

SUMMONS (CITACION JUDICIAL)

FOR COURT USE ONLY
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ELECTRONICALLY FILED
Superior Court of California,
County of San Diego
8/17/2026 5:03:49 PM

Clerk of the Superior Court
By I. Ledesma, Deputy Clerk

NOTICE TO DEFENDANT: (AVISO AL DEMANDADO):

CARLSBAD CHOCOLATE BAR CAFE LLC, a California limited liability company; and DOES 1-50, Inclusive,

YOU ARE BEING SUED BY PLAINTIFF: (LO ESTÁ DEMANDANDO EL DEMANDANTE):

ALLISON WOOTEN, HANNAH HAVEMANN, and JAMES HUTCHESON, on behalf of the State of California in Plaintiffs' representative capacities as private attorneys general,

NOTICE! You have been sued. The court may decide against you without your being heard unless you respond within 30 days. Read the information below.

You have 30 CALENDAR DAYS after this summons and legal papers are served on you to file a written response at this court and have a copy served on the plaintiff. A letter or phone call will not protect you. Your written response must be in proper legal form if you want the court to hear your case. There may be a court form that you can use for your response. You can find these court forms and more information at the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), your county law library, or the courthouse nearest you. If you cannot pay the filing fee, ask the court clerk for a fee waiver form. If you do not file your response on time, you may lose the case by default, and your wages, money, and property may be taken without further warning from the court.

There are other legal requirements. You may want to call an attorney right away. If you do not know an attorney, you may want to call an attorney referral service. If you cannot afford an attorney, you may be eligible for free legal services from a nonprofit legal services program. You can locate these nonprofit groups at the California Legal Services Web site (www.lawhelpcalifornia.org), the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), or by contacting your local court or county bar association. **NOTE:** The court has a statutory lien for waived fees and costs on any settlement or arbitration award of \$10,000 or more in a civil case. The court's lien must be paid before the court will dismiss the case. **¡AVISO!** Lo han demandado. Si no responde dentro de 30 días, la corte puede decidir en su contra sin escuchar su versión. Lea la información a continuación.

Tiene 30 DÍAS DE CALENDARIO después de que le entreguen esta citación y papeles legales para presentar una respuesta por escrito en esta corte y hacer que se entregue una copia al demandante. Una carta o una llamada telefónica no lo protegen. Su respuesta por escrito tiene que estar en formato legal correcto si desea que procesen su caso en la corte. Es posible que haya un formulario que usted pueda usar para su respuesta. Puede encontrar estos formularios de la corte y más información en el Centro de Ayuda de las Cortes de California (www.sucorte.ca.gov), en la biblioteca de leyes de su condado o en la corte que le quede más cerca. Si no puede pagar la cuota de presentación, pida al secretario de la corte que le dé un formulario de exención de pago de cuotas. Si no presenta su respuesta a tiempo, puede perder el caso por incumplimiento y la corte le podrá quitar su sueldo, dinero y bienes sin más advertencia.

Hay otros requisitos legales. Es recomendable que llame a un abogado inmediatamente. Si no conoce a un abogado, puede llamar a un servicio de remisión a abogados. Si no puede pagar a un abogado, es posible que cumpla con los requisitos para obtener servicios legales gratuitos de un programa de servicios legales sin fines de lucro. Puede encontrar estos grupos sin fines de lucro en el sitio web de California Legal Services, (www.lawhelpcalifornia.org), en el Centro de Ayuda de las Cortes de California, (www.sucorte.ca.gov) o poniéndose en contacto con la corte o el colegio de abogados locales. **AVISO:** Por ley, la corte tiene derecho a reclamar las cuotas y los costos exentos por imponer un gravamen sobre cualquier recuperación de \$10,000 ó más de valor recibida mediante un acuerdo o una concesión de arbitraje en un caso de derecho civil. Tiene que pagar el gravamen de la corte antes de que la corte pueda desechar el caso.

The name and address of the court is:

(El nombre y dirección de la corte es): San Diego Superior Court

North County Courthouse - 325 South Melrose Drive, Vista, CA 92081

CASE NUMBER:
(Número del Caso):

26CU044102N

The name, address, and telephone number of plaintiff's attorney, or plaintiff without an attorney, is:

(El nombre, la dirección y el número de teléfono del abogado del demandante, o del demandante que no tiene abogado, es):

Jennifer Gerstenzang, Esq.; Zakay Law Group, APLC - 3110 Camino Del Rio S, Suite 308, San Diego, CA 92108; T:(619) 255-9047

DATE: August 19, 2026

(Fecha)

Clerk, by

(Secretario)

, Deputy

(Adjunto)

(For proof of service of this summons, use Proof of Service of Summons (form POS-010).)

(Para prueba de entrega de esta citación use el formulario Proof of Service of Summons, (POS-010)). I. Ledesma

[SEAL]



NOTICE TO THE PERSON SERVED: You are served

1. ☐ as an individual defendant.
2. ☐ as the person sued under the fictitious name of (specify):
3. ☐ on behalf of (specify):
under: ☐ CCP 416.10 (corporation) ☐ CCP 416.60 (minor)
☐ CCP 416.20 (defunct corporation) ☐ CCP 416.70 (conservatee)
☐ CCP 416.40 (association or partnership) ☐ CCP 416.90 (authorized person)
☐ other (specify):
4. ☐ by personal delivery on (date):

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Attorneys for PLAINTIFFS

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF SAN DIEGO

ALLISON WOOTEN, HANNAH
HAVEMANN, and JAMES HUTCHESON, on
behalf of the State of California in Plaintiffs'
representative capacities as private attorneys
general,

Plaintiffs,

v.

CARLSBAD CHOCOLATE BAR CAFE LLC,
a California limited liability company; and
DOES 1-50, Inclusive,

Defendants.

Case No: 26CU044102N

REPRESENTATIVE ACTION
COMPLAINT FOR:

1) VIOLATIONS OF THE PRIVATE
ATTORNEYS GENERAL ACT [LABOR
CODE §§ 2698 ET SEQ.]

ELECTRONICALLY FILED
Superior Court of California,
County of San Diego

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Clerk of the Superior Court
By I. Ledesma ,Deputy Clerk

1 PLAINTIFFS ALLISON WOOTEN, HANNAH HAVEMANN, and JAMES
2 HUTCHESON (“PLAINTIFFS”), individuals on behalf of themselves, and in their representative
3 capacities on behalf of the people of the State of California, and as “aggrieved employees” acting
4 as private attorneys general under the Labor Code Private Attorney General Act of 2004, Section
5 2699, *et seq.* (“PAGA”) only, allege on information and belief, except as to their own acts and
6 knowledge which are based on personal knowledge, the following:

7 **INTRODUCTION**

8 1. PLAINTIFFS bring this action against Defendant CARLSBAD CHOCOLATE
9 BAR CAFE LLC, a California limited liability company (“DEFENDANTS”) seeking only to
10 recover PAGA civil penalties on behalf of all current and former aggrieved employees who worked
11 for DEFENDANTS. PLAINTIFFS do **not seek to recover anything other than penalties as**
12 **permitted by California Labor Code Section 2699.** To the extent that statutory violations are
13 mentioned for wage violations, PLAINTIFFS do not seek underlying general and/or special
14 damages for those violations, but simply the civil penalties permitted by California Labor Code
15 Section 2699.

16 2. California has enacted the PAGA which permits PLAINTIFFS to bring an action on
17 behalf of PLAINTIFFS and on behalf of others for PAGA penalties *only*, which is the precise and
18 sole nature of this action.

19 3. Accordingly, PLAINTIFFS seek to obtain all applicable relief for DEFENDANTS’
20 violations under PAGA and solely for the relief as permitted by PAGA, that is, civil penalties and
21 any other relief the Court deems proper pursuant to PAGA. Nothing in this Complaint should be
22 construed as attempting to obtain any relief that would not be available in a PAGA-only action.

23 4. PLAINTIFFS bring this representative action pursuant to PAGA on behalf of the
24 Labor and Workforce Development Agency (“LWDA”) and other current and former aggrieved
25 employees of DEFENDANTS for engaging in a pattern and practice of wage and hour violations
26 under the California Labor Code.

5. PLAINTIFFS are informed and believe, and thereon allege, that DEFENDANTS decreased their employment-related costs by systematically violating California wage and hour laws.

6. DEFENDANTS' systematic pattern of wage and hour and Industrial Welfare Commission ("IWC") Wage Order violations toward PLAINTIFFS and other aggrieved employees in California include, *inter alia*:

- a. Failure to provide compliant meal and rest periods;
- b. Failure to allow employees to take duty-free meal and rest periods;
- c. Failure to pay all minimum, sick pay, regular and overtime wages;
- d. Failure to correctly calculate the regular rate of pay;
- e. Failure to pay within seven (7) days of the close of payroll;
- f. Failure to pay for all hours worked;
- g. Failure to maintain true and accurate records;
- h. Failure to reimburse for required business expenses;
- i. Failure to provide accurate itemized wage statements; and
- j. Failure to timely pay wages due during, and upon termination of employment.

7. PLAINTIFFS reserve the right to name additional representatives throughout the State of California.

THE PARTIES

8. Defendant CARLSBAD CHOCOLATE BAR CAFE LLC (“DEFENDANTS”) is a California limited liability company that at all relevant times mentioned herein conducted and continues to conduct substantial and regular business throughout California.

9. DEFENDANTS were the employer of PLAINTIFFS as evidenced by the documents issued to PLAINTIFFS and by the company for which PLAINTIFFS performed work.

10. DEFENDANTS own and operate a restaurant in California, including in the County of San Diego.

11. PLAINTIFF ALLISON WOOTEN (“PLAINTIFF WOOTEN”) was employed by DEFENDANTS in California from September of 2025 to December of 2025, as a misclassified exempt employee, paid in part by commission-based compensation.

12. PLAINTIFF HANNAH HAVEMANN (“PLAINTIFF HAVEMANN”) has been employed by DEFENDANTS in California since August of 2025, as a non-exempt employee, paid on an hourly basis, and entitled to the legally required meal and rest periods and payment of minimum and overtime wages due for all time worked.

13. PLAINTIFF JAMES HUTCHESON (“PLAINTIFF HUTCHESON”) was employed by DEFENDANTS in California from April of 2025 to December of 2025, and worked at times as a misclassified exempt employee, paid in part by commission-based compensation, and at times as a non-exempt employee, paid on an hourly basis, and entitled to the legally required meal and rest periods and payment of minimum and overtime wages due for all time worked.

14. PLAINTIFFS, and such persons who may be added from time to time who satisfy the requirements and exhaust the administrative procedures under the PAGA, bring this Representative Action on behalf of the State of California with respect to PLAINTIFFS and the following aggrieved employees during the time period of June 12, 2025, through the present (“PAGA PERIOD”):

- a. **Misclassified Aggrieved Employees**: All of DEFENDANTS’ current and former exempt employees in California during the PAGA PERIOD (“Misclassified Aggrieved Employees”).
- b. **Non-Exempt Aggrieved Employees**: All of DEFENDANTS’ current and former non-exempt employees, paid in whole or in part on an hourly basis, employed in California during the PAGA PERIOD (“Non-Exempt Aggrieved Employees”).
- c. The Misclassified Aggrieved Employees and Non-Exempt Aggrieved Employees are collectively referred to herein as the “AGGRIEVED EMPLOYEES.”

15. PLAINTIFFS are each an “AGGRIEVED EMPLOYEE” within the meaning of Labor Code Section 2699(c) because PLAINTIFFS were employed by DEFENDANTS and personally suffered each of the alleged Labor Code violations committed by DEFENDANTS.

