

## **FIRST AMENDED SETTLEMENT AGREEMENT AND RELEASE**

This Settlement Agreement and Release (hereinafter “Agreement”) is entered into as of January 18, 2019, by and between the following: Plaintiff The People of the State of California, by and through its counsel of record, the Los Angeles City Attorney, Michael N. Feuer (City Attorney), James P. Clark (Chief Deputy City Attorney), Thomas H. Peters (Chief Assistant City Attorney), Michael J. Bostrom (Assistant City Attorney), and Ben Delfin (Deputy City Attorney), on the one hand; and Defendants Emelyn Nishi, Joederick Reguyal, Health Alliance Nurses Corp., Hand Homecare Provider Inc., by and through their counsel of record, Koletsky, Mancini, Feldman, & Morrow, and Andrew Morrow, on the other hand.

### **I. DEFINITIONS**

1. The following definitions shall apply for purposes of this Agreement:
  - a. “Action” means the case styled as *People of the State of California v. Emelyn Nishi, et al.*, Case No. BC 660777, pending in Department 12 of the Los Angeles County Superior Court.
  - b. “Aggregate Excess Restitution Funds” means the sum of all Individual Excess Restitution Funds.
  - c. “Aggregate Restitution Owed” means the sum of all amounts of Individual Restitution Owed to all Eligible Caregiver Employees.
  - d. “CAO” means the Los Angeles City Attorney’s Office.
  - e. “Caregiver Employees” means the caregivers who provided caregiving services to Defendants’ clients from May 10, 2013 to the present, irrespective of whether Defendants compensated any such caregivers as employees or independent contractors.
  - f. “Caregiver List” means the list of all Caregiver Employees (and last known addresses and contact information) that Defendants shall provide to the TPA within 15 days of the Effective Date.
  - g. “City” means the City of Los Angeles.
  - h. “Claim Form” means the form accompanying the Notice (collectively Exhibit A) that Caregiver Employees will complete under penalty of perjury and send to the

TPA, which states the number of 24-hour shifts, Daily Overtime Hours, and Weekly Overtime Hours for each year of employment with the Defendants.

- i. “County” means the County of Los Angeles.
- j. “Court” means the Superior Court of California in and for the County of Los Angeles.
- k. “Daily Overtime Hours” means the number of hours beyond 9 that a Caregiver Employee worked in a single non-24-hour shift from January 1, 2014 to the present. By way of example, a 12-hour shift would include 3 Daily Overtime Hours.
- l. “Defendants” means Emelyn Nishi, Joederick Reguyal, Health Alliance Nurses Corp., and Hand Homecare Provider, Inc.
- m. “Effective Date” means January 18, 2019.
- n. “Eligible Caregiver Employees” means the Caregivers Employees who are eligible to receive a portion of the Restitution Funds by submitting the Claim Form to the TPA.
- o. “Individual Excess Restitution Funds” means the amount of funds that is larger than the difference between an Eligible Caregiver Employee’s Prospective Individual Restitution and the Eligible Caregiver Employee’s Individual Restitution Owed.
- p. “Individual Restitution Owed” means the potential maximum amount of restitution that each Caregiver Employee may be entitled to as calculated by the TPA based on each respective Claim Form.
- q. “Litigation Claims” means the People’s allegations and claims in the Action, including but not limited to the allegations and claims that Defendants engaged in unlawful, unfair, and fraudulent business acts and practices under California Business and Professions Code sections 17200 *et seq.*, including the alleged failure to comply with all laws referenced in the Action that accrued on or before the Effective Date.
- r. “Nishi” means defendant Emelyn E. Nishi.

