walter and other Aggrieved Employees were suffered and/or permitted to work, but not compensated for that time worked. CBH failed to pay Ms. Walter and other Aggrieved Employees for all hours worked at her minimum wage rate, even though CBH knew she and other Aggrieved Employees worked those hours in violation of California Labor Code §§ 204, 1194, 1197, and 1197.1.
- When Ms. Walter and other Aggrieved Employees worked more than eight hours in a day or forty hours in a week, CBH failed to compensate her at the requisite overtime rate. Thus, CBH failed to pay Ms. Walter and the other Aggrieved Employees the overtime compensation premium, as required by the applicable Wage Order No. 5-2001 and the California Labor Code, violating the provisions of California Labor Code §§ 510, 512, 1197, 1197.1 and 1198.
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- Where Ms. Walter and other aggrieved employees worked at least four hour or major fraction thereof, there were multiple instances where Ms. Walter and other Aggrieved Employees were not provided an uninterrupted rest break or did not receive a timely rest break, but never received a rest break premium. Thus, CBH failed to provide Ms. Walter and other Aggrieved Employees rest breaks or rest break premiums for missed rest breaks in violation of California Labor Code §§ 226.7 and 1198.



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- Ms. Walter and other Aggrieved Employees sometimes worked more than seven days in a row without a rest day. Thus, CBH failed to provide Ms. Walter and other Aggrieved Employees rest days in violation of California Labor Code §§ 551 and 552.
- Ms. Walter and other Aggrieved Employees were never provided any paid sick days. Thus, CBH failed to provide Ms. Walter and other Aggrieved Employees with paid sick leave or supplemental paid sick leave, violating Labor Code §§ 245-248.5, 233-234, 248.2, and 248.6.
- While Ms. Walter and other Aggrieved Employees were furnished with some of the instruments they needed for their employment, Ms. Walter and other Aggrieved Employees had to make business expenses to buy other equipment necessary for their role. Because CBH failed to indemnify Ms. Walter and other Aggrieved Employees for these necessary expenditures incurred as a direct consequence of their discharge of their duties with CBH, CBH violated Labor Code §§ 2800 and 2802.
- As a result of CBH's numerous aforementioned violations of the Labor Code, CBH failed to keep accurate and complete payroll records showing the hours worked daily and the wages paid to Ms. Walter and other Aggrieved Employees. Thus, CBH violated California Labor Code § 1174(d).
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- CBH failed to provide Ms. Walter with her complete personnel and payroll records, in violation of California Labor Code §§ 226 and 1198.5. Section 226 requires an employer to furnish to employees and keep accurate, itemized wage statements with specific information related to the payment of an employee's wages. CBH was required to provide Ms. Walter with these records within "21 calendar days from the date of the request." See Cal. Lab. Code §§ 226(b), (c). In addition, Section 432 requires an employer to provide a copy of "any instrument relating to the obtaining or holding of employment" that an employee signed upon request of the employee. Similarly, Section 1198.5 provides that an employee has the right to receive a copy of "the



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personnel records that the employer maintains relating to the employee's performance or to any grievance concerning the employee" within "30 calendar days" from the date the employer receives the request.

On January 7, 2024, Lauren Grochow, Esq. of Grochow Law sent by certified mail with return receipt and email a letter to CBH seeking specific records relating to Ms. Walter's employment. CBH was obligated to timely produce these records upon Ms. Walter's request pursuant to California Labor Code §§ 226, 432, and 1198.5. According to the USPS Tracking Number (9414711899562637012823), USPS delivered the letter to CBH on January 10, 2024 and it was signed for. As of the date of this letter, CBH has failed to provide Ms. Walter with the records she requested within the statutory deadlines. CBH's failure to provide the employment records to which Ms. Walter was entitled under Labor Code sections 226, 432, and 1198.5 upon her request constitutes violations of these Sections, which are actionable under PAGA. Thus, Ms. Walter is an Aggrieved Employee and has standing to seek civil penalties for CBH's violations of the Labor Code as discussed herein.

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The purpose of this letter is to satisfy this PAGA notice requirement prior to Ms. Walter seeking civil penalties allowed by law for the above detailed violations on behalf of herself and the other Aggrieved Employees. Therefore, we respectfully request that you respond to our office and CBH within 65 days, if your office intends to investigate any of the above factual and legal allegations.

Sincerely,

Lauren E. Grochow
GROCHOW LAW, APC

CC BY CERTIFIED MAIL ONLY:

Capo Beach Healthcare, LLC
Valley Post-Acute and Rehab LLC
Attn: David Levy
1470 N. Fair Oaks Ave.
Pasadena, CA 91103-1801

Capo Beach Healthcare, LLC
Attn: Human Resources and/or Legal Dept.
35410 Del Rey
Capistrano Beach, CA 9624

Jackson Lewis P.C.
Attn: Leticia Kimble
725 South Figueroa Street, Suite 2500
Los Angeles, CA 90017