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COUNTY OF SUTTER
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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SUTTER

IRAM ALVAREZ, individually, and on behalf of other members of the general public similarly situated, and as an aggrieved employee pursuant to Private Attorneys General Act ("PAGA"),

Plaintiff,

vs.

GNC HOLDINGS LLC, a California limited liability company; GNC LIVE WELL LLC, a Delaware limited liability company; and DOES 1 through 10, inclusive,

Defendants.

Case No.: CVCS26-0000834

FIRST AMENDED CLASS ACTION COMPLAINT & ENFORCEMENT ACTION UNDER THE PRIVATE ATTORNEYS GENERAL ACT, CALIFORNIA LABOR CODE §§ 2698, *ET SEQ.*

(1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime);
(2) Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 (Unpaid Minimum Wages);
(3) Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198 (Failure to Provide Meal Periods);
(4) Violation of California Labor Code §§ 226.7, 516, and 1198 (Failure to Authorize and Permit Rest Periods);
(5) Violation of California Labor Code §§ 226(a), 1174(d), and 1198 (Non-Compliant Wage Statements and Failure to Maintain Payroll Records);
(6) Violation of California Labor Code §§ 201 and 202 (Wages Not Timely Paid Upon Termination);
(7) Violation of California Labor Code §§ 204 (Failure to Timely Pay Wages During Employment);
(8) Violation of California Labor Code § 2802 (Unreimbursed Business Expenses);
(9) Civil Penalties for Violations of California Labor Code, Pursuant to PAGA, §§ 2698, *et seq.*;

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(10) Violation of California Business & Professions Code §§ 17200, *et seq*. (Unlawful Business Practices); and
(11) Violation of California Business & Professions Code §§ 17200, *et seq*. (Unfair Business Practices)

Jury Trial Demanded

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Plaintiff Iram Alvarez, individually and on behalf of all other members of the public similarly situated, and as an aggrieved employee and on behalf of all aggrieved employees, alleges as follows:

JURISDICTION AND VENUE

1. This class action is brought pursuant to California Code of Civil Procedure section 382 and California Labor Code sections 2698, *et seq.* ("PAGA") to recover civil penalties and any other available relief on behalf of Plaintiff, the State of California, and other current and former employees who worked for Defendants in California as non-exempt, hourly paid employees and received at least one wage statement and against whom one or more violations of any provision in Division 2 Part 2 Chapter 1 of the Labor Code or any provision regulating hours and days of work in the applicable Industrial Welfare Commission ("IWC") Wage Order were committed, as set forth in this complaint. The monetary damages, penalties, and restitution sought by Plaintiff exceeds the minimal jurisdiction limits of the Superior Court and will be established according to proof at trial. This Court has jurisdiction over this action pursuant to the California Constitution, Article VI, section 10. The statutes under which this action is brought do not specify any other basis for jurisdiction. Plaintiff's share of damages, penalties, and other relief sought in this action do not exceed $75,000.

2. This Court has jurisdiction over Defendants because Defendants are either citizens of California, have sufficient minimum contacts in California, or otherwise intentionally avail themselves of the California market so as to render the exercise of jurisdiction over them by the California courts consistent with traditional notions of fair play and substantial justice. There is no basis for federal diversity jurisdiction in this action because there is no complete diversity, and this case falls within the statutory exceptions to "minimal diversity" jurisdiction under the Class Action Fairness Act, 28 U.S.C. § 1332(d)(4). Upon information and belief, two-thirds or more of the class members and Defendants are citizens of California and/or (a) two-thirds of the class members and Defendants are citizens of California; (b) the alleged wage and hour violations occurred in California; (c) significant relief is being sought against Defendants whose violations of California wage and hour laws

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form a significant basis for Plaintiff's claims; and (d) no other class action has been filed within the past three (3) years on behalf of the same proposed class against Defendants asserting the same or similar factual allegations.

3. Venue in this Court because Defendants employ persons in this county, and employed Plaintiff in this county, and thus a substantial portion of the transactions and occurrences related to this action occurred in this county.

