

GROCHOW LAW, A PROFESSIONAL CORP

LAUREN E. GROCHOW (SBN 293601)

lauren@grochowlaw.com

DANIEL M. KALINOWSKI (SBN 305087)

daniel@grochowlaw.com

33 Brookline

Aliso Viejo, CA 92656

Tel: (949) 506-1494

Attorneys for Plaintiff

JOAN S. WALTER, individually,

and on behalf of others similarly situated

JACKSON LEWIS P.C.

LETICIA M. KIMBLE (SBN 262012)

Leticia.Kimble@jacksonlewis.com

SHARLYNNE M. MATE (SBN 330712)

Sharlynnne.Mate@jacksonlewis.com

725 S. Figueroa Street, Suite 2500

Los Angeles, CA 90017

Tel: (213) 689-0404

Attorneys for Defendants

CAPO BEACH HEALTHCARE, LLC

and VALLEY POST-ACUTE AND

REHAB, LLC

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

[Assigned for all purposes to Hon. Lon F.
Hurwitz, Dept. CX103]

**JOINT STIPULATION AND
[PROPOSED] APPROVAL ORDER
GRANTING PRIVATE ATTORNEYS
GENERAL ACT (LABOR CODE
§ 2698, ET SEQ.) SETTLEMENT
AND RELEASE AGREEMENT**

Complaint Filed: June 24, 2024

Trial Date:

1 Plaintiff Joan S. Walter (“Plaintiff”), on behalf of herself and other current and former
2 aggrieved employees, and Defendants Capo Beach Healthcare, LLC and Valley Post-Acute and
3 Rehab, LLC (“Defendants”), by and through their respective counsel of record, hereby stipulate
4 as follows for purposes of settling this action:

5 1. On February 12, 2024, Plaintiff Joan S. Walter filed a PAGA letter with the Labor
6 and Workforce Development Agency (“Walter PAGA Letter”) against Defendant Capo Beach
7 Healthcare, LLC alleging numerous wage and hour violations, including the following:
8 violations of the California Wage Order 5-2001 and California Labor Code §§ 201, 202, 203,
9 204, 218.5, 221, 226, 226.3, 226.7, 227.3, 245-248.5, 233-234, 248.2, 248.6, 510, 512, 551, 552,
10 558, 1174(d), 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2800, and 2802.

11
12 2. On May 22, 2024, Plaintiff Joan S. Walter filed an Amended PAGA letter with
13 the Labor and Workforce Development Agency (“Walter Amended PAGA Letter”) against
14 Defendants Capo Beach Healthcare, LLC and Valley Post-Acute and Rehab, LLC and alleging
15 numerous wage and hour violations, including the following: violations of the California Wage
16 Order 5-2001 and California Labor Code §§ 201, 202, 203, 204, 218.5, 221, 226, 226.3, 226.7,
17 227.3, 245-248.5, 233-234, 248.2, 248.6, 510, 512, 551, 552, 558, 1174(d), 1182.12, 1194,
18 1194.2, 1197, 1197.1, 1198, 2800, and 2802.

19
20 3. On June 24, 2024, Plaintiff Joan S. Walter filed a Complaint, *Walter v. Capo*
21 *Beach Healthcare, LLC, et al.* (California Superior Court, County of Orange, Case No. 30-2024-
22 01409294-CU-WT-CXC). The Complaint consisted of individual causes of action, which are not
23 being dismissed at this time, and one PAGA cause of action seeking penalties under the PAGA
24 for the Amended PAGA Letter Alleged Violations (“PAGA Claim”).

25 4. The “PAGA Action” is defined herein as the PAGA Claim and the Amended
26 PAGA Letter Alleged Violations incorporated therein. To be clear, the PAGA action does not
27 include the individual causes of action. The individual causes of action have not been settled.
28

1 5. Plaintiff and Defendants (collectively, “Parties”) have engaged in informal
2 discovery prior to attending mediation, pursuant to which, Defendants produced a volume of
3 documents and data relevant to Plaintiff’s claims, including but not limited to, a sampling of
4 timekeeping and payroll records and wage statements relating to Plaintiff and the other aggrieved
5 employees.

6 6. Following a full day of private mediation of the dispute with mediator Barry
7 Appell, the Parties agreed to resolve the PAGA Action under the terms reflected in the
8 Settlement Agreement, defined below.