- s. “Notice” means the Notice of Settlement attached as Exhibit A that the TPA shall distribute to the Caregiver Employees. The Notice will be sent with the accompanying Claim Form.
- t. “Notice Mailing Date” means the date that the TPA sends out the Notice.
- u. “Operative Complaint” means the First Amended Complaint that the People filed in the Action on October 31, 2017 as modified by the July 11, 2018 Amendment to Complaint which substituted Reguyal for Doe 1.
- v. “Parties” means the People and the Defendants.
- w. “People” means the People of the State of California.
- x. “Prospective Individual Restitution” means the amount of restitution potentially available to an Eligible Caregiver Employee based on dividing the Restitution Funds by the number of Eligible Caregiver Employees.
- y. “Regulatory Agencies” mean the Los Angeles Office of Wage Standards, the Home Care Services Bureau, and the California Labor Commissioner’s Office.
- z. “Reguyal” means Defendant Joederick Reguyal.
- aa. “Defendant Releasees” means Emelyn Nishi, Joederick Reguyal, Health Alliance Nurses Corp., Hand Homecare Provider, Inc., and their parents, subsidiaries, directors, officers, shareholders, employees, agents, representatives, successors, and assigns, in addition to any third party vendor that Defendants retained or engaged in connection with the activities which are the subject of the Action.
- bb. “Defendant Releasers” means Emelyn Nishi, Joederick Reguyal, Health Alliance Nurses Corp., Hand Homecare Provider, Inc., and their parents, subsidiaries, successors, and assigns.
- cc. “TPA” means the third party administrator, CPT Group, Inc., that Defendants have selected and shall pay for in accordance with this Agreement.
- dd. “Weekly Overtime Hours” means the number of hours above 45 hours that a Caregiver Employee worked in a single week from January 1, 2014 to the present. For example, a Caregiver Employee that worked five 12-hour shifts in a given

week (60 hours worked total) would be entitled to claim 15 Weekly Overtime Hours.

## **II. OVERVIEW AND BACKGROUND**

2. On May 10, 2017, the People filed a Complaint against the Defendants in the Action. The People filed the First Amended Complaint on October 31, 2017. On July 11, 2018, the People filed an “Amendment to Complaint,” which substituted Joederick Reguyal for Doe 1. The First Amended Complaint and the amendment substituting Reguyal for Doe 1 form the Operative Complaint. The Operative Complaint asserts the People’s Litigation Claims and prays for injunctive relief, restitution, and civil penalties. More specifically, the Operative Complaint alleges, among other things, that Defendants failed to pay their Caregiver Employees minimum wages and overtime as required by State and local laws.

3. Instead of engaging in protracted and costly litigation that would delay relief for the Caregiver Employees and consume significant time and resources of the Court and the Parties, the People and Defendants hereby agree to the terms of this Agreement to resolve all of the matters in dispute in this Action.

4. This Agreement shall not constitute any evidence of admission of fault or concession of liability by Defendants, either express or implied. Rather, the parties enter into this Agreement so that: (i) Caregiver Employees will obtain relief as soon as practical; and (ii) Defendants can show their commitment to providing redress to their Caregiver Employees.

## **III. RESTITUTION**

### **A. Restitution Amount**

5. Defendants agree to pay a total of \$250,000 in restitution (the “Restitution Funds”):

- a. Defendants shall pay \$125,000 within 30 days of the Effective Date (the “First Payment”) (on or before February 18, 2019);
- b. Defendants shall pay an additional \$125,000 within one year of the First Payment (on or before February 18, 2020)(the “Second Payment”).

6. Defendants shall be jointly and severally liable for the Restitution Funds.

7. Although the Restitution Funds are far below what the People contend the Caregiver Employees are owed, the parties submit that the total amount of Restitution Funds is appropriate given Defendants' assets, as determined through discovery.

**B. Retention of a Third Party Administrator**

8. Defendants shall contract with a qualified third party administrator ("TPA") no later than 15 days after the Effective Date to distribute the Restitution Funds. The CAO must approve both the proposed third party administrator and the contract between third party administrator and the Defendants (the "TPA Contract").

9. The TPA Contract shall: (1) require that the Restitution Funds be distributed in accordance with this Agreement as soon as practical; (2) identify the CAO as a third party beneficiary with the ability to enforce the TPA Contract's provisions; and (3) require the TPA to provide periodic updates to Defendants and the CAO as each step to distribute the Restitution Funds is completed.

10. Defendants shall pay all fees and expenses charged by the TPA to administer and distribute the Restitution Funds, and such fees and expenses shall not be deducted from the Restitution Funds or the statutory penalties discussed below.

11. Defendants shall make the First Payment and Second Payment directly to the TPA, and provide the CAO with evidence that such funds have been remitted to the TPA within seven days of payment.

12. The Restitution Funds shall be held by the TPA until payments to Eligible Caregiver Employees can be calculated and made in accordance with this Agreement.