THE PARTIES

4. Plaintiff Iram Alvarez is a resident of Yuba City, in Sutter County, California. Defendants employed Plaintiff as an hourly paid, non-exempt employee from approximately February 2025 to November 2025. Plaintiff worked as a Store Manager for Defendants at their retail location in Yuba City (1215 Colusa Avenue C-311, Yuba City, California 95991). During his employment, Plaintiff typically worked eight (8) hours or more per day, and five (5) days per week. Plaintiff's primary job duties included, without limitation, conducting inventory, training employees on sales practices, and making sales.

5. GNC HOLDINGS LLC was and is, upon information and belief, a California limited liability company, and at all times hereinafter mentioned, an employer whose employees are engaged throughout this county and the State of California.

6. GNC LIVE WELL LLC was and is, upon information and belief, a Delaware limited liability company, and at all times hereinafter mentioned, an employer whose employees are engaged throughout this county and the State of California.

7. Plaintiff is unaware of the true names or capacities of the Defendants sued herein under the fictitious names DOES 1 through 10, but will seek leave of this Court to amend the complaint and serve such fictitiously named Defendants once their names and capacities become known.

8. Plaintiff is informed and believes, and thereon alleges, that DOES 1 through 10 were the partners, agents, owners, or managers of Defendants at all relevant times.

9. Plaintiff is informed and believes, and thereon alleges, that each and all of the acts and omissions alleged herein was performed by, or is attributable to, GNC HOLDINGS

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LLC; GNC LIVE WELL LLC; and/or DOES 1 through 10 (collectively, "Defendants" or "GNC"), each acting as the agent, employee, alter ego, and/or joint venturer of, or working in concert with, each of the other co-Defendants and was acting within the course and scope of such agency, employment, joint venture, or concerted activity with legal authority to act on the others' behalf. The acts of any and all Defendants were in accordance with, and represent, the official policy of Defendants.

10. At all relevant times, Defendants, and each of them, ratified each and every act or omission complained of herein. At all relevant times, Defendants, and each of them, aided and abetted the acts and omissions of each and all the other Defendants in proximately causing the damages herein alleged.

11. Plaintiff is informed and believes, and thereon alleges, that each of said Defendants is in some manner intentionally, negligently, or otherwise responsible for the acts, omissions, occurrences, and transactions alleged herein.

12. Under California law, Defendants are jointly and severally liable as employers for the violations alleged herein because they have each exercised sufficient control over the wages, hours, working conditions, and employment status of Plaintiff and class members. Each Defendant had the power to hire and fire Plaintiff and class members, supervised and controlled their work schedule and/or conditions of employment, determined their rate of pay, and maintained their employment records. Defendants suffered or permitted Plaintiff and class members to work and/or "engaged" Plaintiff and class members so as to create a common-law employment relationship. As joint employers of Plaintiff and class members, Defendants are jointly and severally liable for the civil penalties and all other relief available to Plaintiff and class members under the law.

13. Plaintiff is informed and believes, and thereon alleges, that at all relevant times, Defendants, and each of them, have acted as joint employers with respect to Plaintiff and class members because Defendants have:

(a) jointly exercised meaningful control over the work performed by Plaintiff and class members;

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(b) jointly exercised meaningful control over Plaintiff's and class members' wages, hours, and working conditions, including the quantity, quality standards, speed, scheduling, and operative details of the tasks performed by Plaintiff and class members;

(c) jointly required that Plaintiff and class members perform work which is an integral part of Defendants' businesses; and

(d) jointly exercised control over Plaintiff and class members as a matter of economic reality in that Plaintiff and class members were dependent on Defendants, who shared the power to set the wages of Plaintiff and class members and determined their working conditions, and who jointly reaped the benefits from the underpayment of their wages and noncompliance with other statutory provisions governing their employment.

14. Plaintiff is informed and believes, and thereon alleges, that at all relevant times there has existed a unity of interest and ownership between Defendants such that any individuality and separateness between the entities has ceased.

15. GNC HOLDINGS LLC; GNC LIVE WELL LLC; and DOES 1 through 10 are therefore alter egos of each other.

16. Adherence to the fiction of the separate existence of Defendants would permit an abuse of the corporate privilege, and would promote injustice by protecting Defendants from liability for the wrongful acts committed by them under the name GNC.