9 7. Attached hereto as “EXHIBIT A” is the fully executed Settlement Agreement
10 (“Settlement,” “Settlement Agreement,” or “Agreement”) setting forth the terms of the
11 settlement of the PAGA Action. Attached hereto as “EXHIBIT B” is the Transmittal of
12 Individual Settlement Award letter, which will be sent to all PAGA Settlement Members to
13 provide them with notice of the Settlement and information regarding their respective Individual
14 Settlement Awards.

15 8. The Maximum Settlement Amount agreed to in the Settlement Agreement is
16 \$88,080.00 subject to Court approval.

17 a. Subject to the Court’s approval, Plaintiff’s counsel shall receive 33% or
18 \$29,360.00 plus costs reimbursement of \$2,390.80, of the Maximum
19 Settlement Amount as the PAGA Counsel Fees Payment.

20 b. Subject to the Court’s approval, Plaintiff shall receive an enhancement of
21 \$5,000.00 of the Maximum Settlement Amount.

22 c. The Maximum Settlement Amount includes, the case administrator,
23 Atticus Administration, LLC’s fees, which shall not be greater than
24 \$5,300.00.
25
26
27
28

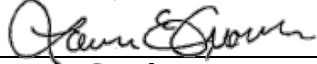
1 9. On or about February 6, 2025, Plaintiff provided notice of the Settlement
2 Agreement to the LWDA by electronically submitting a copy of the Settlement Agreement.

3 10. WHEREAS, attached hereto as "EXHIBIT C" is the email confirmation from the
4 LWDA regarding the submission of the Settlement Agreement.

5 WHEREFORE, IT IS HEREBY STIPULATED AND AGREED BY THE PARTIES
6 HERETO, THROUGH THEIR RESPECTIVE COUNSEL, AS FOLLOWS: The Settlement is
7 fair, adequate, and reasonable, as it represents a reasoned compromise reached through arm's-
8 length negotiations and considers the risks, complexity, and expense of further litigation.
9

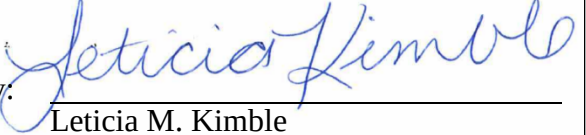
10
11 Dated: February 5, 2025

GROCHOW LAW, A PROFESSIONAL CORP

12
13 By: 
14 Lauren E. Grochow
15 Daniel M. Kalinowski
16 Attorneys for Plaintiff Joan S. Walter

17 Dated: February 5, 2025

JACKSON LEWIS P.C.

18
19 By: 
20 Leticia M. Kimble
21 Sharlynne M. Mate
22 Attorneys for Defendants Capo Beach
23 Healthcare, LLC and Valley Post-Acute
24 and Rehab, LLC
25
26
27
28

[PROPOSED] ORDER AND JUDGMENT

Having duly considered the above stipulation, and good cause appearing, IT IS HEREBY ORDERED AND ADJUDGED AS FOLLOWS:

1. All defined terms contained herein shall have the same meaning as set forth in the Settlement Agreement (“Settlement,” “Settlement Agreement,” or “Agreement”).

2. Plaintiff Joan S. Walter (“Plaintiff”) Complaints for Civil Penalties for Violation of Labor Code § 2698, et seq., filed on June 24, 2024, Case Number 30-2024-01409294-CU-WT-CXC asserts a single cause of action pursuant to the Private Attorneys General Act of 2004 (“PAGA”) (Labor Code section 2698, et seq.) (the “Action”).

3. The Court finds that Plaintiff have satisfied the prerequisites under California Labor Code section 2699.3(a), including and not limited to providing notice to the California Labor and Workforce Development Agency (“LWDA”) and Defendants Capo Beach Healthcare, LLC and Valley Post-Acute and Rehab, LLC (“Defendants”) of the specific provisions of the Labor Code Plaintiffs alleged that Defendants violated as well as the facts and theories supporting the alleged violations. Furthermore, the Court finds that the LWDA was provided notice of the wage-and-hour and payroll practices and facts alleged in the Complaint, including inter alia, by way of written correspondence on February 12, 2023 and May 22, 2023.

4. The “PAGA Settlement Members” covered under the Settlement Agreement consists of the following individuals: named Plaintiff and all allegedly hourly-paid or non-exempt aggrieved employees who worked directly for Defendants in California during the PAGA Period eligible for a payment under this PAGA settlement. The PAGA Period means the time from July 1, 2023 through December 31, 2024.