13. Defendants shall provide all information requested by the TPA as soon as practical.

**C. Notice to Caregiver Employees**

14. Within 15 days of the Effective Date (by February 2, 2019), Defendants shall provide the TPA and the CAO with a list of Caregiver Employees (the “Caregiver List”). The Caregiver List shall provide the last known address and any other contact information for all of the Caregiver Employees to the TPA. Within 30 days of receiving the Caregiver List, the CAO shall have the right, but not the obligation, to add additional Caregiver Employees should it find that the Caregiver List is incomplete based on documents and other information obtained during discovery in the Action.

15. As soon as practical, the TPA shall circulate via U.S. mail to all Caregiver Employees on the Caregiver List the Notice and Claim Form attached as Exhibit A. The date that the TPA circulates the Settlement Notice shall be known as the Notice Mailing Date.

16. Among other things, the Notice shall: (1) explain why the Caregiver Employees received the Notice; (2) describe the Action and this Agreement; (3) request Caregiver Employees to submit a Claim Form; (4) describe what a Caregiver Employee must do to become an Eligible Caregiver Employee and receive a portion of the Restitution Funds in accordance with this Agreement; and (5) provide contact information for the TPA and counsel for the parties to answer any questions.

17. To become an Eligible Caregiver Employee and receive a portion of the Restitution Funds, a Caregiver Employee must submit a Claim Form attesting that he or she worked: (a) one or more 24-hour shift(s); and/or (b) more than 9 hours in a single (non-24 hour) shift without overtime (e.g., a 12-hour shift), and/or (c) more than 45 hours per week without additional overtime for each hour beyond the 45<sup>th</sup> hour.

18. For each relevant year, the Caregiver Employees shall state the number of 24-hour shifts, the number of Daily Overtime Hours, and the Weekly Overtime Hours and provide the respective totals to the TPA. To become an Eligible Caregiver Employee, the completed Claim Form must be sent to the TPA within 90 days of the Notice Mailing Date.

**D. Disbursement of Funds to Eligible Caregiver Employees**

19. As noted above, the Restitution Funds are far below what the People contend the Caregiver Employees are owed. The People, therefore, estimate that it is highly unlikely that the

Restitution Funds will be sufficient to compensate Eligible Caregiver Employees for all claims made to the TPA. Additionally, the lack of complete and accurate time records makes it impossible to determine reliably the true number of shifts and hours each Eligible Caregiver Employee worked. This, in turn, makes it impossible to accurately and fairly apportion the limited restitution funds based on the number of uncompensated hours each Eligible Caregiver Employee worked. Thus, the goal of the procedures below is to divide the Restitution Funds equally among the Eligible Caregiver Employee, but without providing any individual Eligible Caregiver Employee with more than his or her missed wages.

20. After 90 days have passed from the Notice Mailing Date, the TPA shall start to calculate the restitution funds owed to Eligible Caregiver Employees.

21. As to each completed Claim Form, the TPA shall compute the restitution owed to each Eligible Caregiver Employee for the 24-hour shifts, Daily Overtime Hours, and Weekly Overtime Hours stated on each Claim Form based on the chart attached as Exhibit B. The assumptions and calculations relating to the restitution values in Exhibit B are described in Exhibit C. The total of these three categories for each Eligible Caregiver Employee shall be referred to as the “Individual Restitution Owed.”

22. The sum of the Individual Restitution Owed to all Eligible Caregiver Employees shall be known as the Aggregate Restitution Owed.

23. The TPA shall take the Restitution Funds (i.e., \$250,000) and divide the total by the number of Eligible Caregiver Employees. The resulting number shall be known as the “Prospective Individual Restitution.”

24. Eligible Caregiver Employees will be entitled to the Prospective Individual Restitution up and to the point of each Eligible Caregiver Employee’s respective Individual Restitution Owed. The TPA shall not provide any Eligible Caregiver Employee with any Restitution Funds in excess of the Eligible Caregiver Employee’s Individual Restitution Owed.

25. To the extent that an Eligible Caregiver Employee’s Prospective Individual Restitution is larger than the Individual Restitution Owed, the amount of excess funds shall be known as “Individual Excess Restitution Funds.” The TPA shall collect all such Individual Excess Restitution Funds (collectively, the “Aggregate Excess Restitution Funds”), and shall

redistribute the Aggregate Excess Restitution Funds equally amongst all Eligible Caregiver Employees that have not yet reached their Individual Restitution Owed, up and to the point of each remaining Eligible Caregiver Employee's respective Individual Restitution Owed. Any remaining additional Individual Excess Restitution Funds shall be collected and redistributed as Aggregate Excess Restitution Funds as outlined in this Paragraph until the Restitution Funds are completely allocated.