16. PLAINTIFFS and all other AGGRIEVED EMPLOYEES are, and at all relevant times were, employees of DEFENDANTS, within the meanings set forth in the California Labor Code and the applicable IWC Wage Order.

17. Each of the fictitiously named defendants participated in the acts alleged in this Complaint. The true names and capacities of the Defendants named as DOES 1 THROUGH 50, inclusive, are presently unknown to PLAINTIFFS. PLAINTIFFS will amend this Complaint, setting forth the true names and capacities of these fictitiously named Defendants when their true names are ascertained. PLAINTIFFS are informed and believe, and on that basis allege, that each of the fictitious Defendants has participated in the acts alleged in this Complaint.

18. DEFENDANTS, including DOES 1 THROUGH 50 (hereinafter collectively “DEFENDANTS”), were PLAINTIFFS’ employers or persons acting on behalf of PLAINTIFFS’ employer, within the meaning of California Labor Code Section 558, who violated or caused to be violated, a section of Part 2, Chapter 1 of the California Labor Code or any provision regulating hours and days of work in any order of the IWC and, as such, are subject to civil penalties for each underpaid employee, as set forth in Labor Code Section 558, at all relevant times.

19. DEFENDANTS were PLAINTIFFS' employer or persons acting on behalf of PLAINTIFFS' employer either individually or as an officer, agent, or employee of another person, within the meaning of California Labor Code Section 1197.1, who paid or caused to be paid to any employee a wage less than the minimum fixed by California state law, and as such, are subject to civil penalties for each underpaid employee.

JURISDICTION AND VENUE

20. This Court has jurisdiction over this Action pursuant to California Code of Civil Procedure, Section 410.10 and California Business and Professions Code, Section 17203. This Court has jurisdiction over AGGRIEVED EMPLOYEES' claims for civil penalties under the Private Attorney General Act of 2004, California Labor Code Section 2698, *et seq.*

21. Venue is proper in this Court pursuant to California Code of Civil Procedure, Sections 395 and 395.5, because DEFENDANTS (i) currently maintain and at all relevant times maintained offices and facilities in this County and/or conduct substantial business in this County, and (ii) committed the wrongful conduct herein alleged in this County against AGGRIEVED EMPLOYEES.

THE CONDUCT

A. Violations for Misclassification of Exempt Employees

22. To qualify as an exempt employee, California requires that an employee must be “primarily engaged in the duties that meet the test of the exemption” and “earns a monthly salary equivalent to no less than two times the state minimum wage for full-time employment.” Labor Code § 515. This forms the two-part test the employer must establish to properly exempt its employees from overtime laws: (1) the salary basis test and (2) the duties test.

23. For example, on January 1, 2025, the minimum wage in the State of California increased to \$16.50 per hour for employers. Thus, based on a forty (40) hour workweek, the minimum salary for California exempt employees employed by employers with at least twenty-six (26) employees in 2025, is \$68,640.

24. Throughout PLAINTIFFS WOOTEN and HUTCHESON'S employment, DEFENDANTS employed PLAINTIFFS WOOTEN and HUTCHESON in various positions. DEFENDANTS improperly classified those positions as exempt from overtime laws and other laws governing the employment of non-exempt employees.

25. At all times during the PAGA PERIOD, DEFENDANTS failed to compensate PLAINTIFFS WOOTEN and HUTCHESON and Misclassified Aggrieved Employees, with an annual salary of at least two times the state minimum wage for full-time employment by employers with at least twenty-six employees. PLAINTIFFS WOOTEN and HUTCHESON earned an annual salary below the threshold in 2025 to meet the test of exemption.

26. At all times during the PAGA PERIOD, PLAINTIFFS WOOTEN and HUTCHESON and Misclassified Aggrieved Employees primarily performed non-exempt job duties and were not primarily engaged in duties that meet the test of the exemption, but were

1 nevertheless classified by DEFENDANTS as exempt. PLAINTIFFS WOOTEN and
2 HUTCHESON and Misclassified Aggrieved Employees engaged in a finite set of tasks and had
3 no power to exercise any independent judgment and/or discretion. More specifically,
4 DEFENDANTS' policy, practice and procedure restrained PLAINTIFFS WOOTEN and
5 HUTCHESON and Misclassified Aggrieved Employees from evaluating possible courses of
6 action and implementing decisions based on their independent judgment and discretion. In other
7 words, in exercising their duties, PLAINTIFFS WOOTEN and HUTCHESON and Misclassified
8 Aggrieved Employees lacked any power to make any independent choice free from immediate
9 supervision and with respect to matters of significance. PLAINTIFFS WOOTEN and
10 HUTCHESON and Misclassified Aggrieved Employees did not exercise the requisite discretion
11 or independent judgment in the training or supervision of employees based on the constraints,
12 direction and control imposed by DEFENDANTS.

13 27. At all times during the PAGA PERIOD, PLAINTIFFS WOOTEN and
14 HUTCHESON and Misclassified Aggrieved Employees did not have the authority to hire, fire, or
15 promote employees, determine their pay rates or benefits, or give raises, or otherwise make
16 employment-related, personnel decisions. Consequently, PLAINTIFFS WOOTEN and
17 HUTCHESON and Misclassified Aggrieved Employees did not have the authority to decide
18 whether or not an employee should be disciplined for an infraction. Disciplinary decisions were
19 made by other departments, or dictated by company policies. Overall, recommendations made by
20 PLAINTIFFS WOOTEN and HUTCHESON and Misclassified Aggrieved Employees were given
21 no weight on all the above issues. As a result, PLAINTIFFS WOOTEN and HUTCHESON and
22 Misclassified Aggrieved Employees were engaged in a type of work that required no exercise of
23 independent judgment or discretion as to any matter of significance. Moreover, PLAINTIFFS
24 WOOTEN and HUTCHESON and the other Misclassified Aggrieved Employees were engaged
25 in a type of work unrelated to management policies.

26 28. Further, the work schedules for PLAINTIFFS WOOTEN and HUTCHESON and
27 Misclassified Aggrieved Employees were set by DEFENDANTS. Typically, PLAINTIFFS
28 WOOTEN and HUTCHESON and Misclassified Aggrieved Employees regularly worked in

1 excess of eight (8) hours in a workday and more than forty (40) hours in a workweek.
2 Nevertheless, DEFENDANTS never provided PLAINTIFFS WOOTEN and HUTCHESON and
3 Misclassified Aggrieved Employees with overtime compensation and other benefits for the
4 overtime hours worked as required by law due to DEFENDANTS' improper treatment.

5 29. As a matter of company policy, practice, and procedure, DEFENDANTS have
6 unlawfully, unfairly and/or deceptively treated PLAINTIFFS WOOTEN and HUTCHESON and
7 Misclassified Aggrieved Employees as exempt employees, failed to pay the required overtime
8 compensation and otherwise failed to comply with all applicable labor laws with respect to
9 PLAINTIFFS WOOTEN and HUTCHESON and Misclassified Aggrieved Employees.

10 30. By reason of this uniform exemption practice, policy and procedure applicable to
11 PLAINTIFFS WOOTEN and HUTCHESON, DEFENDANTS committed acts of unfair
12 competition in violation of the California Unfair Competition law, Cal. Bus. & Prof. Code § 17200
13 (the "UCL"), by engaging in a company-wide policy, practice and procedure that failed to
14 properly classify PLAINTIFFS and Misclassified Aggrieved Employees and thereby failed to pay
15 them overtime wages for documented overtime hours worked.

16 31. The proper classification of PLAINTIFFS WOOTEN and HUTCHESON and
17 Misclassified Aggrieved Employees is DEFENDANTS' burden. DEFENDANTS had no business
18 policy, practice, or procedure to ensure that PLAINTIFFS WOOTEN and HUTCHESON and
19 Misclassified Aggrieved Employees were properly classified as exempt, and in fact, as a matter
20 of corporate policy erroneously and unilaterally misclassified as exempt based on job title alone.
21 As a result of DEFENDANTS' intentional disregard of the obligation to meet this burden,
22 DEFENDANTS failed to pay all required overtime compensation for work performed by
23 PLAINTIFFS WOOTEN and HUTCHESON and Misclassified Aggrieved Employees and
24 violated the California Labor Code and regulations promulgated thereunder as herein alleged.

25 32. Additionally, DEFENDANTS failed to provide all the legally required off-duty
26 meal and rest breaks to PLAINTIFFS WOOTEN and HUTCHESON and Misclassified Aggrieved
27 Employees, as required by the applicable Wage Order and Labor Code. As a result of its willful
28 misclassification, DEFENDANTS did not have a practice of providing meal and rest breaks to

1 PLAINTIFFS WOOTEN and HUTCHESON and Misclassified Aggrieved Employees.
2 DEFENDANTS' failure to provide PLAINTIFFS WOOTEN and HUTCHESON and
3 Misclassified Aggrieved Employees with legally required meal and rest breaks is evidenced by
4 DEFENDANTS' business records which contain no record of these breaks.

5 33. In violation of the applicable sections of the California Labor Code and the
6 requirements of the IWC Wage Order, DEFENDANTS as a matter of company policy, practice,
7 and procedure, intentionally, knowingly, and systematically failed to provide legally compliant
8 meal and rest periods, failed to accurately compensate PLAINTIFFS and AGGRIEVED
9 EMPLOYEES for missed meal and rest periods, failed to pay PLAINTIFFS and AGGRIEVED
10 EMPLOYEES for all time worked, failed to compensate PLAINTIFFS and AGGRIEVED
11 EMPLOYEES for off-the-clock work, failed to pay PLAINTIFFS and AGGRIEVED
12 EMPLOYEES overtime at the correct regular rate of pay, failed to compensate PLAINTIFFS and
13 AGGRIEVED EMPLOYEES meal and rest premiums at the regular rate, failed to reimburse
14 PLAINTIFFS and other AGGRIEVED EMPLOYEES for business expenses, and knowingly and
15 intentionally failed to issue to PLAINTIFFS and AGGRIEVED EMPLOYEES accurate itemized
16 wage statements showing, among other things, all applicable hourly rates in effect during the pay
17 periods and the corresponding amount of time worked at each hourly rate. DEFENDANTS'
18 uniform policies and practices are intended to purposefully avoid the accurate and full payment for
19 all time worked as required by California law which allows DEFENDANTS to illegally profit and
20 gain an unfair advantage over competitors who comply with the law. To the extent equitable tolling
21 operates to toll claims by the AGGRIEVED EMPLOYEES against DEFENDANTS, the PAGA
22 PERIOD should be adjusted accordingly.

23 **B. Meal Period Violations**

24 34. Pursuant to the IWC Wage Orders, DEFENDANTS were required to pay
25 PLAINTIFFS and AGGRIEVED EMPLOYEES for all their time worked, meaning the time during
26 which an employee is subject to the control of an employer, including all the time the employee is
27 suffered or permitted to work. From time to time during the PAGA PERIOD, DEFENDANTS
28 required PLAINTIFFS and AGGRIEVED EMPLOYEES to work without paying them for all the

1 time they were under DEFENDANTS' control. Specifically, DEFENDANTS required
2 PLAINTIFFS to work while clocked out during what was supposed to be PLAINTIFFS' off-duty
3 meal break. Indeed, there were many days where PLAINTIFFS did not even receive a partial lunch.
4 As a result, the PLAINTIFFS and other AGGRIEVED EMPLOYEES forfeited minimum wage and
5 overtime compensation by regularly working without their time being accurately recorded and
6 without compensation at the applicable minimum wage and overtime rates. DEFENDANTS'
7 uniform policy and practice not to pay PLAINTIFFS and other AGGRIEVED EMPLOYEES for
8 all time worked is evidenced by DEFENDANTS' business records.