5. The Court finds that the Parties reached the Settlement as the result of arm’s-length negotiations.

1 6. The Court has considered the Settlement, and the monetary allocations provided
2 thereby, and finds that they are fair, just, reasonable, and adequate.

3 7. The Court approves that Defendants will pay the administrator, Atticus
4 Administration, LLC (“Atticus” or “Settlement Administrator”) for the costs of administering the
5 Settlement (“Settlement Administration Costs”), not to exceed \$5,300.00, to be paid from the
6 Maximum Settlement Amount.

7 8. Pursuant to California Labor Code section 2699(l), the Court has reviewed the
8 sum allocated for payment of penalties under PAGA (“PAGA Fund”), determined that the
9 PAGA Fund is fair, just, reasonable, and adequate, and hereby approves the PAGA Fund.

10 9. The Court approves the payments of \$29,360.00 in fees and \$2,390.80 in costs to
11 Plaintiff’s counsel as PAGA Counsel Fees, to be paid out of the Maximum Settlement Amount.

12 10. The Court approves the Service Payment of \$5,000.00 to Plaintiff, to be paid out
13 of the Maximum Settlement Amount

14 11. The Parties to this Action are directed to perform in accordance with the terms set
15 forth in the Settlement Agreement.

16 12. The Court hereby directs the Settlement Administrator to administer the
17 Settlement and to make the payments as provided for in the Settlement Agreement and by this
18 Order.

19 13. The Court further finds that PAGA does not require that notice of the Settlement
20 be provided to the Settlement Group, however, the Settlement Administrator is ordered to
21 distribute payments to the PAGA Settlement Members with a cover letter. The Court has
22 reviewed and approved the Transmittal of Individual Settlement Award letter, which will be
23 distributed to the PAGA Settlement Members along with their Individual Settlement Awards.

24 14. Defendants shall provide the Settlement Administrator with a list of the names,
25 addresses, and Social Security Numbers of the PAGA Settlement Members, as well as the total
26 27 28

1 number of payroll periods worked by each Settlement Group Member and the total number of
2 payroll periods in the PAGA Period, within twenty (20) calendar days after the Court issues an
3 Order approving the Settlement.

4 15. Within fourteen (14) calendar days after the Effective Date, Defendant shall
5 deposit with the Settlement Administrator the entire \$88,080.00 of the Settlement Amount for
6 distribution in accordance with the Settlement Agreement.

7
8 16. Within fourteen (14) calendar days after the Effective Date, the Settlement
9 Administrator shall pay the Settlement Administrator Costs, the LWDA payment, and the
10 Individual Settlement Awards to the PAGA Settlement Members.

11 17. Thereafter, all funds associated with checks issued to Aggrieved Employees that
12 have not been cashed, deposited, or negotiated 180 days after the date of their issuance will be
13 transmitted to the California Controller's Unclaimed Property Fund, per the Settlement
14 Agreement.

15 18. Plaintiff, the LWDA, and the Aggrieved Employees are hereby bound by the
16 Settlement and its associated release of Released Claims.

17
18 19. Upon the Effective Date, all Aggrieved Employees will be barred from asserting
19 or prosecuting all claims on an individual basis, or on behalf of the State of California, for claims
20 and/or causes of action for civil penalties and other relief available under the PAGA against the
21 Released Parties that were or could have been pled based on any and all of the underlying
22 alleged Labor Code violations, facts, and theories pled in the PAGA Action, including but not
23 limited to state wage and hour claims for any and all civil penalties under California's Private
24 Attorneys General Act of 2004 based on the alleged Labor Code violations, penalties, attorneys'
25 fees, costs, and other amounts recoverable under said causes of action under California law, to
26 the extent permissible, including but not limited to the California Labor Code and the applicable
27 Wage Orders ("Released Claims").
28

20. Aggrieved Employees shall not have the right to opt out of or object to the Settlement.

21. Pursuant to the Settlement, the Action is hereby dismissed with prejudice.

22. The Court shall retain jurisdiction as to the implementation and enforcement of the terms of the Settlement.

23. Notice of this Order and Judgment shall be given to the LWDA by submission through the online system established for the filing of notices and documents, within ten (10) calendar days after its entry, in conformity with Labor Code section 2699(l).

Dated:

Judge of the Superior Court