26. In the unlikely event that that the Aggregate Restitution Owed is less than the Restitution Funds, then each Eligible Caregiver Employee shall receive his or her Individual Restitution Owed and the balance of the Restitution Funds shall be provided to the Economic Justice program at Bet Tzedek Legal Services to be used to further workers' rights within the City of Los Angeles.

27. The TPA shall disburse half of the Restitution Funds to the Eligible Caregiver Employees within 30 days of completing the calculations described above. The remaining half shall be payable within 30 days after the Defendants complete the Second Payment. In the event that the entirety of the Second Payment is not timely made, the TPA is authorized to make a partial distribution of any Restitution Funds collected with the Second Payment. The Eligible Caregiver Employees and Defendants shall be responsible for any taxes relating to the disbursement of the Restitution Funds.

#### **IV. NON-MONETARY RELIEF AND OTHER AFFIRMATIVE UNDERTAKINGS**

28. The non-monetary relief and other affirmative undertakings contained in Paragraphs 29-38 of this Agreement shall become effective on the Effective Date and shall apply for a period of seven years, unless otherwise stated.

29. Defendants shall operate their business in complete compliance with all wage and hour laws and Home Care Organizations laws and regulations, including but not limited to Bus. & Prof. Code sections 17200-17210; Labor Codes sections 210 *et seq.*, 510, 1194, and 1450 *et seq.*; Industry Wage Order number 15 and/or Industry Wage Order number 5 (minimum wage and overtime); Labor Code sections 201-203 (timely paid wages); Los Angeles Municipal Code sections 187.00 *et seq.* (Los Angeles Minimum Wage Ordinance); Unemployment Insurance Code sections 1112-1113 (payment of unemployment or state disability contributions), 2118



(payment of state income tax); Labor Code section 3602(d) (workers' compensation insurance); 26 U.S.C. section 3102 (payment of social security and Medicare taxes); Internal Revenue Bulletin Publication 15 (Circular E); Employer's Tax Guide (payment of social security, Medicare, and federal unemployment taxes); Bus. & Prof. Code section 16600 (not restraining caregivers from engaging in their profession); Health and Safety Code sections 1796.10 *et seq.* (Home Care Services Consumer Protection Act); and the Home Care Services Consumer Protection Act Regulations.

30. Defendants shall abolish and cease their business practice of assigning individual caregivers 24-hour shifts. Within 30 days of the Effective Date, Defendants shall send all current clients a form letter (approved by the CAO) advising that Defendants' Caregiver Employees will no longer be working 24-hour shifts. To the extent Defendants' clients wish to continue receiving 24-hour care, and to the extent Defendants wish to continue to provide their clients with 24-hour care, Defendants may offer care based on alternative arrangements, such as by offering multiple employees to work for the client in two 12-hour shifts, three 8-hour shifts, etc. In no event, however, shall any of Defendants' Caregiver Employees work more than one 12-hour shift in a 24-hour period.

31. Defendants shall not hire any 1099 independent contractor to work as a caregiver provider. Relatedly, after the Effective Date, Defendants will only hire caregiver providers as W-2 employees. Defendants shall convert all current 1099 Caregiver Employees to W-2 employees within 30 days of the Effective Date.

32. Defendants shall register all caregiver providers with the Home Care Services Bureau within 30 days of the Effective Date.

33. Defendants shall pay overtime to any worker that works more than 9 hours in a day, or 45-hours in a given week as required by the Domestic Worker Bill of Rights (Labor Code sections 1450 *et seq.*).

34. Defendants shall refrain from advising any caregiver to falsify his or her timesheets.

35. All paychecks issued by Defendants shall contain all necessary information required by Labor Code section 226, including but not limited to the rate of pay, the number of

hours worked, the number of overtime hours (daily and weekly), and the overtime rate of pay. Additionally, all paychecks shall contain a memo stating that caregivers are entitled to be paid the minimum wage and overtime for any hours above 9 hours in a day and 45 hours in a week. The paycheck memo shall also state that caregivers may contact the Regulatory Agencies anonymously to report any minimum wage or overtime violations.