17. Plaintiff further alleges, upon information and belief, that Defendants GNC HOLDINGS LLC and GNC LIVE WELL LLC are alter egos of each other for the following reasons:

(a) According to Statement of Information forms filed with the California Secretary of State, GNC HOLDINGS LLC and GNC LIVE WELL LLC share the same manager and/or member, including, but not limited to, ZT Biopharmaceutical LLC;

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(b) On the California Secretary of State's website (https://bizfileonline.sos.ca.gov), GNC HOLDINGS LLC and GNC LIVE WELL LLC share the same agent for service of process, C T CORPORATION SYSTEM; and

(c) On information and belief, GNC HOLDINGS LLC and GNC LIVE WELL LLC utilize the same standardized employment forms and issue the same employment policies.

GENERAL ALLEGATIONS

18. Defendants are a retail and manufacturing company and specialize in health and nutrition related products. Upon information and belief, Defendants maintain a single, centralized Human Resources ("HR") department at their company headquarters in Pittsburgh, Pennsylvania, which is responsible for the recruiting and hiring of new employees, and communicating and implementing Defendants' company-wide policies, including timekeeping policies and meal and rest period policies, to employees throughout California.

19. In particular, Plaintiff and class members, on information and belief, received the same standardized documents and/or written policies. Upon information and belief, the usage of standardized documents and/or written policies, including new-hire documents, indicate that Defendants dictated policies at the corporate level and implemented them company-wide, regardless of their employees' assigned locations or positions. Upon information and belief, Defendants set forth uniform policies and procedures in several documents provided at an employee's time of hire.

20. Upon information and belief, Defendants maintain a centralized Payroll department at their company headquarters in Pittsburgh, Pennsylvania, which processes payroll for all non-exempt, hourly paid employees working for Defendants at their various locations in California, including Plaintiff and class members. Based upon information and belief, Defendants issue the same formatted wage statements to all non-exempt, hourly paid employees in California, irrespective of their work locations. Upon information and belief, Defendants process payroll for departing employees in the same manner throughout the State

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of California, regardless of the manner in which each employee's employment ends.

21. Defendants continue to employ non-exempt or hourly paid employees in California.

22. Plaintiff is informed and believes, and thereon alleges, that at all times herein mentioned, Defendants were advised by skilled lawyers and other professionals, employees and advisors knowledgeable about California labor and wage law, employment and personnel practices, and about the requirements of California law.

23. Plaintiff is informed and believes, and thereon alleges, that Plaintiff and class members were not paid for all hours worked because all hours worked were not recorded.

24. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should have known that Plaintiff and class members were entitled to receive certain wages for overtime compensation and that they were not receiving certain wages for overtime compensation.

25. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should have known that Plaintiff and class members were entitled to receive at least minimum wages for compensation and that they were not receiving at least minimum wages for work that was required to be done off-the-clock. In violation of the California Labor Code, Plaintiff and class members were not paid at least minimum wages for work done off-the-clock.

26. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should have known that Plaintiff and class members were entitled to meal periods in accordance with the California Labor Code and applicable IWC Wage Order or payment of one (1) additional hour of pay at their regular rates of pay when they were not provided with timely, uninterrupted, thirty (30) minute meal periods and that Plaintiff and class members were not provided with all meal periods or payment of one (1) additional hour of pay at their regular rates of pay when they did not receive a timely, uninterrupted, thirty (30) minute meal period.

27. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should have known that Plaintiff and class members were entitled to rest periods in

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accordance with the California Labor Code and applicable IWC Wage Order or payment of one (1) additional hour of pay at their regular rates of pay when they were not authorized and permitted to take a compliant rest period and that Plaintiff and class members were not authorized and permitted to take compliant rest periods or provided with payment of one (1) additional hour of pay at their regular rates of pay when they were not authorized and permitted to take a compliant rest period.

28. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should have known that Plaintiff and Subclass members were entitled to receive complete and accurate wage statements in accordance with California law. In violation of the California Labor Code, Plaintiff and Subclass members were not provided complete and accurate wage statements.

29. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should have known that they had a duty to maintain accurate and complete payroll records in accordance with the California Labor Code and applicable IWC Wage Order, but willfully, knowingly, and intentionally failed to do so.

30. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should have known that Plaintiff and class members were entitled to timely payment of all wages earned upon termination of employment. In violation of the California Labor Code, Plaintiff and class members did not receive payment of all wages due, including, but not limited to, overtime wages, minimum wages, and/or meal and rest period premiums, within permissible time periods.

31. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should have known that Plaintiff and class members were entitled to timely payment of wages during their employment. In violation of the California Labor Code, Plaintiff and class members did not receive payment of all wages, including, but not limited to, overtime wages, minimum wages, and/or meal and rest period premiums, within permissible time periods.

32. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should have known that they were prohibited from issuing instruments for the payment of

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wages that were not payable in cash, on demand, and with authorization, but did so, in violation of the California Labor Code.

33. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should have known that Plaintiff and class members were entitled to receive full reimbursement for all business-related expenses and costs they incurred during the course and scope of their employment and that they did not receive full reimbursement of applicable business-related expenses and costs incurred.

34. Plaintiff is informed and believes, and thereon alleges, that at all times herein mentioned, Defendants knew or should have known that they had a duty to compensate Plaintiff and class members for all hours worked, and that Defendants had the financial ability to pay such compensation, but willfully, knowingly, and intentionally failed to do so, and falsely represented to Plaintiff and class members that they were properly denied wages, all in order to increase Defendants' profits.

PAGA REPRESENTATIVE ALLEGATIONS

35. At all times herein set forth, PAGA provides that any provision of law under the Labor Code and applicable IWC Wage Order that provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency ("LWDA") for violations of the California Labor Code and applicable IWC Wage Order may, as an alternative, be recovered by aggrieved employees in a civil action brought on behalf of themselves and other current or former employees pursuant to procedures outlined in California Labor Code section 2699.3.

36. PAGA defines an "aggrieved employee" in Labor Code section 2699(c)(1) as "any person who was employed by the alleged violator and personally suffered each of the violations alleged."

37. Plaintiff and other current and former employees of Defendants are "aggrieved employees" as defined by Labor Code section 2699(c)(1) in that they are all Defendants' current or former employees and each of the alleged violations were committed against them.

38. Pursuant to California Labor Code sections 2699.3 and 2699.5, an aggrieved

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employee, including Plaintiff, may pursue a civil action arising under PAGA after the following requirements have been met:

(a) The aggrieved employee or representative shall give written notice by online filing with the LWDA and by certified mail to the employer of the specific provisions of the California Labor Code alleged to have been violated, including the facts and theories to support the alleged violation.

(b) An aggrieved employee's notice filed with the LWDA pursuant to 2699.3(a) and any employer response to that notice shall be accompanied by a filing fee of seventy-five dollars ($75).

(c) The LWDA shall notify the employer and the aggrieved employee or representative by certified mail that it does not intend to investigate the alleged violation ("LWDA Notice") within sixty (60) calendar days of the postmark date of the aggrieved employee's notice. Upon receipt of the LWDA Notice, or if no LWDA Notice is provided within sixty-five (65) calendar days of the postmark date of the aggrieved employee's notice, the aggrieved employee may commence a civil action pursuant to California Labor Code section 2699 to recover civil penalties.

39. Pursuant to California Labor Code sections 2699.3(c), aggrieved employees, through Plaintiff, may pursue a civil action arising under PAGA for violations of any provision other than those listed in Section 2699.5 after the following requirements have been met:

(a) The aggrieved employee or representative shall give written notice by online filing with the LWDA and by certified mail to the employer of the specific provisions of the California Labor Code alleged to have been violated (other than those listed in Section 2699.5), including the facts and theories to support the alleged violation.

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(b) An aggrieved employee's notice filed with the LWDA pursuant to 2699.3(c) and any employer response to that notice shall be accompanied by a filing fee of seventy-five dollars ($75).