9 35. During the PAGA PERIOD, as a result of their rigorous work schedules and
10 DEFENDANTS' inadequate staffing practices, PLAINTIFFS and other AGGRIEVED
11 EMPLOYEES were from time to time unable to take thirty (30) minute off-duty meal breaks and
12 were not fully relieved of duty for their meal periods. PLAINTIFFS and other AGGRIEVED
13 EMPLOYEES were from time to time required to perform work as ordered by DEFENDANTS for
14 more than five (5) hours during some shifts without receiving a meal break. Further, from time to
15 time DEFENDANTS failed to provide PLAINTIFFS and AGGRIEVED EMPLOYEES with a
16 second off-duty meal period for some workdays in which DEFENDANTS required these
17 employees to work ten (10) hours of work. The nature of the work performed by PLAINTIFFS and
18 other AGGRIEVED EMPLOYEES does not qualify for the limited and narrowly construed "on-
19 duty" meal period exception. When they were provided with meal periods, PLAINTIFFS and other
20 AGGRIEVED EMPLOYEES were, from time to time, required to remain on premises, on duty and
21 on call. Further, DEFENDANTS from time to time required PLAINTIFFS and other AGGRIEVED
22 EMPLOYEES to maintain cordless communication devices in order to receive and respond to
23 work-related communications during what was supposed to be their off-duty meal breaks.
24 DEFENDANTS' failure to provide PLAINTIFFS and the AGGRIEVED EMPLOYEES with
25 legally required meal breaks is evidenced by DEFENDANTS' business records. PLAINTIFFS and
26 AGGRIEVED EMPLOYEES therefore forfeited meal breaks without additional compensation and
27 in accordance with DEFENDANTS' strict corporate policy and practice.

28 ///

1 **C. Rest Period Violations**

2 36. During the PAGA PERIOD, PLAINTIFFS and other AGGRIEVED EMPLOYEES
3 were from time to time also required to work in excess of four (4) hours without being provided ten
4 (10) minute rest periods as a result of their rigorous work requirements and DEFENDANTS'
5 inadequate staffing. Further, for the same reasons, these employees were from time to time denied
6 their first rest periods of at least ten (10) minutes for some shifts worked of at least two (2) to four
7 (4) hours, denied from time to time a first and second rest period of at least ten (10) minutes for
8 some shifts worked of between six (6) and eight (8) hours, and denied from time to time a first,
9 second and third rest period of at least ten (10) minutes for some shifts worked of ten (10) hours or
10 more. When they were provided with rest breaks, PLAINTIFFS and other AGGRIEVED
11 EMPLOYEES were, from time to time, required to remain on premises, on duty and/or on call.
12 Further, DEFENDANTS from time to time required PLAINTIFFS and other AGGRIEVED
13 EMPLOYEES to maintain cordless communication devices in order to receive and respond to
14 work-related communications during what was supposed to be their off-duty rest breaks.
15 PLAINTIFFS and other AGGRIEVED EMPLOYEES were also not provided with one hour of
16 wages *in lieu* thereof. As a result of their rigorous work schedules and DEFENDANTS' inadequate
17 staffing, PLAINTIFFS and other AGGRIEVED EMPLOYEES were from time to time denied their
18 proper rest periods by DEFENDANTS and DEFENDANTS' managers.

19 **D. Unreimbursed Business Expenses**

20 37. DEFENDANTS as a matter of corporate policy, practice, and procedure,
21 intentionally, knowingly, and systematically failed to reimburse and indemnify the PLAINTIFFS
22 and the other AGGRIEVED EMPLOYEES for required business expenses incurred by the
23 PLAINTIFFS and other AGGRIEVED EMPLOYEES in direct consequence of discharging their
24 duties on behalf of DEFENDANTS. Under California Labor Code Section 2802, employers are
25 required to indemnify employees for all expenses incurred in the course and scope of their
26 employment. California Labor Code Section 2802 expressly states that "an employer shall
27 indemnify his or her employee for all necessary expenditures or losses incurred by the employee in
28 direct consequence of the discharge of his or her duties, or of his or her obedience to the directions

1 of the employer, even though unlawful, unless the employee, at the time of obeying the directions,
2 believed them to be unlawful."

3 38. In the course of their employment, DEFENDANTS required PLAINTIFFS and
4 other AGGRIEVED EMPLOYEES to incur personal expenses as a result of and in furtherance of
5 their job duties for the use of their personal cell phones, vehicles, computers, and home internet.
6 Specifically, PLAINTIFFS and other AGGRIEVED EMPLOYEES were required to use their
7 personal cell phones, vehicles, computers, and home internet in order to perform work related tasks.
8 However, DEFENDANTS unlawfully failed to reimburse PLAINTIFFS and other AGGRIEVED
9 EMPLOYEES for the personal expenses incurred for the use of their personal cell phones, vehicles,
10 computers, and home internet. As a result, in the course of their employment with DEFENDANTS,
11 the PLAINTIFFS and other AGGRIEVED EMPLOYEES incurred unreimbursed business
12 expenses that included, but were not limited to, costs related to the use of their personal cell phones,
13 vehicles, computers, and home internet, all on behalf of and for the benefit of DEFENDANTS.

14 **E. Wage Statement Violations**

15 39. California Labor Code Section 226 requires an employer to furnish its employees an
16 accurate itemized wage statement in writing showing (1) gross wages earned, (2) total hours
17 worked, (3) the number of piece-rate units earned and any applicable piece-rate, (4) all deductions,
18 (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the
19 name of the employee and only the last four digits of the employee's social security number or an
20 employee identification number other than a social security number, (8) the name and address of
21 the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay
22 period and the corresponding number of hours worked at each hourly rate by the employee.

23 40. From time to time during the PAGA PERIOD, when PLAINTIFFS and other
24 AGGRIEVED EMPLOYEES missed meal and rest breaks, or were paid inaccurately for missed
25 meal and rest period premiums, or were not paid for all hours worked, DEFENDANTS also failed
26 to provide PLAINTIFFS and other AGGRIEVED EMPLOYEES with complete and accurate wage
27 statements that failed to show, among other things, all deductions, the total hours worked and all
28 applicable hourly rates in effect during the pay period, and the corresponding amount of time

1 worked at each hourly rate, correct rates of pay for penalty payments or missed meal and rest
2 periods.

3 41. In addition to the foregoing, DEFENDANTS, from time to time, failed to provide
4 PLAINTIFFS and the AGGRIEVED EMPLOYEES with wage statements that comply with
5 California Labor Code Section 226(a)(1)-(9).

6 42. As a result, DEFENDANTS issued PLAINTIFFS and AGGRIEVED EMPLOYEES
7 wage statements that violate California Labor Code Section 226. Further, DEFENDANTS'
8 violations are knowing and intentional; they were not isolated due to an unintentional payroll error
9 due to clerical or inadvertent mistake.

10 **F. Off-the-Clock Work Resulting in Minimum Wage and Overtime Violations**

11 43. During the PAGA PERIOD, from time to time DEFENDANTS failed and continue
12 to fail to accurately pay PLAINTIFFS and AGGRIEVED EMPLOYEES for all hours worked.

13 44. During the PAGA PERIOD, from time to time DEFENDANTS required
14 PLAINTIFFS and AGGRIEVED EMPLOYEES to perform pre-shift or post-shift work, including
15 but not limited to, sending and receiving work-related communications, serving DEFENDANTS'
16 customers, and performing administrative duties. This resulted in PLAINTIFFS and AGGRIEVED
17 EMPLOYEES having to work while off-the-clock.

18 45. DEFENDANTS directed and directly benefited from the undercompensated off-the-
19 clock work performed by PLAINTIFFS and the other AGGRIEVED EMPLOYEES.

20 46. DEFENDANTS controlled the work schedules, duties, protocols, applications,
21 assignments, and employment conditions of PLAINTIFFS and AGGRIEVED EMPLOYEES.

22 47. DEFENDANTS were able to track the amount of time PLAINTIFFS and
23 AGGRIEVED EMPLOYEES spent working; however, DEFENDANTS failed to document, track,
24 or pay PLAINTIFFS and AGGRIEVED EMPLOYEES all wages earned and owed for all the work
25 they performed.

26 48. PLAINTIFFS and AGGRIEVED EMPLOYEES were non-exempt employees or
27 were classified as exempt and therefore subject to the protections of the California Labor Code.
28

1 49. DEFENDANTS’ policies and practices deprived PLAINTIFFS and the other
2 AGGRIEVED EMPLOYEES of all minimum regular, overtime, and double time wages owed for
3 the off-the-clock work activities. Because PLAINTIFFS and AGGRIEVED EMPLOYEES
4 typically worked over forty (40) hours in a workweek, and more than eight (8) hours per day,
5 DEFENDANTS’ policies and practices also deprived them of overtime pay.

6 50. DEFENDANTS knew or should have known that PLAINTIFFS and AGGRIEVED
7 EMPLOYEES’ off-the-clock work was compensable under the law.

8 51. As a result, PLAINTIFFS and AGGRIEVED EMPLOYEES forfeited wages due to
9 them for all hours worked at DEFENDANTS’ direction, control, and benefit for the time spent
10 working while off-the-clock. DEFENDANTS’ uniform policy and practice to not pay
11 PLAINTIFFS and AGGRIEVED EMPLOYEES wages for all hours worked in accordance with
12 applicable law is evidenced by DEFENDANTS’ business records.

13 **G. Regular Rate Violation – Overtime, Double Time, Meal and Rest Period Premiums, and**
14 **Redeemed Sick Pay**

15 52. From time to time during the PAGA PERIOD, DEFENDANTS failed and continues
16 to fail to accurately calculate and pay PLAINTIFFS and the other AGGRIEVED EMPLOYEES for
17 their overtime and double time hours worked, meal and rest period premiums, and redeemed sick
18 pay. As a result, PLAINTIFFS and the other AGGRIEVED EMPLOYEES forfeited wages due to
19 them for working overtime without compensation at the correct overtime and double time rates,
20 meal and rest period premiums, and redeemed sick pay rates. DEFENDANTS’ uniform policy and
21 practice not to pay PLAINTIFFS and the AGGRIEVED EMPLOYEES at the correct rate for all
22 overtime and double time worked, meal and rest period premiums, and redeemed sick pay in
23 accordance with applicable law is evidenced by DEFENDANTS’ business records.

24 53. State law provides that employees must be paid overtime at one-and-one-half times
25 their “regular rate of pay.” (Cal. Lab. Code § 510.) PLAINTIFFS and other AGGRIEVED
26 EMPLOYEES were compensated at an hourly rate plus incentive pay that was tied to specific
27 elements of an employee’s performance.
28

1 54. The second component of PLAINTIFFS' and other AGGRIEVED EMPLOYEES'
2 compensation was DEFENDANTS' non-discretionary incentive program that paid PLAINTIFFS
3 and other AGGRIEVED EMPLOYEES' incentive wages based on their performance for
4 DEFENDANTS. The non-discretionary bonus program provided all employees paid on an hourly
5 basis with bonus compensation when the employees met the various performance goals set by
6 DEFENDANTS.