36. The CAO and the Regulatory Agencies shall have the right to monitor Defendants' compliance with these non-monetary obligations. Accordingly, the CAO and the Regulatory Agencies shall have complete inspection rights to review Defendants' business records, including payroll information, timesheets, personnel files, caregiver lists, client lists, electronic accounting records and invoices upon demand and without any notice. The CAO and the Regulatory Agencies shall have the right to perform unannounced in-person inspections at Defendants' current place of business (22048 Sherman Way #317, Canoga Park, CA 91303) or any subsequent business location. The CAO and the Regulatory Agencies shall also have the right to interview any of Defendants' employees (including all office workers or caregivers).

37. Defendant Nishi shall not use 1099 independent contractor caregivers in any new or existing caregiver business.

38. Defendants shall refrain from including in any new client contracts, or enforcing in any existing contracts, any type of financial penalty that would inhibit a client from directly hiring a Caregiver Employee.

39. Any violation of the non-monetary obligations set forth in Paragraphs 29-38 of this Agreement shall be subject to civil penalties as outlined in Bus. & Prof. Code § 17207 and an order for specific performance. Defendants shall be responsible for any attorney's fees incurred by CAO in enforcing this Agreement.

## V. VERIFICATION

40. For a period of five (5) years after the Effective Date, Defendant Hand Homecare Provider, Inc. shall conduct an internal audit every six (6) months to report on its compliance with the obligations described in this Agreement, and prepare a written report of each such audit. The audit shall be conducted during the six (6) month period in question, and the report shall be completed within thirty (30) calendar days of the end of the six (6) months.

41. Each of these written reports shall set forth the scope and conclusions arising out of these internal audits.

42. A copy of each such written report shall be verified, under the penalty of perjury under the laws of the State of California, as a true and correct copy of the original by an officer or director of Hand Homecare Provider, Inc.

43. Each such verified written report shall be sent to the CAO for review within fourteen calendar days after the completion of each written report.

**VI. OPPORTUNITY TO CURE**

44. In the event the CAO determines a failure to comply with Defendants' obligations set forth in this Agreement, the CAO shall provide Defendants a written notice explaining the reasons for that determination, and an opportunity for Defendants to cure the specified deficiencies within 30 calendar days. The parties shall meet and confer in good faith during this 30-day cure period.

45. In the event the CAO thereafter concludes that Defendants have failed to cure the specified deficiencies, the CAO may seek enforcement for any violations of the terms of this Agreement. Nothing in this section shall be construed to limit any other law enforcement powers of the CAO or the People under California or federal law, including but not limited to the CAO's and the People's right to initiate a new administrative or new legal action for conduct occurring after the Effective Date.

**VII. CIVIL PENALTIES AND COSTS**

46. As described below, Nishi and Reguyal agree to pay a total of \$100,000 in civil penalties and costs, according to the following payment schedule following the Effective Date:

<b>Payment Schedule</b>	<b>Nishi (Health Alliance)</b>	<b>Reguyal (Health Alliance)</b>
18 months after the Effective Date	\$5,000 (to the City as costs) \$625 (to the City) \$625 (to the County)	\$5,000 (to the City as costs) \$625 (to the City) \$625 (to the County)
24 months after the Effective Date	\$3,125 (to the City) \$3,125 (to the County)	\$3,125 (to the City) \$3,125 (to the County)

30 months after the Effective Date	\$3,125 (to the City) \$3,125 (to the County)	\$3,125 (to the City) \$3,125 (to the County)
36 months after the Effective Date	\$3,125 (to the City) \$3,125 (to the County)	\$3,125 (to the City) \$3,125 (to the County)
42 months after the Effective Date	\$3,125 (to the City) \$3,125 (to the County)	\$3,125 (to the City) \$3,125 (to the County)
48 months after the Effective Date	\$3,125 (to the City) \$3,125 (to the County)	\$3,125 (to the City) \$3,125 (to the County)
54 months after the Effective Date	\$3,125 (to the City) \$3,125 (to the County))	\$3,125 (to the City) \$3,125 (to the County)
60 months after the Effective Date	\$3,125 (to the City) \$3,125 (to the County))	\$3,125 (to the City) \$3,125 (to the County)
<b>Total</b>	<b>\$50,000</b>	<b>\$50,000</b>

47. The People incurred approximately \$10,000 in costs (including deposition transcripts, service fees, and subpoena-related costs) during the course of the Action. The first \$10,000 from the \$100,000 paid by Nishi and Reguyal shall thus be attributed to costs and be used to reimburse the CAO for recoverable expenses relating to this Action. The remaining \$90,000 shall be classified as civil penalties.