(c) The employer may cure the alleged violation within thirty-three (33) calendar days of the postmark date of the notice sent by the aggrieved employee or representative. The employer shall give written notice within that period of time by certified mail to the aggrieved employee or representative and by online filing with the LWDA if the alleged violation is cured, including a description of actions taken, and no civil action pursuant to Section 2699 may commence. If the alleged violation is not cured within the 33-day period, the aggrieved employee may commence a civil action pursuant to Section 2699.

40. On April 2, 2026, Plaintiff provided written notice by online filing to the LWDA and by Certified Mail to Defendants of the specific provisions of the California Labor Code alleged to have been violated, including facts and theories to support the alleged violations, in accordance with California Labor Code section 2699.3. Plaintiff's written notice was accompanied with the applicable filing fee of seventy-five dollars ($75). The LWDA PAGA Administrator confirmed receipt of Plaintiff's written notice and assigned Plaintiff PAGA Case Number LWDA-CM-1167957-26. A true and correct copy of Plaintiff's written notice to the LWDA and Defendants dated April 2, 2026, is attached hereto as "Exhibit 1".

41. As of the filing date of this amended complaint, over 65 days have passed since Plaintiff sent the notice described above to the LWDA, and the LWDA has not responded that it intends to investigate Plaintiff's claims and Defendants have not cured the violations.

42. Thus, Plaintiff has satisfied the administrative prerequisites under California Labor Code sections 2699.3(a) and 2699.3(c) to recover civil penalties against Defendants for violations of California Labor Code sections 201, 202, 204, 212, 213, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2802.

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43. Labor Code section 558(a) provides "[a]ny employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars ($50) for each underpaid employee for each pay period for which the employee was underpaid . . . . (2) For each subsequent violation, one hundred dollars ($100) for each underpaid employee for each pay period for which the employee was underpaid . . . ." Labor Code section 558(c) provides "[t]he civil penalties provided for in this section are in addition to any other civil or criminal penalty provided by law."

44. Defendants, at all times relevant to this complaint, were employers or persons acting on behalf of an employer(s) who violated Plaintiff's and other aggrieved employees' rights by violating various sections of the California Labor Code as set forth above.

45. As set forth below, Defendants have violated numerous provisions of both the Labor Code sections regulating hours and days of work as well as the applicable IWC Wage Order.

46. Pursuant to PAGA, and in particular, California Labor Code sections 1194.5, 2699(a), 2699(k), 2699.3(a), 2699.3(c), 2699.5, and section 558, Plaintiff, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties and injunctive relief for himself, all other aggrieved employees, and the State of California against Defendants for violations of California Labor Code sections 201, 202, 204, 212, 213, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2802.

CLASS ACTION ALLEGATIONS

47. Plaintiff brings this action on his own behalf, as well as on behalf of each and all other persons similarly situated, and thus seeks class certification under California Code of Civil Procedure section 382.

48. All claims alleged herein arise under California law for which Plaintiff seeks relief authorized by California law.

49. Plaintiff's proposed class consists of and is defined as follows:

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> All persons who worked for Defendants as non-exempt, hourly paid employees in California, at any time from June 25, 2025, until the date of trial ("Class").

50. Plaintiff's proposed subclass consists of and is defined as follows:

> All persons who worked for Defendants as non-exempt, hourly paid employees in California and who received at least one wage statement within one (1) year prior to the filing of the initial complaint until the date of trial ("Subclass").

51. Members of the Class and Subclass are referred to herein as "class members."

52. Plaintiff reserves the right to redefine the Class and Subclass and to add additional subclasses as appropriate based on further investigation, discovery, and specific theories of liability.

