

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Attorney General



In the Matter of J.V.H. Surgical Associates,
LLC

SETTLEMENT AGREEMENT

The Attorney General for the District of Columbia, on behalf of the District of Columbia (“District”), and Respondent J.V.H. Surgical Associates, LLC (“JVH” or “Respondent”) (together with the District, the “Parties”), hereby enter into this Settlement Agreement, and agree as follows:

I. THE PARTIES

1. The Attorney General for the District of Columbia is the chief legal officer for the District of Columbia. The Attorney General has general charge and conduct of all legal business of the District and all suits initiated by and against the District and is responsible for upholding the public interest. The Attorney General is also charged with enforcing violations of the District of Columbia employment laws relating to non-compete agreements, D.C. Code § 32-581.01, *et seq.*

2. Respondent JVH is a company that provides surgical staffing services to hospitals and other health care providers requiring surgical assistants on a temporary, long-term or permanent basis. In the District of Columbia, its primary client was MedStar Health and its affiliate MedStar Surgery at Lafayette Center. As of December 1, 2023, JVH ceased providing

staffing services in the District.

II. FACTS & RECITALS

3. The District has conducted an investigation of Respondent regarding alleged violations of the Ban on Non-Compete Agreements, D.C. Code § 32-581.01, *et seq.* or (“the Ban”), summarized as follows and hereinafter referred to as the “Covered Conduct”:

- a. Allegations that Respondent violated the Ban by having nine of its workers staffed in the District of Columbia sign non-compete agreements after the Ban went into effect on October 1, 2022. These workers are listed in Appendix A.
- b. Allegations that JVH violated the Ban by attempting to enforce the non-compete provision against another of its former workers, after the Ban went into effect, when he left JVH to go work directly for MedStar.

III. DEFINITIONS

4. “**Effective Date**” shall be the last date upon which any party executes the Settlement Agreement.

5. “**Eligible Employee**” means any of the workers named in Appendix A.

IV. PAYMENT TERMS

6. **Payments to Eligible Employees.** Respondent shall make payments totaling **\$5,250** to ten workers in the amounts listed in Appendix A, (the “Worker Share”), less any federal, state, or local withholding taxes. Respondent shall be responsible for payment distribution and will manage the distribution as follows:

- a. *Distribution of Notice and Release of Claims Form.* Within 14 days after the Effective Date, JVH shall distribute to all Eligible Employees a Notice and Release of Claims Form (the “Notice/Release Form”) attached as Appendix B. JVH shall make at least two (2) attempts to contact all Eligible Employees by phone, text, or email and provide them with the Notice/Release Form. The Notice/Release Form provides Eligible Employees with a summary of this settlement and provides Eligible Employees an opportunity to opt in or opt out of receiving a payment under this Settlement Agreement in exchange for agreeing to release JVH from claims the Eligible Employee may have arising

out of the Ban on Non-Compete Agreements. Eligible Employees shall have 14 days from the date of receiving the Notice/Release Form to opt in or out of receiving a payment under this Settlement Agreement. The last day upon which an Eligible Employee is permitted to submit the Notice/Release Form is hereinafter referred to as the “Claims Deadline.”

- b. *Distribution of payments.* Within 21 days after the Claims Deadline, JVH will distribute payments by check or direct deposit to each Eligible Employee who has executed a Notice/Release Form.
- c. *Records and Reporting.* JVH shall maintain a “Claims Ledger” that documents (a) Eligible Employee contact information and contact attempts made by JVH, (b) whether Eligible Employees have opted in or opted out of receiving payments, and (c) payments made to and cashed by Eligible Employees. Within 30 days after the Claims Deadline, JVH will produce the Claims Ledger to the District and copies of executed Notice/Release Forms.
- d. *Eligible Employees Who Opt-Out of the Notice/Release Form.* For all Eligible Employees who affirmatively opt out of receiving payments, JVH’s obligation to pay the Worker Share shall be reduced by the Eligible Employee’s amount due (such amounts shall also not be considered “Undistributed Funds” as defined in Paragraph 6(e)). JVH shall provide the District with records documenting Eligible Employees’ decision to opt out of receiving payments within 30 days of the Claims Deadline.
- e. *Undistributed Funds.* The term “Undistributed Funds” refers to any amounts either (i) due to Eligible Employees who do not opt in or out to receiving a payment or (ii) not cashed by an Eligible Employee within 90 days of the date of payment. JVH shall notify the District of the amount of Undistributed Funds by no later than 140 days after the Claims Deadline. JVH shall then make a payment to the District in the amount of the Undistributed Funds by no later than 140 days after the Claims Deadline.