7 55. From time to time, when calculating the regular rate of pay, in those pay periods
8 where PLAINTIFFS and other AGGRIEVED EMPLOYEES worked overtime, double time, paid
9 meal and rest period premium payments, and/or redeemed sick pay, and earned non-discretionary
10 bonuses, DEFENDANTS failed to accurately include the non-discretionary bonuses compensation
11 as part of the employees' "regular rate of pay" and/or calculated all hours worked rather than just
12 all non-overtime hours worked. Management and supervisors described the incentive/bonus
13 program to potential and new employees as part of the compensation package. As a matter of law,
14 the incentive compensation received by PLAINTIFFS and other AGGRIEVED EMPLOYEES
15 must be included in the "regular rate of pay." The failure to do so has resulted in a systematic
16 underpayment of overtime and double time compensation, meal and rest period premiums, and
17 redeemed sick pay to PLAINTIFFS and other AGGRIEVED EMPLOYEES by DEFENDANTS.
18 Specifically, California Labor Code Section 246 mandates that paid sick time for non-exempt
19 employees shall be calculated in the same manner as the regular rate of pay for the workweek in
20 which the non-exempt employee uses paid sick time, whether or not the employee actually works
21 overtime in that workweek. DEFENDANTS' conduct, as articulated herein, by failing to include
22 the incentive compensation as part of the "regular rate of pay" for purposes of sick pay
23 compensation was in violation of California Labor Code Section 246 the underpayment of which
24 is recoverable under California Labor Code Sections 201, 202, 203 and/or 204.

25 56. In violation of the applicable sections of the California Labor Code and the
26 requirements of the IWC Wage Order, DEFENDANTS as a matter of company policy, practice,
27 and procedure, intentionally and knowingly failed to compensate PLAINTIFFS and AGGRIEVED
28 EMPLOYEES at the correct rate of pay for all overtime and double time worked, meal and rest

1 period premiums, and sick pay. This uniform policy and practice of DEFENDANTS is intended to
2 purposefully avoid the payment of the correct overtime and double time compensation, meal and
3 rest period premiums, and sick pay as required by California law which allowed DEFENDANTS
4 to illegally profit and gain an unfair advantage over competitors who complied with the law. To
5 the extent equitable tolling operates to toll claims by the AGGRIEVED EMPLOYEES against
6 DEFENDANTS, the PAGA PERIOD should be adjusted accordingly.

7 **H. Sick Pay Violations**

8 57. California Labor Code Section 246(a)(1) mandates that “An employee who, on or
9 after July 1, 2015, works in California for the same employer for 30 or more days within a year
10 from the commencement of employment is entitled to paid sick days as specified in this section.”
11 Further, California Labor Code Sections 246(b)-(d) provide for the sick day accrual requirements.
12 From time to time, DEFENDANTS failed to have a policy or practice in place that provided
13 PLAINTIFFS and AGGRIEVED EMPLOYEES with sick days and/or paid sick leave. As of
14 January 1, 2024, DEFENDANTS failed to adhere to the law in that they failed to provide and allow
15 employees to use at least forty hours or five days of paid sick leave per year.

16 58. California Labor Code Section 246(i) requires an employer to furnish its employees
17 with written wage statements setting forth the amount of paid sick leave available. From time to
18 time, DEFENDANTS violated California Labor Code Section 246 by failing to furnish
19 PLAINTIFFS and AGGRIEVED EMPLOYEES with wage statements setting forth the amount of
20 paid sick leave available.

21 **I. Violations for Untimely Payment of Wages**

22 59. Pursuant to California Labor Code section 204, PLAINTIFFS and the AGGRIEVED
23 EMPLOYEES were entitled to timely payment of wages during their employment. PLAINTIFFS
24 and the AGGRIEVED EMPLOYEES, from time to time, did not receive payment of all wages,
25 including, but not limited to, overtime wages, minimum wages, meal period premium wages, and
26 rest period premium wages within the permissible time period.

27 60. Pursuant to California Labor Code Section 201, “If an employer discharges an
28 employee, the wages earned and unpaid at the time of discharge are due and payable immediately.”

1 Pursuant to California Labor Code Section 202, if an employee quits his or her employment, “his
2 or her wages shall become due and payable not later than 72 hours thereafter, unless the employee
3 has given 72 hours previous notice of his or her intention to quit, in which case the employee is
4 entitled to his or her wages at the time of quitting.” PLAINTIFFS and the AGGRIEVED
5 EMPLOYEES were, from time to time, not timely provided the wages earned and unpaid at the
6 time of their discharge and/or at the time of quitting, in violation of California Labor Code Sections
7 201 and 202. Further, DEFENDANTS’ violations are willful and intentional; they were not isolated
8 due to an unintentional payroll error due to clerical or inadvertent mistake.

9 61. As such, PLAINTIFFS demands up to thirty days of pay as penalty for not timely
10 paying all wages due at time of termination for all AGGRIEVED EMPLOYEES whose
11 employment ended during the PAGA PERIOD.

12 **J. Unlawful Deductions**

13 62. DEFENDANTS, from time to time, unlawfully deducted wages from PLAINTIFFS
14 and AGGRIEVED EMPLOYEES’ pay without explanations and without authorization to do so or
15 notice to PLAINTIFFS and the AGGRIEVED EMPLOYEES. As a result, DEFENDANTS violated
16 Labor Code Section 221.

17 **K. Unlawful Rounding Practices**

18 63. During the PAGA PERIOD, DEFENDANTS did not have in place an immutable
19 timekeeping system to accurately record and pay PLAINTIFFS and other AGGRIEVED
20 EMPLOYEES for the actual time these employees worked each day, including overtime hours.
21 Specifically, DEFENDANTS had in place an unlawful rounding policy and practice that resulted
22 in PLAINTIFFS and AGGRIEVED EMPLOYEES being undercompensated for all of their time
23 worked. As a result, DEFENDANTS were able to and did in fact unlawfully, and unilaterally round
24 the time recorded in DEFENDANTS’ timekeeping system for PLAINTIFFS and AGGRIEVED
25 EMPLOYEES in order to avoid paying these employees for all their time worked, including the
26 applicable overtime compensation for overtime worked. As a result, PLAINTIFFS and other
27 AGGRIEVED EMPLOYEES, from time to time, forfeited compensation for their time worked by
28 working without their time being accurately recorded and without compensation at the applicable

overtime rates.

64. Further, the mutability of DEFENDANTS' timekeeping system and unlawful rounding policy and practice resulted in PLAINTIFFS and AGGRIEVED EMPLOYEES' time being inaccurately recorded. As a result, from time to time, DEFENDANTS' unlawful rounding policy and practice caused PLAINTIFFS and AGGRIEVED EMPLOYEES to perform work as ordered by DEFENDANTS for more than five (5) hours during a shift without receiving an off-duty meal break.

L. Timekeeping Manipulation

65. During the PAGA PERIOD, DEFENDANTS, from time to time, did not have an immutable timekeeping system to accurately record and pay PLAINTIFFS and AGGRIEVED EMPLOYEES for the actual time PLAINTIFFS and AGGRIEVED EMPLOYEES worked each day, including regular time, overtime hours, sick pay, meal and rest breaks. As a result, DEFENDANTS were able to and did in fact, unlawfully, and unilaterally alter the time recorded in DEFENDANTS' timekeeping system for PLAINTIFFS and AGGRIEVED EMPLOYEES in order to avoid paying these employees for all hours worked, applicable overtime compensation, applicable sick pay, missed meal breaks and missed rest breaks.

66. As a result, PLAINTIFFS and AGGRIEVED EMPLOYEES, from time to time, forfeited time worked by working without their time being accurately recorded and without compensation at the applicable pay rates.

67. The mutability of the timekeeping system also allowed DEFENDANTS to alter employee time records by recording fictitious thirty (30) minute meal breaks in DEFENDANTS' timekeeping system so as to create the appearance that PLAINTIFFS and AGGRIEVED EMPLOYEES clocked out for thirty (30) minute meal breaks when in fact the employees were not at all times provided an off-duty meal break. This practice is a direct result of DEFENDANTS' uniform policy and practice of denying employees uninterrupted thirty (30) minute off-duty meal breaks each day or otherwise compensating them for missed meal breaks.

68. As a result, PLAINTIFFS and AGGRIEVED EMPLOYEES forfeited wages due to them for all hours worked at DEFENDANTS' direction, control and benefit for the time the

1 timekeeping system was inoperable. DEFENDANTS' uniform policy and practice to not pay
2 PLAINTIFFS and AGGRIEVED EMPLOYEES wages for all hours worked in accordance with
3 applicable law is evidenced by DEFENDANTS' business records.

4 **M. Tip Pooling**

5 69. During the PAGA PERIOD, pursuant to DEFENDANTS' company policies and
6 practices, PLAINTIFFS and other AGGRIEVED EMPLOYEES were forced to forfeit gratuities
7 left for them by customers to DEFENDANTS' agents who provided no service to the customers
8 that resulted in the gratuity.

9 70. During the PAGA PERIOD, PLAINTIFFS and other AGGRIEVED EMPLOYEES
10 were in the "chain of service" and earned gratuities based on their service for their customers.
11 However, PLAINTIFFS and AGGRIEVED EMPLOYEES were forced to forfeit portions of their
12 gratuities, which said gratuities were kept by DEFENDANTS' employees who were not in the
13 chain of service from which the gratuity resulted. PLAINTIFFS' and AGGRIEVED
14 EMPLOYEES' tips were also disproportionately distributed by DEFENDANTS. PLAINTIFFS
15 and other AGGRIEVED EMPLOYEES contend that any gratuities kept by DEFENDANTS' non-
16 service employees were illegal and in violation of California law because PLAINTIFFS and other
17 AGGRIEVED EMPLOYEES provided the service for which the gratuity should have been paid
18 to them.

19 71. California Labor Code Section 351 establishes the requirements for an employer
20 regarding the payment of gratuities. Specifically, gratuities are the sole property of the employees.
21 California Labor Code Section 351 expressly prohibits employers and their agents from collecting,
22 taking, or receiving any portion of a gratuity. California Labor Code § 350(e) defines the term
23 "gratuity" as including any money that has been paid or given or left for an employee by a patron
24 of a business over and above the actual amount due the business for services rendered or for goods,
25 food, drink or articles sold or served to such patron. Labor Code § 353 requires employers to keep
26 accurate records of all gratuities they receive, directly or indirectly.

27 72. Although tip pooling is not expressly prohibited by the Labor Code, employers that
28 mandate tip pooling must only distribute pooled tips to employees in the "chain of service." By

1 distributing tips to employees who were not in the “chain of service,” DEFENDANTS have
2 violated and continue to violate the legal requirements for handling pooled tips.

3 **N. Failure to Provide Personnel Files**

4 73. On January 16, 2026, February 6, 2026, and March 18, 2026, PLAINTIFFS caused
5 written requests via certified mail to be delivered to DEFENDANTS for PLAINTIFFS’ personnel
6 and employment records, including but not limited to: (1) payroll records; (2) employment
7 contracts; (3) itemized pay stubs; and (4) PLAINTIFFS’ complete employment files.

8 74. DEFENDANTS failed to provide and/or make available to PLAINTIFFS their
9 personnel records, payroll records, employment contract, and entire employment files within thirty
10 (30) days of their requests stated above. In fact, as of the date of filing of this complaint,
11 DEFENDANTS have still failed to pay PLAINTIFFS the statutory penalty in the amount of \$750.
12 DEFENDANTS violated California Labor Code Section 1198.5 by failing to respond and provide
13 PLAINTIFFS with their employment files. Section 1198.5 states that employees (and former
14 employees) have the right to inspect personnel records maintained by the employer “related to the
15 employee’s performance or to any grievance concerning the employee.” Employers must allow
16 inspection or copying within thirty (30) days of the request. PLAINTIFFS are now entitled to and
17 request injunctive relief to obtain compliance with California Labor Code Section 1198.5, a
18 statutory penalty, and an award of attorneys’ fees and costs for bringing this action.