48. Nishi and Reguyal shall be jointly and severally liable for the \$100,000 in civil penalties and costs. Both Nishi and Reguyal understand and agree that these civil penalties and costs shall not be dischargeable in bankruptcy.

49. All of the civil penalty and cost payments to the City shall be made by cashier's check payable to the Treasurer of the City of Los Angeles. All of the civil penalty payments to the County shall be made by cashier's check payable to the Treasurer of the County of Los Angeles.

50. All checks (both those made out to the City of Los Angeles and the County of Los Angeles) shall be delivered to the Office of the Los Angeles City Attorney, Attention: Ben Delfin, Deputy City Attorney, 200 North Spring Street, City Hall, 14<sup>th</sup> Floor, Los Angeles,

California 90012. The City of Los Angeles shall then be responsible for delivering checks made payable to the County to the County Treasurer.

51. Any written correspondence in connection with these payments shall be directed to: Office of the Los Angeles City Attorney, Attention: Ben Delfin, Deputy City Attorney, 200 North Spring Street, City Hall, 14<sup>th</sup> Floor, Los Angeles, California 90012, ben.delfin@lacity.org.

#### **VIII. RELEASE**

52. Within five calendar days after the First Payment, the People shall file in this Action a request for dismissal against Defendants. Effective immediately upon completion of the First Payment, and in full and complete settlement, satisfaction, and compromise of the People's claims, the People hereby release any and all claims that were or could have been alleged against any of the Defendant Releasees arising out of, related to, or in connection with this Action that accrued prior to the Effective Date.

53. In full and complete settlement, satisfaction, and compromise of any of the Defendant Releasers' possible claims, the Defendant Releasers hereby release any and all claims against the People and the CAO arising out of, related to, or in connection with this Action that accrued prior to the Effective Date.

54. The People and Defendants acknowledge that they have been advised by their attorneys of the contents and effect of California Civil Code section 1542, and each of these parties hereby expressly waives with respect to this Agreement any and all of the provisions, rights, and benefits conferred by section 1542.

55. Nothing herein precludes or affects the People's right to enforce the terms of this Agreement.

#### **IX. JURISDICTION**

56. The Court has jurisdiction over the parties to and the subject matter of this Action pursuant to California Business & Professions Code sections 17200, *et seq.*

57. On December 20, 2018, the parties previously jointly requested the Court to retain jurisdiction pursuant to California Code of Civil Procedure section 664.6 to decide any and all disputes, claims, or controversies between the People and Defendants arising out of, related to, or in connection with the validity, interpretation, application, breach, satisfaction, and/or

enforcement of this Agreement, including any punishment for any violations of the obligations described in this Agreement, except as otherwise specifically limited herein. The parties hereby again request the Court to retain jurisdiction over this Agreement pursuant to California Code of Civil Procedure section 664.6

58. Prior to filing any motion under California Code of Civil Procedure section 664.6 against Defendants, the CAO shall provide Defendants with notice and an opportunity to cure any alleged deficiencies within 30 days as provided in Paragraphs 44-45.

#### **X. OTHER PROVISIONS**

59. This Agreement is entered into as a result of a stipulation between the People and Defendants, and shall not constitute or be construed as any admission of fact by or liability against any of the Defendant Releasees.

60. This Agreement shall not prohibit or bar the CAO or the People from bringing future civil or criminal proceedings against any of Defendant Releasees arising out of any unlawful, unfair, or fraudulent business acts or practices occurring subsequent to the Effective Date. In addition, this Agreement shall not prohibit or bar the CAO or the People from bringing any other civil or criminal proceeding against any of the Defendants with respect to matters outside the scope of this Action or this Agreement.

61. This Agreement shall not be construed as relieving Defendants of the obligation to comply with all state and federal laws, regulations, or rules, nor shall any of the provisions in this Agreement be deemed to constitute permission for Defendants to engage in any business acts or practices prohibited by such law, regulations, or rules.

62. Except to the extent that any Caregiver Employees' potential claims may be diminished by amounts they receive in restitution hereunder, this Agreement shall not be construed to create, waive, or limit any private right of action, including but not limited to claims that any Caregiver Employees have or may have under state consumer protection laws against any person or entity, including but not limited to Defendants.

63. Except to the extent as otherwise provided in this Agreement, each party shall bear its own attorneys' fees and costs arising out of, related to, or in connection with the Action.