53. There are common questions of law and fact as to class members that predominate over questions affecting only individual members, including, but not limited to:

(a) Whether Defendants required Plaintiff and class members to work over eight (8) hours per day, over twelve (12) hours per day, or over forty (40) hours per week and failed to pay all legally required overtime compensation to Plaintiff and class members;

(b) Whether Defendants failed to pay Plaintiff and class members at least minimum wages for all hours worked;

(c) Whether Defendants failed to provide Plaintiff and class members meal periods;

(d) Whether Defendants failed to authorize and permit Plaintiff and class members to take rest periods;

(e) Whether Defendants provided Plaintiff and class members with complete and accurate wage statements as required by California Labor Code section 226(a);

(f) Whether Defendants maintained accurate payroll records as required by California Labor Code section 1174(d);

(g) Whether Defendants failed to pay earned overtime wages, minimum

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wages, and/or meal and rest period premiums, due to Plaintiff and class members upon their discharge;

(h) Whether Defendants failed to timely pay overtime wages, minimum wages, and/or meal and rest period premiums, to Plaintiff and class members during their employment;

(i) Whether Defendants issued instruments for the payment of wages that were not payable in cash, on demand, and with prior authorization, in violation of California Labor Code sections 212 and 213;

(j) Whether Defendants failed to reimburse Plaintiff and class members for necessary and required business-related expenditures and/or losses incurred by them in the scope of their employment;

(k) Whether Defendants engaged in unlawful and unfair business practices in violation of California Business & Professions Code sections 17200, *et seq.*; and

(l) The appropriate amount of damages, restitution, or monetary penalties resulting from Defendants' violations of California law.

54. There is a well-defined community of interest in the litigation and the class members are readily ascertainable:

(a) Numerosity: The class members are so numerous that joinder of all members would be unfeasible and impractical. The membership of the entire class is unknown to Plaintiff at this time; however, the class is estimated to be greater than one hundred (100) individuals and the identity of such membership is readily ascertainable by inspection of Defendants' employment records.

(b) Typicality: Plaintiff is qualified to, and will, fairly and adequately protect the interests of each class member with whom he has a well-defined community of interest, and Plaintiff's claims (or defenses, if any) are typical of all class members as demonstrated herein.

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(c) Adequacy: Plaintiff is qualified to, and will, fairly and adequately protect the interests of each class member with whom he has a well-defined community of interest and typicality of claims, as demonstrated herein. Plaintiff acknowledges that he has an obligation to make known to the Court any relationship, conflicts or differences with any class member. Plaintiff's attorneys, the proposed class counsel, are versed in the rules governing class action discovery, certification, and settlement. Plaintiff has incurred, and throughout the duration of this action, will continue to incur costs and attorneys' fees that have been, are, and will be necessarily expended for the prosecution of this action for the substantial benefit of each class member.

(d) Superiority: The nature of this action makes the use of class action adjudication superior to other methods. A class action will achieve economies of time, effort, and expense as compared with separate lawsuits, and will avoid inconsistent outcomes because the same issues can be adjudicated in the same manner and at the same time for the entire class.

(e) Public Policy Considerations: Employers in the State of California violate employment and labor laws every day. Current employees are often afraid to assert their rights out of fear of direct or indirect retaliation. Former employees are fearful of bringing actions because they believe their former employers might damage their future endeavors through negative references and/or other means. Class actions provide the class members who are not named in the complaint with a type of anonymity that allows for the vindication of their rights while simultaneously protecting their privacy.

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FIRST CAUSE OF ACTION

Violation of California Labor Code §§ 510 and 1198—Unpaid Overtime

(Against all Defendants)

55. Plaintiff incorporates by reference and re-alleges as if fully stated herein each and every allegation set forth above.

56. Labor Code section 1198 makes it illegal to employ an employee under conditions of labor that are prohibited by the applicable IWC Wage Order. California Labor Code section 1198 requires that ". . . the standard conditions of labor fixed by the commission shall be the . . . standard conditions of labor for employees. The employment of any employee . . . under conditions of labor prohibited by the order is unlawful."

57. California Labor Code section 1198 and the applicable IWC Wage Order provide that it is unlawful to employ persons without compensating them at a rate of pay either time-and-one-half or two-times that person's regular rate of pay, depending on the number of hours worked by the person on a daily or weekly basis.

58. Specifically, the applicable IWC Wage Order provides that Defendants are and were required to pay Plaintiff and class members working more than eight (8) hours in a day or more than forty (40) hours in a workweek, at the rate of time and one-half (1 ½) for all hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a workweek.