19 75. Specifically, as to PLAINTIFFS, with respect to PLAINTIFF HAVEMANN and
20 PLAINTIFF HUTCHESON as non-exempt employees, and with respect to PLAINTIFF
21 WOOTEN and PLAINTIFF HUTCHESON as misclassified exempt employees by
22 DEFENDANTS, PLAINTIFFS were from time to time unable to take off-duty meal and rest
23 breaks and were not fully relieved of duty for their rest and meal periods. PLAINTIFFS were
24 required to perform work as ordered by DEFENDANTS for more than five (5) hours during a shift
25 without receiving an off-duty meal break. Further, DEFENDANTS failed to provide PLAINTIFFS
26 with a second off-duty meal period each workday in which they were required by DEFENDANTS
27 to work ten (10) hours of work. As a result of DEFENDANTS’ misclassification of PLAINTIFFS
28 as exempt employees, PLAINTIFFS were required to remain on-duty and on-call for the rest break.

1 DEFENDANTS' policy caused PLAINTIFFS to remain on-call and on-duty during what was
2 supposed to be their off-duty meal periods. As a result of DEFENDANTS' misclassification of
3 PLAINTIFFS as exempt employees, PLAINTIFFS therefore forfeited meal and rest breaks
4 without additional compensation and in accordance with DEFENDANTS' strict corporate policy
5 and practice. Moreover, DEFENDANTS also provided PLAINTIFFS with paystubs that failed to
6 comply with California Labor Code Section 226. Further, DEFENDANTS also failed to reimburse
7 PLAINTIFFS for required business expenses related to the personal expenses incurred for the use
8 of their personal cell phones, vehicles, computers, and home internet, on behalf of and in
9 furtherance of PLAINTIFFS' employment with DEFENDANTS. Additionally, DEFENDANTS
10 failed to provide and/or make available to PLAINTIFFS their personnel records, payroll records,
11 time records, employment contracts, and entire employment file within thirty (30) days of all their
12 requests on January 16, 2026, February 6, 2026, and March 18, 2026. To date, as a result of
13 DEFENDANTS' misclassification of PLAINTIFF WOOTEN and PLAINTIFF HUTCHESON as
14 exempt employees, and generally with respect to PLAINTIFF HAVEMANN and PLAINTIFF
15 HUTCHESON, DEFENDANTS have not fully paid PLAINTIFFS the minimum, overtime and
16 double time compensation still owed to them, or any penalty wages owed to them under California
17 Labor Code Section 203. The amount in controversy for each PLAINTIFF individually does not
18 exceed the sum or value of \$75,000.

19 **FIRST CAUSE OF ACTION**

20 **VIOLATION OF THE PRIVATE ATTORNEYS GENERAL ACT**

21 **(Cal. Lab. Code §§2698 *et seq.*)**

22 **(Alleged by PLAINTIFFS against all DEFENDANTS)**

23 76. PLAINTIFFS reallege and incorporate by this reference, as though fully set forth
24 herein, the prior paragraphs of this Complaint.

25 77. PAGA is a mechanism by which the State of California itself can enforce state labor
26 laws through the employee suing under the PAGA who do so as the proxy or agent of the state's
27 labor law enforcement agencies. An action to recover civil penalties under PAGA is fundamentally
28 a law enforcement action designed to protect the public and not to benefit private parties. The

1 purpose of the PAGA is not to recover damages or restitution, but to create a means of "deputizing"
2 citizens as private attorneys general to enforce the Labor Code. In enacting PAGA, the California
3 Legislature specified that "it was ... in the public interest to allow aggrieved employees, acting as
4 private attorneys general to recover civil penalties for Labor Code violations ..." (Stats. 2003, ch.
5 906, § 1.) Accordingly, PAGA claims cannot be subject to arbitration.

6 78. At all relevant times, for the reasons described herein and others, PLAINTIFFS and
7 the AGGRIEVED EMPLOYEES were aggrieved employees of DEFENDANTS within the
8 meaning of Labor Code Section 2699(c).

9 79. Labor Code Sections 2699(a) and (k) authorize an AGGRIEVED EMPLOYEE, like
10 PLAINTIFFS, on behalf of PLAINTIFFS and other current or former employees, to bring a civil
11 action to recover civil penalties pursuant to the procedures specified in Labor Code Section 2699.3

12 80. PLAINTIFFS complied with the procedures for bringing suit specified in Labor
13 Code Section 2699.3. By certified letter, return receipt requested, dated June 12, 2026,
14 PLAINTIFFS gave written notice to the Labor and Workforce Development Agency ("LWDA")
15 and to DEFENDANTS of the specific provisions of the Labor Code alleged to have been violated,
16 including the facts and theories to support the alleged violations. (See Exhibit #1.)

17 81. As of the date of this complaint, more than sixty-five (65) days after serving the
18 LWDA with notice of DEFENDANTS' violations, the LWDA has not provided any notice by
19 certified mail of its intent to investigate the DEFENDANTS' alleged violations as mandated by
20 Labor Code Section 2699.3(a)(2)(A). Accordingly, pursuant to Labor Code Section
21 2699.3(a)(2)(A), PLAINTIFFS may commence and are authorized to pursue this cause of action.

22 82. Pursuant to Labor Code Sections 2699(a) and (f), PLAINTIFFS and the
23 AGGRIEVED EMPLOYEES are entitled to civil penalties for DEFENDANTS' violations of
24 Labor Code Sections 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 221, 226, 226.2, 226.3, 226.7,
25 246, 351, 510, 512, 515, 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1197.14, 1198, 1198.5, 1199,
26 2802 and 2804 in the following amounts:

- 27 a. For violations of Labor Code Sections 201, 202, 203, and 204, up to two
28 hundred dollars (\$200) per AGGRIEVED EMPLOYEE per pay period [penalty

per Labor Code Section 2699(f)];

b. For violations of Labor Code Section 226(a), a civil penalty in the amount of two hundred fifty dollars (\$250) for each AGGRIEVED EMPLOYEE for any initial violation and one thousand dollars for each subsequent violation [penalty per Labor Code Section 226.3];

c. For violations of Labor Code section 204, a civil penalty in the amount of one hundred dollars (\$100) for each AGGRIEVED EMPLOYEE for any initial violation and two hundred dollars (\$200) for AGGRIEVED EMPLOYEE for each subsequent violation [penalty per Labor Code Section 210];

d. For violations of Labor Code Sections 226.7, 510 and 512, a civil penalty in the amount of fifty dollars (\$50) for each underpaid AGGRIEVED EMPLOYEE for the initial violation and one hundred dollars (\$100) for each underpaid AGGRIEVED EMPLOYEE for each subsequent violation [penalty per Labor Code Section 558];

e. For violations of Labor Code Section 1174(d), a civil penalty in the amount of five hundred dollars (\$500) for each AGGRIEVED EMPLOYEE [penalty per Labor Code Section 1174.5].

f. For violations of Labor Code Sections 1194, 1194.2, 1197, 1198 and 1199, a civil penalty in the amount of one hundred dollars (\$100) for each AGGRIEVED EMPLOYEE per pay period for the initial violation and two hundred fifty dollars (\$250) for each AGGRIEVED EMPLOYEE per pay period for each subsequent violation [penalty per Labor Code Section 1197.1].

83. For all provisions of the Labor Code for which civil penalty is not specifically provided, Labor Code Section 2699(f) imposes upon DEFENDANTS a penalty of up to two hundred dollars (\$200) for each AGGRIEVED EMPLOYEE per pay period. PLAINTIFFS and the AGGRIEVED EMPLOYEES are entitled to an award of reasonable attorney's fees and costs in connection with their claims for civil penalties pursuant to Labor Code Section 2699(k)(1).

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1. For reasonable attorney's fees and costs of suit to the extent permitted by law, including pursuant to Labor Code Section 2699, *et seq.*;
2. For civil penalties to the extent permitted by law pursuant to the Labor Code under the Private Attorneys General Act; and
3. For such other relief as the Court deems just and proper.

ZAKAY LAW GROUP, APLC


Jennifer Gerstenzang, Esq.

Attorney for PLAINTIFFS

EXHIBIT 1



ZAKAY LAW GROUP
A PROFESSIONAL LAW CORPORATION

Client #02901

June 12, 2026

Via Online Filing to LWDA and Certified Mail to Defendants
Labor and Workforce Development Agency
Online Filing

CARLSBAD CHOCOLATE BAR CAFE LLC

c/o United States Corporation Agents, Inc.

500 N Brand Blvd, Ste 890

Glendale, CA 91203

Sent via Certified Mail and Return Receipt No. 9589 0710 5270 2308 6644 62

Re: Notice of Violations of California Labor Code Sections 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 221, 223, 226, 226.2, 226.3, 226.7, 227.3, 246, 351, 510, 512, 515, 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1197.14, 1198, 1198.5, 1199, 2802, 2804, and Violation of Applicable Industrial Welfare Commission Wage Order(s), and Pursuant to California Labor Code Section 2699.5

Dear Sir/Madam:

This notice is being sent in compliance with California Labor Code Section 2699.3. Our offices represent Plaintiff Allison Wooten (“Plaintiff Wooten”), Plaintiff Hannah Havemann (“Plaintiff Havemann”), and Plaintiff James Hutcheson (“Plaintiff Hutcheson”) (collectively, “Plaintiffs”) and other aggrieved employees. Plaintiffs were employed by Defendant CARLSBAD CHOCOLATE BAR CAFE LLC (“Defendants”) in California. Plaintiff Wooten was employed by Defendants in California as a wine director from September of 2025 to December of 2025, as a misclassified exempt employee, paid in part by commission-based compensation. Plaintiff Havemann has been employed by Defendants in California as a server and bartender since August of 2025, as a non-exempt employee, paid on an hourly basis, and entitled to the legally required meal and rest periods and payment of minimum and overtime wages due for all time worked. Plaintiff Hutcheson was employed by Defendants in California as an assistant general manager from April of 2025 to December of 2025, and worked at times as a misclassified exempt employee, paid in part by commission-based compensation, and at times as a non-exempt employee, paid on an hourly basis, and entitled to the legally required meal and rest periods and payment of minimum and overtime wages due for all time worked. Defendants employed aggrieved employees who performed work at 2917 State St, Carlsbad, CA 92008.

Plaintiffs alleges that within the past year, Plaintiffs personally suffered violations of the following Labor Code Sections, in part as a result of Defendants’ misclassification of exempt employees, and as a result of Defendants’ failure to record and pay Plaintiffs for all time worked, provide Plaintiffs with compliant meal periods, provide Plaintiffs with compliant rest periods, provide Plaintiffs with accurate itemized wage statements that facially comply with the requirements provided for in Labor Code Section 226, furnish wages to Plaintiffs with the frequency as set forth under Labor Code Section 204, and reimburse Plaintiffs for necessary business expenses pursuant

to Labor Code Sections 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 221, 226, 226.2, 226.3, 226.7, 227.3, 246, 351, 510, 512, 515, 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1197.14, 1198, 1198.5, 1199, 2802, and 2804. These violations are actionable under California Labor Code Section 2699.3.

The information below provides notice to the Labor and Workforce Development Agency of the facts and theories supporting the alleged violations for the agency's reference. If the agency needs any further information, please do not hesitate to ask.