7. **Payments to the District.** Respondent shall pay a civil penalty of \$5,000 to the District within 90 days of the Effective Date. The payment shall be made out to “D.C. Treasurer” and mailed to D.C. Office of the Attorney General, Attn: Mina Kasama, 400 6th Street NW, 10th Floor, Washington, D.C. 20001.

V. INJUNCTIVE TERMS

8. ***Non-Compete Provisions.*** Respondent shall cease using non-compete provisions in its employment contracts with all workers staffed in the District of Columbia.

9. ***Policies and Procedures.*** Respondent will implement policies and procedures to ensure prospective compliance with the Ban. Respondent shall provide the District with copies of

such policies for review within 30 days of the Effective Date. The District shall have the right to review such policies and notify JVH of any concerns. If any policies must be corrected to come into compliance with District law, JVH will make such corrections within 30 days of being notified and will send the corrected policies to the District for review. JVH will distribute its updated policies to all workers it staffs in the District upon their start date with JVH.

10. ***Annual Compliance Reporting.*** Respondent shall submit an annual report to the District for calendar years 2024 and 2025, due on April 30 of the following year, consisting of a list of its District employees, their job titles, and total compensation, and including a signed certification from Respondent attesting to compliance with the Ban on Non-Compete Agreements.

VI. RELEASE

11. Upon complete payment by Respondent under Section IV of the Settlement Agreement, the District hereby releases JVH from any and all civil claims that the Attorney General could have asserted, as of the Effective Date, under the Ban on Non-Compete Agreements for actions arising out of the Covered Conduct concerning District workers.

VII. ADDITIONAL TERMS

12. This Settlement Agreement shall be considered effective and fully executed on the Effective Date. This Settlement Agreement may be executed in counterparts, and a facsimile or .pdf signature shall be deemed to be, and shall have the same force and effect, as an original signature. Copies of signature pages transmitted electronically shall have the same effect as originals of those signature pages.

13. Respondent shall not knowingly permit third parties authorized by the Respondent to act on its behalf to engage in practices that would be violative of this Settlement Agreement.

14. This Settlement Agreement represents the full and complete terms of the settlement entered by the Parties. In any action undertaken by the Parties, neither prior versions of

this Settlement Agreement nor prior versions of any of its terms may be introduced for any purpose whatsoever.

15. Upon execution of this Agreement, JVH shall provide the District with its Taxpayer Identification Number (TIN).

16. All notices sent pursuant to this Settlement Agreement shall be provided to the following address via first class and electronic mail, unless a different address is specified in writing by the party changing such address:

Graham Lake
Section Chief, Workers' Rights and Antifraud Section
Office of the Attorney General
400 6th St., NW, 10th Floor
Washington, D.C. 20001
Graham.Lake@dc.gov

Counsel for the District of Columbia

Brian D. Kotzker, Attorney at Law
Selzer Gurvitch Rabin Wertheimer & Polett, P.C.
4416 East West Highway, Suite 400
Bethesda, MD 20814
bkotzker@sgrwlaw.com

Counsel for Respondent

17. Any failure by any party to this Settlement Agreement to insist upon the strict performance by any other party of any of the provisions of this Settlement Agreement shall not be deemed a waiver of any of the provisions of this Settlement Agreement, and such party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Settlement Agreement.

18. If any clause, provision, or section of this Settlement Agreement shall, for any reason, be held illegal, invalid, or unenforceable, such illegality, invalidity, or unenforceability shall not affect any other clause, provision, or section of this Settlement Agreement and this

Settlement Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable clause, section, or other provision had not been contained herein.