59. The applicable IWC Wage Order further provides that Defendants are and were required to pay Plaintiff and class members working more than twelve (12) hours in a day, overtime compensation at a rate of two (2) times their regular rate of pay. An employee's regular rate of pay includes all remuneration for employment paid to, or on behalf of, the employee, including nondiscretionary bonuses and incentive pay.

60. California Labor Code section 510 codifies the right to overtime compensation at one and one-half (1 ½) times the regular rate of pay for hours worked in excess of eight (8) hours in a day or forty (40) hours in a week or for the first eight (8) hours worked on the

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seventh (7th) day of work, and to overtime compensation at twice the employee's regular rate of pay for hours worked in excess of twelve (12) hours in a day or in excess of eight (8) hours in a day on the seventh (7th) day of work.

61. During the relevant time period, Defendants willfully failed to pay all overtime wages owed to Plaintiff and class members. During the relevant time period, Plaintiff and class members were not paid overtime premiums for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty (40) hours in a week, because all hours worked were not recorded.

62. First, during the relevant time period, Defendants had, and continue to have, a company-wide policy and/or practice of failing to accurately record hours worked by their employees and thus restricted overtime accrual. Defendants failed to implement a reliable timekeeping system to track and record Plaintiff's and class members' hours worked. Defendants' timekeeping software, called Xenia, often malfunctioned or had connectivity issues, which impeded Plaintiff and class members from accurately recording their hours worked. When Defendants' timekeeping system malfunctioned or had connectivity issues, Defendants' policy and/or practice was to require Plaintiff and class members to call or message the District Manager, and verbally ask him to enter Plaintiff's and class members' hours worked. Upon information and belief, the District Manager and/or Defendants' management altered, falsified, and/or otherwise failed to accurately record Plaintiff's and class members' clock-in and clock-out times, in order to avoid payment of additional wages. Essentially, due to the limitations of the timekeeping system, Defendants' management maintained control and/or discretion over employees' clock-in and/or clock-out times. As a result, Plaintiff and class members were not paid for all of their hours actually worked because Defendants' management did not accurately record all hours worked.

63. Second, during the relevant time period, Defendants had, and continue to have, a company-wide policy and/or practice of requiring Plaintiff and class members to perform work off-the-clock outside of their scheduled shifts. For example, Defendants' management frequently contacted Plaintiff and class members outside of their shifts via phone calls and

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text messages to discuss work-related issues, such as employee attendance and store performance. As a further example, Plaintiff was required to travel about two (2) hours roundtrip to attend mandatory training, but Defendants failed to compensate him for this time spent traveling. Thus, Defendants failed to track all of the time that employees spent performing work-related tasks outside of their shifts, and Plaintiff and class members received no compensation for this time.

64. Third, during the relevant time period, Defendants had, and continue to have, a company-wide policy and/or practice of understaffing/single-staffing their stores while assigning heavy workloads, including pressuring employees to meet monthly sales quotas for memberships, subscriptions, and products. Defendants' policies and/or practices resulted in a failure to provide Plaintiff and class members with adequate meal period coverage, because there were too few employees on duty to handle the workload, and thus, Plaintiff and class members were not always afforded uninterrupted 30-minute meal periods during shifts when they were entitled to receive a meal period. Defendants also had a practice of failing to schedule meal periods, which further caused Plaintiff and class members to not be relieved of their duties for compliant meal periods. For example, Plaintiff worked through his meal periods approximately twice per week because he was often the only employee on shift and had to attend to any customers that came into the store. When he was able to take his meal periods, Plaintiff's meal periods were frequently interrupted and/or cut short due to the lack of coverage. Further, on information and belief, Defendants' management adjusted employee time records to reflect compliant meal periods, regardless of whether they had received a compliant meal period or not. Thus, Defendants did not record all hours worked during meal periods, and Plaintiff and class members performed work during meal periods for which they were not paid.