Plaintiffs seek to represent a group of aggrieved employees defined as any person currently or formerly employed by Defendants who performed work in California and against whom one or more of the alleged violations listed above were committed during the relevant claim period ("Aggrieved Employees"). Plaintiffs believe this group to be comprised of all current and former non-exempt and exempt employees who performed work for Defendants in California during the period beginning one year prior to the date of this Notice and continuing through the present.

Misclassification of Exempt Employees: To qualify as an exempt employee, California requires that an employee must be "primarily engaged in the duties that meet the test of the exemption" and "earns a monthly salary equivalent to no less than two times the state minimum wage for full-time employment." Labor Code § 515. This forms the two-part test the employers must establish to properly exempt its employees from overtime laws: (1) the salary basis test and (2) the duties test. For example, on January 1, 2024, the minimum wage in the State of California increased to \$16.00 per hour for employers. Thus, based on a forty (40) hour workweek, the minimum salary for California exempt employees employed by employers with at least twenty-six (26) employees in 2024, is \$66,560. On January 1, 2025, the minimum wage in the State of California increased to \$16.50 per hour for employers. Thus, based on a forty (40) hour workweek, the minimum salary for California exempt employees employed by employers with at least twenty-six (26) employees in 2025, is \$68,640.

Throughout Plaintiffs Wooten and Hutcheson's employment, Defendants employed Plaintiffs Wooten and Hutcheson in various positions. Defendant improperly classified those positions as exempt from overtime laws and other laws governing the employment of non-exempt employees. Defendants failed to compensate Plaintiffs Wooten and Hutcheson and misclassified exempt employees, with an annual salary of at least two times the state minimum wage for full-time employment by employers with at least twenty-six employees. Specifically, Plaintiffs Wooten and Hutcheson earned an annual salary below the threshold in 2025 to meet the test of exemption.

Plaintiffs Wooten and Hutcheson and misclassified aggrieved employees primarily performed non-exempt job duties and were not primarily engaged in duties that meet the test of the exemption, but were nevertheless classified by Defendants as exempt. Plaintiffs Wooten and Hutcheson and misclassified aggrieved employees engaged in a finite set of tasks and had no power to exercise any independent judgment and/or discretion. More specifically, Defendants' policy, practice and procedure restrained Plaintiffs Wooten and Hutcheson and misclassified aggrieved employees from evaluating possible courses of action and implementing decisions based on their independent judgment and discretion. In other words, in exercising their duties, Plaintiffs Wooten and Hutcheson and misclassified aggrieved employees lacked any power to make any independent choice free from immediate supervision and with respect to matters of significance. Plaintiffs

Wooten and Hutcheson and misclassified aggrieved employees did not exercise the requisite discretion or independent judgment in the training or supervision of employees based on the constraints, direction and control imposed by Defendants. Plaintiffs Wooten and Hutcheson and misclassified aggrieved employees did not have the authority to hire, fire, or promote employees, determine their pay rates or benefits, or give raises, or otherwise make employment-related, personnel decisions. Consequently, Plaintiffs Wooten and Hutcheson and misclassified aggrieved employees did not have the authority to decide whether or not an employee should be disciplined for an infraction. Disciplinary decisions were made by other departments, or dictated by company policies. Overall, recommendations made by Plaintiffs Wooten and Hutcheson and misclassified aggrieved employees were given no weight on all the above issues. As a result, as Plaintiffs Wooten and Hutcheson and misclassified aggrieved employees were engaged in a type of work that required no exercise of independent judgment or discretion as to any matter of significance. Moreover, Plaintiffs Wooten and Hutcheson and misclassified aggrieved employees were engaged in a type of work unrelated to management policies.

By reason of this uniform exemption practice, policy and procedure applicable to Plaintiffs Wooten and Hutcheson, Defendants committed acts of unfair competition in violation of the California Unfair Competition law, Cal. Bus. & Prof. Code § 17200 (the "UCL"), by engaging in a company-wide policy, practice and procedure which failed to properly classify Plaintiffs Wooten and Hutcheson and misclassified aggrieved employees and thereby failed to pay them overtime wages for documented overtime hours worked. Additionally, Defendants failed to provide all the legally required off-duty meal and rest breaks to Plaintiffs and misclassified aggrieved employees, as required by the applicable Wage Order and Labor Code. As a result of its willful misclassification, Defendants did not have a practice of providing meal and rest breaks to Plaintiffs Wooten and Hutcheson and misclassified aggrieved employees. Defendants' failure to provide Plaintiffs Wooten and Hutcheson and misclassified aggrieved employees with legally required meal and rest breaks is evidenced by Defendants' business records which contain no record of these breaks

In violation of the applicable sections of the California Labor Code and the requirements of the Industrial Welfare Commission ("IWC") Wage Order, Defendants as a matter of company policy, practice, and procedure, intentionally, knowingly, and systematically failed to provide legally compliant meal and rest periods, failed to accurately compensate Plaintiffs and other Aggrieved Employees for missed meal and rest periods, failed to pay Plaintiffs and other Aggrieved Employees for all time worked, failed to compensate Plaintiffs and other Aggrieved Employees for off-the-clock work, failed to pay Plaintiffs and other Aggrieved Employees overtime at the correct regular rate of pay, failed to compensate Plaintiffs and other Aggrieved Employees meal and rest premiums at the regular rate of pay, failed to pay Plaintiffs and other Aggrieved Employees redeemed sick pay at the regular rate of pay, failed to reimburse Plaintiffs and other Aggrieved Employees for business expenses, and failed to issue to Plaintiffs and other Aggrieved Employees accurate itemized wage statements showing, among other things, all applicable hourly rates in effect during the pay periods and the corresponding amount of time worked at each hourly rate. Defendants' uniform policies and practices are intended to purposefully avoid the accurate and full payment for all time worked as required by California law which allows Defendants to illegally profit and gain an unfair advantage over competitors who comply with the law.

Meal Period Violations: Pursuant to the Industrial Welfare Commission Wage Orders, Defendants were required to pay Plaintiffs and the Aggrieved Employees for all their time worked, meaning

the time during which an employee is subject to the control of an employer, including all the time the employee is suffered or permitted to work. From time to time during the last year, Defendants required Plaintiffs and other Aggrieved Employees to work without paying them for all the time they were under Defendants' control. Specifically, Defendants required Plaintiffs to work while clocked out during what was supposed to be Plaintiffs' off-duty meal break. Indeed, there were many days where Plaintiffs did not even receive a partial lunch. As a result, Plaintiffs and other Aggrieved Employees forfeited minimum wage and overtime compensation by regularly working without their time being accurately recorded and without compensation at the applicable minimum wage and overtime rates. Defendants' uniform policy and practice not to pay Plaintiffs and other Aggrieved Employees for all time worked is evidenced by Defendants' business records.

During the last year, as a result of their rigorous work schedules and Defendants' inadequate staffing practices, Plaintiffs and other Aggrieved Employees were from time to time unable to take thirty (30) minute off duty meal breaks and were not fully relieved of duty for their meal periods. Plaintiffs and other Aggrieved Employees were required to perform work as ordered by Defendants for more than five (5) hours during some shifts without receiving a meal break. Further, Defendants failed to provide Plaintiffs and other Aggrieved Employees with a second off-duty meal period for some workdays in which these employees were required by Defendants to work ten (10) hours of work. The nature of the work performed by Plaintiffs and other Aggrieved Employees does not qualify for the limited and narrowly construed "on-duty" meal period exception. When they were provided with meal periods, Plaintiffs and other Aggrieved Employees were, from time to time, required to remain on duty and on call. Defendants' failure to provide Plaintiffs and other Aggrieved Employees with legally required meal breaks is evidenced by Defendants' business records. As a result of their rigorous work schedules and Defendants' inadequate staffing, Plaintiffs and other Aggrieved Employees therefore forfeited meal breaks without additional compensation and in accordance with Defendants' strict corporate policy and practice. For example, during the pay period of August 4, 2025 to August 17, 2025, Plaintiff Hutcheson's meal period was missed and Defendants failed to pay him a meal period premium.

Carlsbad Chocolate Bar Cafe LLC
- Chocolate Bar 2917 State Street 92009

Name James Hutcheson	Employee ID 1006	Pay Begin Date 08/04/2025	Paygroup BIWEEKLY
Address	SSN	Pay End Date 08/17/2025	Department 2917 State St
	Net Pay \$1,685.01	Check Date 08/22/2025	Location 2917 State St
	Fed Filing Status S,0	State Filing Status CA - S, 0	Job Title Staff Hourly
	Fed Add. Amount 0	State Add. Amount 0.00	Pay Rate \$19.00 / Hourly

Paycheck Summary

	Gross Earnings	Total Taxes	Total Deductions	Net Pay
Current	\$2,500.28	\$708.37	\$106.90	\$1,685.01
YTD	\$10,960.29	\$2,826.78	\$106.90	\$8,026.61

Earnings

Description	Amount	Worked Hours	Non-Worked Hours	Rate
OVERTIME	\$468.26	16.43		\$28.50
REGULAR	\$1,431.46	75.34		\$19.00
Tips Owed	\$600.56			\$0.00
TOTAL	\$2,500.28	91.77	0.00	

Further, during pay period of October 27, 2025 to November 9, 2025, Plaintiff Havemann's meal period was interrupted and Defendants failed to pay her a meal period premium.

Carlsbad Chocolate Bar Cafe LLC
- Chocolate Bar 2917 State Street 92009

Name Hannah Havemann	Employee ID 1077	Pay Begin Date 10/27/2025	Paygroup BIWEEKLY
Address	SSN	Pay End Date 11/09/2025	Department 2917 State St
	Net Pay \$246.58	Check Date 11/14/2025	Location 2917 State St
	Fed Filing Status S,0	State Filing Status CA - S, 0	Job Title Staff Hourly
	Fed Add. Amount 0	State Add. Amount 0.00	Pay Rate \$16.50 / Hourly

Paycheck Summary

	Gross Earnings	Total Taxes	Total Deductions	Net Pay
Current	\$270.52	\$23.94	\$0.00	\$246.58
YTD	\$3,975.40	\$536.63	\$0.00	\$3,438.77

Earnings

Description	Amount	Worked Hours	Non-Worked Hours	Rate
REGULAR	\$158.40	9.60		\$16.50
OVERTIME	\$0.00	0.00		\$24.75
Tips Owed	\$112.12			\$0.00
TOTAL	\$270.52	9.60	0.00	

Rest Period Violations: From time to time during the past year, Plaintiffs and other Aggrieved Employees were also required to work in excess of four (4) hours without being provided ten (10) minute rest periods as a result of their rigorous work requirements and Defendants' inadequate staffing. Further, for the same reasons, these employees were from time to time denied their first rest periods of at least ten (10) minutes for some shifts worked of at least two (2) to four (4) hours, from time to time denied a first and second rest period of at least ten (10) minutes for some shifts worked of between six (6) and eight (8) hours, and from time to time denied and a first, second and third rest period of at least ten (10) minutes for some shifts worked of ten (10) hours or more. When they were provided with rest breaks, Plaintiffs and other Aggrieved Employees were, from time to time, required to remain on premises, on duty and/or on call, and not fully relieved of all duties. Plaintiffs and other Aggrieved Employees were also not provided with one-hour wages in lieu thereof. As a result of their rigorous work schedules and Defendants' inadequate staffing, Plaintiffs and other Aggrieved Employees were from time to time denied their proper rest periods by Defendants and Defendants' managers. For example, during the pay period of August 4, 2025 to August 17, 2025, Plaintiff Hutcheson did not receive at least one rest period and Defendants failed to pay him any rest period premiums.