19. Respondent JVH shall provide a copy of this Settlement Agreement to each of its current and future principals, officers, directors, and managers having decision-making authority with respect to the subject matter of this Settlement Agreement.

20. Respondent JVH shall not form a separate entity or corporation for the purpose of engaging in acts or practices in whole or in part that are prohibited in this Settlement Agreement.

For the District of Columbia:

BRIAN L. SCHWALB
Attorney General for the District of Columbia

James Graham Lake Date: September 6, 2024
Graham Lake

Section Chief, Workers’ Rights and Antifraud Section
Office of the Attorney General
400 6th St., NW, 10th Floor
Washington, D.C. 20001
Counsel for the District of Columbia

For Respondent:

Signed: Vijayshrestha Date: 3 september 2024

Name: Vijay Shrestha

Title: Former Owner

APPENDIX A

Name	Amount Owed
Yama Ahmadi	\$750
Deja Robinson	\$500
Edmond Faber	\$500
James Flagg III	\$500
Lourdes Chaves	\$500
Mark Baker	\$500
Robert Vargas	\$500
Sean Stevenson	\$500
Nicole Ho-Sang	\$500
Stephanie Wall	\$500

Appendix B

NOTICE OF SETTLEMENT

[DATE]

[Dear EMPLOYEE NAME]:

The Office of the Attorney General for the District of Columbia (“OAG”), and J.V.H. Surgical Associates, LLC (“Respondent”) have reached a Settlement Agreement to resolve OAG’s investigation regarding Respondent’s compliance with District of Columbia employment laws relating to non-compete agreements.

The Settlement Agreement resolves allegations brought by OAG that Respondent:

- (1) violated the Ban on Non-Compete Agreements by having nine of its workers staffed in the District of Columbia sign non-compete agreements after the Ban went into effect on October 1, 2022, in violation of D.C. Code § 32-581.01, *et seq.*; and
- (2) violated the Ban on Non-Compete Agreements by attempting to enforce the non-compete provision against another of its former workers, after the Ban went into effect, when he left JVH to go work directly for another medical facility.

These allegations are hereinafter referred to as the “Covered Conduct.” In the interest of avoiding the risk and expense of litigation, OAG and Respondent have agreed to a settlement, which provides restitution to affected employees of Respondent (“Eligible Employees”). The total amount available for Eligible Employees includes amounts corresponding to statutory damages.

Based on Respondent’s records and the terms of the Settlement Agreement, you have been identified as an Eligible Employee entitled to compensation of [AMOUNT], less any federal, state, or local withholding taxes. This amount was calculated based on damages available under the Ban on Non-Compete Agreements according to when each Eligible Employee signed the non-compete agreement, as documented in Respondent’s records.

In order to receive this compensation, you must sign and return the Release of Claims below within fourteen (14) days of the date of this letter to [REDACTED] (the last day to submit a Release of Claims form is referred to as the “Claims Deadline”). Signing the Release of Claims means that you are releasing any claims you may have under the Ban on Non-Compete Agreements against the Respondent arising out of the Covered Conduct. Payments will be distributed to Eligible Employees who sign the Release of Claims within 21 days of the Claims Deadline.

If you choose to decline signing the Release of Claims, you will not receive any compensation pursuant to the Settlement Agreement and you will not release any claims you may have against J.V.H. Surgical Associates, LLC. If you choose to decline signing the Release of Claims, please email [REDACTED] to inform Respondent of your decision to opt-out of receiving compensation pursuant to the Settlement Agreement.

RELEASE OF CLAIMS

Payee hereby acknowledges that:

1. Payee hereby opts-in to receiving compensation of [AMOUNT] pursuant to the Settlement Agreement, to be paid by J.V.H. Surgical Associates, LLC , subject to appropriate tax withholding.
2. Payee agrees, in exchange for such compensation, to hereby release J.V.H. Surgical Associates, LLC from all claims Payee may have arising out of the Covered Conduct under the DC Ban on Non-Compete Agreements, D.C. Code § 32-581.01, *et seq.*

Payee

Name: _____

Signature: _____

Date: _____