64. Each individual and entity executing this Agreement hereby represents and warrants that he, she, or it has the capacity set forth on the signature page hereof with full power and authority to bind the party on whose behalf he, she, or it is executing this Agreement to the terms hereof.

65. This Agreement is the result of negotiations between the Parties, both of whom are represented by counsel, and both of whom participated in its drafting. For that reason, neither this Agreement nor any provision herein shall be deemed prepared or drafted by one party or another, or its attorneys, and shall not be construed against any party.

66. This Agreement shall be governed by and construed in accordance with the laws of the State of California, and exclusive jurisdiction shall be in Los Angeles County Superior Court.

67. If any provision or any part of any provision of this Agreement is for any reason held to be invalid, unenforceable or contrary to public policy, law, statute and/or ordinance, then the remainder of this Agreement shall be not be affected thereby and shall remain valid and fully enforceable.

68. This Agreement may be signed in any number of counterparts, which, when taken together, shall form and constitute one agreement. Any photocopied, faxed or e-mailed counterpart of this Agreement bearing one or more signatures shall be valid, binding and admissible for purposes as though original.

69. The Parties to this Agreement hereby covenant and agree to do such acts and things and, in connection therewith, to execute and deliver such documents and instruments as reasonably may be required, for effecting and otherwise carrying out the purpose of the settlement covered and contemplated hereby.

70. In any action or proceeding relating to this Agreement, the Parties stipulate that a copy of this Agreement may be admissible to the same extent as the original Agreement.

71. This Agreement constitutes the entire understanding between and among the Parties with regard to the matters set forth herein. There are no representations, warranties,



agreements, arrangements, undertakings oral or written, between or among the Parties hereto relating to the subject matter of this Agreement, which are not fully expressed herein. This Agreement shall be interpreted according to its own terms, as defined in this Agreement or otherwise according to their ordinary meaning without any parol evidence. This is an integrated agreement.

72. This Agreement may not be altered or modified except by a written instrument executed by both parties.

Dated: January 18, 2019

Defendants Emelyn Nishi, Joederick Reguyal, Health Alliance Nurses, Corp., and Hand Homecare Provider, Inc.

By: [Signature]  
Emelyn Nishi in her individual capacity

Dated: 1/31/2019

By: [Signature]  
Joederick Reguyal in his individual capacity

Dated: \_\_\_\_\_

Health Alliance Nurses, Corp.

By: [Signature]  
Emelyn Nishi – former President of Health Alliance Nurses, Corp.

Dated: 1/31/2019

Hand Homecare Provider, Inc.

By: \_\_\_\_\_  
Rose Anguiano – Corporate Secretary of Hand Homecare Provider, Inc.

Dated: \_\_\_\_\_

PLAINTIFF THE PEOPLE OF THE STATE OF CALIFORNIA

By: [Signature]  
Ben Delfin  
Deputy City Attorney  
Los Angeles City Attorney's Office

Dated: 1/31/19

APPROVED AS TO FORM AND CONTENT

LOS ANGELES CITY ATTORNEY'S OFFICE

By: [Signature]  
Ben Delfin  
Deputy City Attorney  
Attorneys for Plaintiff  
The People of the State of California

Dated: 1/31/19



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Dated: January 18, 2019

Defendants Emelyn Nishi, Joederick Reguyal, Health Alliance Nurses, Corp., and Hand Homecare Provider, Inc.

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Emelyn Nishi in her individual capacity

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Joederick Reguyal in his individual capacity

Health Alliance Nurses, Corp.

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Emelyn Nishi – former President of Health Alliance Nurses, Corp.

Hand Homecare Provider, Inc.

By: Rose Anguiano Dated: 1-23-19  
Rose Anguiano – Corporate Secretary of Hand Homecare Provider, Inc.

PLAINTIFF THE PEOPLE OF THE STATE OF CALIFORNIA

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Ben Delfin  
Deputy City Attorney  
Los Angeles City Attorney’s Office

**APPROVED AS TO FORM AND CONTENT**

LOS ANGELES CITY ATTORNEY’S OFFICE

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Ben Delfin  
Deputy City Attorney  
Attorneys for Plaintiff  
The People of the State of California

KOLETSKY, MANCINI, FELDMAN, & MORROW

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Attorneys for Defendants Emelyn E. Nishi, Joederick Reguyal, Health Alliance Nurses, Corp., and  
Hand Homecare Provider, Inc.