Carlsbad Chocolate Bar Cafe LLC
- Chocolate Bar 2917 State Street 92009

Name James Hutcheson	Employee ID 1006	Pay Begin Date 08/04/2025	Paygroup BIWEEKLY
Address	SSN	Pay End Date 08/17/2025	Department 2917 State St
	Net Pay \$1,885.01	Check Date 08/22/2025	Location 2917 State St
	Fed Filing Status S,0	State Filing Status CA - S, 0	Job Title Staff Hourly
	Fed Add. Amount 0	State Add. Amount 0.00	Pay Rate \$19.00 / Hourly

Paycheck Summary

	Gross Earnings	Total Taxes	Total Deductions	Net Pay
Current	\$2,500.28	\$708.37	\$106.90	\$1,885.01
YTD	\$10,960.29	\$2,826.78	\$106.90	\$8,026.61

Earnings

Description	Amount	Worked Hours	Non-Worked Hours	Rate
OVERTIME	\$468.26	16.43		\$28.50
REGULAR	\$1,431.46	75.34		\$19.00
Tips Owed	\$600.56			\$0.00
TOTAL	\$2,500.28	91.77	0.00	

Further, during pay period of October 27, 2025 to November 9, 2025, Plaintiff Havemann did not receive at least one rest period and Defendants failed to pay her any rest period premiums.

Carlsbad Chocolate Bar Cafe LLC
- Chocolate Bar 2917 State Street 92009

Name Hannah Havemann	Employee ID 1077	Pay Begin Date 10/27/2025	Paygroup BIWEEKLY
Address	SSN	Pay End Date 11/09/2025	Department 2917 State St
	Net Pay \$246.58	Check Date 11/14/2025	Location 2917 State St
	Fed Filing Status S,0	State Filing Status CA - S, 0	Job Title Staff Hourly
	Fed Add. Amount 0	State Add. Amount 0.00	Pay Rate \$16.50 / Hourly

Paycheck Summary

	Gross Earnings	Total Taxes	Total Deductions	Net Pay
Current	\$270.52	\$23.94	\$0.00	\$246.58
YTD	\$3,975.40	\$536.63	\$0.00	\$3,438.77

Earnings

Description	Amount	Worked Hours	Non-Worked Hours	Rate
REGULAR	\$158.40	9.60		\$16.50
OVERTIME	\$0.00	0.00		\$24.75
Tips Owed	\$112.12			\$0.00
TOTAL	\$270.52	9.60	0.00	

Unreimbursed Business Expenses: Defendants as a matter of corporate policy, practice, and procedure, intentionally, knowingly, and systematically failed to reimburse and indemnify the Plaintiffs and other Aggrieved Employees for required business expenses incurred by the Plaintiffs and other Aggrieved Employees in direct consequence of discharging their duties on behalf of Defendants. Under California Labor Code Section 2802, employers are required to indemnify employees for all expenses incurred in the course and scope of their employment. California Labor Code Section 2802 expressly states that "an employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer, even though

unlawful, unless the employee, at the time of obeying the directions, believed them to be unlawful.”

Within the last year, in the course of their employment, Defendants required Plaintiffs and other Aggrieved Employees to incur personal expenses as a result of and in furtherance of their job duties for the use of their personal cell phones, vehicles computers, and home internet. Specifically, Plaintiffs and other Aggrieved Employees were required to incur personal expenses for the use of their personal cell phones, vehicles computers, and home internet. However, Defendants unlawfully failed to reimburse Plaintiffs and other Aggrieved Employees for the personal expenses incurred for the use of their personal cell phones, vehicles computers, and home internet. As a result, in the course of their employment with Defendants, the Plaintiffs and other Aggrieved Employees incurred unreimbursed business expenses that included, but were not limited to, costs related to the personal expenses incurred for the use of their personal cell phones, vehicles computers, and home internet, all on behalf of and for the benefit of Defendants. For example, within the last year, Defendants failed to reimburse Plaintiffs for the use of their personal cell phones, vehicles, computers, and home internet.

Carlsbad Chocolate Bar Cafe LLC
- Chocolate Bar 2917 State Street 92009

Name Allison Wooten	Employee ID 1075	Pay Begin Date 11/24/2025	Paygroup BIWEEKLY
Address	SSN	Pay End Date 12/07/2025	Department 2917 State St
	Net Pay \$1,693.67	Check Date 12/12/2025	Location 2917 State St
	Fed Filing Status S,0	State Filing Status CA - S, 1	Job Title Staff Salary
	Fed Add. Amount 0	State Add. Amount 0.00	Pay Rate \$55,000.00 / Salary

Paycheck Summary

	Gross Earnings	Total Taxes	Total Deductions	Net Pay
Current	\$2,115.38	\$421.71	\$0.00	\$1,693.67
YTD	\$14,807.66	\$2,951.97	\$0.00	\$11,855.69

Earnings

Description	Amount	Worked Hours	Non-Worked Hours	Rate
SALARY	\$2,115.38	80.00		\$26.44
TOTAL	\$2,115.38	80.00	0.00	

Carlsbad Chocolate Bar Cafe LLC
- Chocolate Bar 2917 State Street 92009

Name Hannah Havemann	Employee ID 1077	Pay Begin Date 11/10/2025	Paygroup BIWEEKLY
Address	SSN	Pay End Date 11/23/2025	Department 2917 State St
	Net Pay \$465.45	Check Date 11/28/2025	Location 2917 State St
	Fed Filing Status S,0	State Filing Status CA - S, 0	Job Title Staff Hourly
	Fed Add. Amount 0	State Add. Amount 0.00	Pay Rate \$16.50 / Hourly

Paycheck Summary

	Gross Earnings	Total Taxes	Total Deductions	Net Pay
Current	\$510.64	\$45.19	\$0.00	\$465.45
YTD	\$4,486.04	\$581.82	\$0.00	\$3,904.22

Earnings

Description	Amount	Worked Hours	Non-Worked Hours	Rate
REGULAR	\$253.61	15.37		\$16.50
OVERTIME	\$0.00	0.00		\$24.75
Tips Owed	\$257.03			\$0.00
TOTAL	\$510.64	15.37	0.00	

Carlsbad Chocolate Bar Cafe LLC
- Chocolate Bar 2917 State Street 92009

Name James Hutcheson	Employee ID 1006	Pay Begin Date 09/29/2025	Paygroup BIWEEKLY
Address	SSN	Pay End Date 10/12/2025	Department 2917 State St
	Net Pay \$1,438.40	Check Date 10/17/2025	Location 2917 State St
	Fed Filing Status S,0	State Filing Status CA - S, 0	Job Title Management Salary
	Fed Add. Amount 0	State Add. Amount 0.00	Pay Rate \$50,000.00 / Salary

Paycheck Summary

	Gross Earnings	Total Taxes	Total Deductions	Net Pay
Current	\$1,923.08	\$484.68	\$0.00	\$1,438.40
YTD	\$10,145.52	\$4,950.09	\$106.90	\$14,088.53

Earnings

Description	Amount	Worked Hours	Non-Worked Hours	Rate
SALARY	\$1,923.08	80.00		\$24.04
REGULAR	\$0.00	0.00		\$24.04
Tips Owed	\$0.00			\$0.00
OVERTIME	\$0.00	0.00		\$36.06
TOTAL	\$1,923.08	80.00	0.00	

Wage Statement Violations: California Labor Code Section 226 requires an employer to furnish its employees and accurate itemized wage statement in writing showing (1) gross wages earned, (2) total hours worked, (3) the number of piece-rate units earned and any applicable piece-rate, (4) all deductions, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of the employee's social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. From time to time during the last year, when Plaintiffs and other Aggrieved Employees missed meal and rest breaks, or were paid inaccurately for missed meal and rest period premiums, or were not paid for all hours worked, Defendants also failed to provide Plaintiffs and other Aggrieved Employees with complete and accurate wage statements which failed to show, among

other things, all deductions, the total hours worked and all applicable hourly rates in effect during the pay period, and the corresponding amount of time worked at each hourly rate, correct rates of pay for penalty payments or missed meal and rest periods. Defendants also failed to provide Plaintiffs and other Aggrieved Employees with complete and accurate wage statements that included all required elements listed above.

As a result, Defendants issued Plaintiffs and other Aggrieved Employees with wage statements that violate California Labor Code Section 226. Further, Defendants' violations are knowing and intentional; they were not isolated due to an unintentional payroll error due to clerical or inadvertent mistake.

Off-the-Clock Work Resulting in Minimum Wage and Overtime Violations: During the last year, from time-to-time, Defendants failed and continue to fail to accurately pay Plaintiffs and other Aggrieved Employees for all hours worked. During the last year, from time-to-time Defendants required Plaintiffs and other Aggrieved Employees to perform pre-shift or post-shift work including but not limited to sending and receiving work-related communications, serving DEFENDANTS' customers, and performing administrative duties. This resulted in Plaintiffs and other Aggrieved Employees having to work while off-the-clock. Defendants directly benefited from the undercompensated off-the-clock work performed by Plaintiffs and other Aggrieved Employees. Defendants controlled the work schedules, duties, and protocols, applications, assignments, and employment conditions of Plaintiffs and other Aggrieved Employees.

Defendants were able to track the amount of time Plaintiffs and other Aggrieved Employees spent working; however, Defendants failed to document, track, or pay Plaintiffs and other Aggrieved Employees all wages earned and owed for all the work they performed. Plaintiffs and other Aggrieved Employees were non-exempt employees, subject to the requirements of the California Labor Code. Defendants' policies and practices deprived Plaintiffs and other Aggrieved Employees of all minimum regular, overtime, and double time wages owed for the off-the-clock work activities. Because Plaintiffs and other Aggrieved Employees typically worked over forty (40) hours in a workweek, and more than eight (8) hours per day, Defendants' policies and practices also deprived them of overtime pay.

Defendants knew or should have known that Plaintiffs' and other Aggrieved Employees' off-the-clock work was compensable under the law. As a result, Plaintiffs and other Aggrieved Employees forfeited wages due to them for all hours worked at Defendants' direction, control, and benefit for the time spent working while off-the-clock, including but not limited to, undergoing pre-shift and post-shift work. Defendants' uniform policy and practice to not pay Plaintiffs and other Aggrieved Employees wages for all hours worked in accordance with applicable law is evidenced by Defendants' business records.

Regular Rate Violation – Overtime, Double Time, Meal and Rest Period Premiums, and Redeemed Sick Pay: From time to time during the last year, Defendants failed and continue to fail to accurately calculate and pay Plaintiffs and other Aggrieved Employees for their overtime and double time hours worked, meal and rest period premiums, and redeemed sick pay. As a result, Plaintiffs and other Aggrieved Employees forfeited wages due to them for working overtime without compensation at the correct overtime and double time rates, meal and rest period premiums, and redeemed sick pay rates. Defendants' uniform policy and practice not to pay Plaintiffs and other Aggrieved Employees at the correct rate for all overtime and double time

worked, meal and rest period premiums, and sick pay in accordance with applicable law is evidenced by Defendants' business records.

State law provides that employees must be paid overtime at one-and-one-half times their "regular rate of pay." Plaintiffs and other Aggrieved Employees were compensated at an hourly rate plus incentive pay that was tied to specific elements of an employee's performance. The second component of Plaintiffs' and other Aggrieved Employees' compensation was Defendants' non-discretionary incentive program that paid Plaintiffs and other Aggrieved Employees incentive wages based on their performance for Defendants. The non-discretionary bonus program provided all employees paid on an hourly basis with bonus compensation when the employees met the various performance goals set by Defendants. However, from time to time, when calculating the regular rate of pay in those pay periods where Plaintiffs and other Aggrieved Employees worked overtime, double time, paid meal and rest period premium payments, and/or redeemed sick pay, and earned non-discretionary bonuses, Defendants failed to accurately include the non-discretionary bonus compensation as part of the employee's "regular rate of pay" and/or calculated all hours worked rather than just all non-overtime hours worked. Management and supervisors described the incentive/bonus program to potential and new employees as part of the compensation package. As a matter of law, the incentive compensation received by Plaintiffs and other Aggrieved Employees must be included in the "regular rate of pay." The failure to do so has resulted in a systematic underpayment of overtime and double time compensation, meal and rest period premium payments, and redeemed sick pay to Plaintiffs and other Aggrieved Employees by Defendants.

Specifically, California Labor Code Section 246 mandates that paid sick time for non-exempt employees shall be calculated in the same manner as the regular rate of pay for the workweek in which the non-exempt employee uses paid sick time, whether or not the employee actually works overtime in that workweek. Defendants' conduct, as articulated herein, by failing to include the incentive compensation as part of the "regular rate of pay" for purposes of sick pay compensation was in violation of California Labor Code Section 246 the underpayment of which is recoverable under California Labor Code Sections 201, 202, 203, and/or 204.

In violation of the applicable sections of the California Labor Code and the requirements of the Industrial Welfare Commission ("IWC") Wage Order, Defendants as a matter of company policy, practice, and procedure, intentionally and knowingly failed to compensate Plaintiffs and other Aggrieved Employees at the correct rate of pay for all overtime and double time worked, meal and rest period premiums, and redeemed sick pay as required by California law which allowed Defendants to illegally profit and gain an unfair advantage over competitors who complied with the law.

Unlawful Deductions: During the last year, Defendants, from time-to-time, unlawfully deducted wages from Plaintiffs and Aggrieved Employees' pay without explanations and without authorization to do so or notice to Plaintiffs and the Aggrieved Employees. As a result, Defendants violated Labor Code Section 221.

Timekeeping Manipulation: During the last year, Defendants, from time-to-time, did not have an immutable timekeeping system to accurately record and pay Plaintiffs and other Aggrieved Employees for the actual time Plaintiffs and other Aggrieved Employees worked each day, including regular time, overtime hours, sick pay, meal and rest breaks. As a result, Defendants

were able to and did in fact, unlawfully, and unilaterally alter the time recorded in Defendants' timekeeping system for Plaintiffs and other Aggrieved Employees in order to avoid paying these employees for all hours worked, applicable overtime compensation, applicable sick pay, missed meal breaks and missed rest breaks. As a result, Plaintiffs and other Aggrieved Employees, from time-to-time, forfeited time worked by working without their time being accurately recorded and without compensation at the applicable pay rates.

The mutability of the timekeeping system also allowed Defendants to alter employee time records by recording fictitious thirty (30) minute meal breaks in Defendants' timekeeping system so as to create the appearance that Plaintiffs and other Aggrieved Employees clocked out for thirty (30) minute meal breaks when in fact the employees were not at all times provided an off-duty meal break. This practice is a direct result of Defendants' uniform policy and practice of denying employees uninterrupted thirty (30) minute off-duty meal breaks each day or otherwise compensating them for missed meal breaks. As a result, Plaintiffs and other Aggrieved Employees forfeited wages due to them for all hours worked at Defendants' direction, control and benefit for the time the timekeeping system was inoperable. Defendants' uniform policy and practice to not pay Plaintiffs and the Aggrieved Employees wages for all hours worked in accordance with applicable law is evidenced by Defendants' business records.

Unlawful Rounding Practices: During the last year, Defendants did not have in place an immutable timekeeping system to accurately record and pay Plaintiffs and other Aggrieved Employees for the actual time these employees worked each day, including overtime hours. Specifically, Defendants had in place an unlawful rounding policy and practice that resulted in Plaintiffs and the Aggrieved Employees being undercompensated for all of their time worked. As a result, Defendants were able to and did in fact unlawfully and unilaterally round the time recorded in Defendants' timekeeping system for Plaintiffs and the Aggrieved Employees in order to avoid paying these employees for all their time worked, including the applicable overtime compensation for overtime worked. As a result, Plaintiffs and other Aggrieved Employees, from time to time, forfeited compensation for their time worked by working without their time being accurately recorded and without compensation at the applicable overtime rates.

Further, the mutability of Defendants' timekeeping system and unlawful rounding policy and practice resulted in Plaintiffs' and the Aggrieved Employees' time being inaccurately recorded. As a result, from time to time, Defendants' unlawful rounding policy and practice caused Plaintiffs and other Aggrieved Employees to perform work as ordered by Defendants for more than five (5) hours during a shift without receiving an off-duty meal break.

Untimely Payment of Wages: Pursuant to California Labor Code Section 204, Plaintiffs and the Aggrieved Employees were entitled to timely payment of wages during their employment. Plaintiffs and the Aggrieved Employees, from time to time, did not receive payment of all wages, including, but not limited to, overtime wages, minimum wages, meal period premium wages, and rest period premium wages within the permissible time period. Pursuant to California Labor Code Section 201, "If an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately." Pursuant to California Labor Code Section 202, if an employee quits his or her employment, "his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting." Plaintiffs and the Aggrieved Employees were, from time to time, not timely provided the wages

earned and unpaid at the time of their discharge and/or at the time of quitting, in violation of California Labor Code Sections 201 and 202. To date, Defendants have not fully paid Plaintiffs the minimum, overtime and double time compensation still owed to them or any penalty wages owed to them under California Labor Code Section 203.

Reporting Time Violations: Further, Defendants from time to time required Plaintiffs and other Aggrieved Employees to report to work, but were furnished less than half their scheduled shift's worth of work and were not paid reporting time pay as required by Cal. Code Regs., tit. 8 § 11040, subdivision(A). Specifically, Subdivision 5(A) states, "(A) Each workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay, which shall not be less than the minimum wage." In addition, when Defendants required Plaintiffs and other Aggrieved Employees to engage in additional work, this sometimes resulted in a second reporting for work in a single workday. In such a circumstance of a second reporting for work in a single workday, Defendants failed to pay these employees reporting time pay as required by Cal. Code Regs., tit. 8 § 11040. Subdivision 5(B) states: "If an employee is required to report for work a second time in any one workday and is furnished less than two (2) hours of work on the second reporting, said employee shall be paid for two (2) hours at the employee's regular rate of pay, which shall be not less than the minimum wage." Cal. Code Regs., tit. 8 § 11040, subd. 5(B).

Sick Pay Violations: California Labor Code Section 246 (a)(1) mandates that "An employee who, on or after July 1, 2015, works in California for the same employer for 30 or more days within a year from the commencement of employment is entitled to paid sick days as specified in this section." Further, California Labor Code Sections 246(b)-(d) provide for the sick day accrual requirements. From time to time, including within the last year, Defendants failed to have a policy or practice in place that provided Plaintiffs and other Aggrieved Employees with sick days and/or paid sick leave. As of January 1, 2024, Defendants failed to adhere to the law in that they failed to provide and allow employees to use at least 40 hours or five days of paid sick leave per year. California Labor Code Section 246(i) requires an employer to furnish its employees with written wage statements setting forth the amount of paid sick leave available. From time to time, including within the last year, Defendants violated California Labor Code Section 246 by failing to furnish Plaintiffs and other Aggrieved Employees with wage statements setting forth the amount of paid sick leave available.

Tip Pooling: During the last year, from time-to-time, Plaintiffs and other Aggrieved Employees were forced to forfeit gratuities left for them by customers to Defendants' agents who provided no service to the customers that resulted in the gratuity. Plaintiffs and other Aggrieved Employees were in the "chain of service" and earned gratuities based on their service for their customers. However, Plaintiffs and other Aggrieved Employees were forced to forfeit portions of their gratuities, which said gratuities were kept by Defendants' employees who were not in the chain of service from which the gratuity resulted. Plaintiffs and other Aggrieved Employees contend that any gratuities kept by Defendants' non-service employees were illegal and in violation of California law because Plaintiffs and other Aggrieved Employees provided the service for to whom the gratuity should have been paid.

California Labor Code Section 351 establishes the requirements for an employer regarding the

payment of gratuities. Specifically, gratuities are the sole property of the employees. California Labor Code Section 351 expressly prohibits employers and their agents from collecting, taking, or receiving any portion of a gratuity. California Labor Code § 350(e) defines the term “gratuity” as including any money that has been paid or given or left for an employee by a patron of a business over and above the actual amount due the business for services rendered or for goods, food, drink or articles sold or served to such patron. Labor Code § 353 requires employers to keep accurate records of all gratuities they receive, directly or indirectly.

Although tip pooling is not expressly prohibited by the Labor Code, employees who mandate tip pooling must only distribute pooled tips to employees in the “chain of service.” By distributing tips to employees who were not in the “chain of service,” Defendants have violated and continue to violate the legal requirements for handling pooled tips.

Personnel File Violations: On January 16, 2026, February 6, 2026, and March 18, 2026, Plaintiffs caused written requests via certified mail to be delivered to Defendants for Plaintiffs’ personnel and employment records, including but not limited to: (1) payroll records; (2) employment contracts; (3) itemized pay stubs; (4) time records; and (5) Plaintiff’s complete employment file. Defendants failed to provide and/or make available to Plaintiffs and other Aggrieved Employees their personnel records, payroll records, employment contract, and entire employment file within thirty (30) days of their requests stated above. In fact, as of the date of filing of this notice, Defendants have still failed to pay Plaintiffs the statutory penalty in the amount of \$750. Defendants violated California Labor Code Sections 226, 432 1198.5 and the applicable IWC Wage Orders by failing to respond and provide Plaintiffs with their employment file. Section 226 requires employers to make payroll records available to employees upon reasonable request. Section 432 entitles employees to receive copies of any signed documents relating to the obtaining or holding of employment. Section 1198.5 states that employees (and former employees) have the right to inspect personnel records maintained by the employer “related to the employee’s performance or to any grievance concerning the employee.” Employers must allow inspection or copying within thirty (30) days of the request.

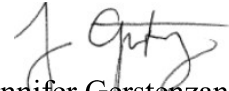
Defendants also include DOES 1-50, the true names and capacities, whether individual, corporate, subsidiary, partnership, associate or otherwise, are presently unknown to Plaintiffs who therefore sue these Defendants by such fictitious names. To the extent that entities and/or individuals are named and charged with violations of the Labor Code—making them liable on an individual basis as permitted by numerous Labor Code Sections including, but not limited to 558, 558.1, and 1197.1—Plaintiffs reserve any and all rights to add, substitute, or change the name of employer entities and/or individuals, including DOES 1-50, responsible for the violations at issue.

Any further amendments and changes to this notice shall relate back to the date of this notice. Consequently, Defendants are on notice that Plaintiffs continues their investigation, with the full intent to amend and/or change this notice, to add any undiscovered violations of any of the provisions of the California Labor Code—to the extent that are applicable to this case—and to change and/or add the identities of any entities and/or individuals responsible for the violations contained herein.

This notice is provided in compliance with California Labor Code Section 2699.3, *et seq.*

If you have any questions or concerns, please do not hesitate to contact me at the above number and address.

Sincerely,

A handwritten signature in black ink, appearing to read 'J Gerstenzang', with a stylized flourish extending from the end.

Jennifer Gerstenzang, Esq.

Attorney for Plaintiffs