65. Fourth, Defendants maintained and implemented a company-wide on-premises meal period policy, which mandated that Plaintiff and class members remain on their premises during their unpaid meal periods. Because Plaintiff and class members were restricted from leaving the premises during meal periods, they were denied the ability to use their meal

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periods freely for their own purposes. For example, Plaintiff and class members were unable to run personal errands because they were unable to leave the work premises. Thus, Defendants effectively maintained control over Plaintiff and class members during their unpaid meal periods. Moreover, Defendants had, and continue to have, a company-wide policy and/or practice of requiring that Plaintiff and class members respond to calls from management and co-workers on their personal mobile devices at all times, including during unpaid meal periods. As a result, Defendants' management contacted Plaintiff on his personal mobile device during meal periods to discuss work-related matters, time for which he was not paid.

66. Defendants knew or should have known that as a result of these company-wide practices and/or policies, Plaintiff and class members were performing their assigned duties off-the-clock before and after their shifts and during meal periods, and were suffered or permitted to perform work for which they were not paid. Because Plaintiff and class members worked shifts of eight (8) hours or more a day, or forty (40) hours a week or more, some of this off-the-clock work qualified for overtime premium pay. Therefore, Plaintiff and class members were not paid overtime wages for all of the overtime hours they actually worked.

67. Defendants' failure to pay Plaintiff and class members the balance of overtime compensation as required by California law, violates the provisions of California Labor Code sections 510 and 1198. Pursuant to California Labor Code section 1194, Plaintiff and class members are therefore entitled to recover from Defendants their unpaid overtime compensation, as well as interest, costs, and attorneys' fees.

SECOND CAUSE OF ACTION

Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198—Unpaid Minimum Wages

(Against all Defendants)

68. Plaintiff incorporates by reference and re-alleges as if fully stated herein each and every allegation set forth above.

69. At all relevant times, California Labor Code sections 1182.12, 1194, 1197,

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1197.1, and 1198 provide that the minimum wage for employees fixed by the IWC is the minimum wage to be paid to employees, and the payment of a wage less than the minimum so fixed is unlawful. Compensable work time is defined in IWC Wage Order No. 7-2001 as "the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so." Cal. Code Regs. Tit. 8, § 11070(2)(H) (defining "Hours Worked").

70. First, as stated, Defendants systematically failed to pay Plaintiff and class members for actual hours worked before and after their scheduled shifts, because these hours were not accurately recorded. As set forth above, Defendants' timekeeping system restricted Plaintiff and class members from accurately recording their hours worked due to frequent malfunctions. Instead, on information and belief, Plaintiff and class members were subject to Defendants' management altering their time records and/or failing to accurately record their hours worked.

71. Second, as set forth above, Defendants required Plaintiff and class members to perform work off-the-clock outside of their scheduled shifts, including communicating with Defendants' management to discuss work-related matters and traveling to and from mandatory training sessions. Defendants failed to track this time Plaintiff and class members spent working off-the-clock, and Plaintiff and class members received no compensation for this time.

72. Third, as also set forth above, due to Defendants' policies and/or practices of understaffing/single-staffing, assigning heavy workloads (including pressure to meet sales quotas), failing to schedule meal periods, requiring employees to stay on the store premises during meal periods, and requiring employees to respond to calls from management on their personal mobile devices at all times, Plaintiff and class members were impeded from taking all uninterrupted meal periods to which they were entitled and were required to work off-the-clock during meal periods, have their meal periods interrupted, and/or were otherwise not relieved of all duties during unpaid meal periods. Additionally, as stated, on information and belief, Defendants' management adjusted employee time records to reflect compliant meal

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periods even when meal periods were missed, short, and/or interrupted. Thus, Defendants systematically failed to pay Plaintiff and class members for actual hours worked during unpaid meal periods because these hours were not always correctly recorded.

73. Defendants did not pay minimum wages for all hours worked by Plaintiff and class members. To the extent that these off-the-clock hours did not qualify for overtime premium payment, Defendants did not pay at least minimum wages for those hours worked off-the-clock in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198.

74. Defendants' failure to pay Plaintiff and class members minimum wages violates California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Pursuant to California Labor Code section 1194.2, Plaintiff and class members are therefore entitled to recover from Defendants liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon.

THIRD CAUSE OF ACTION

Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198—Meal Period Violations

(Against all Defendants)

75. Plaintiff incorporates by reference and re-alleges as if fully stated herein each and every allegation set forth above.

76. At all relevant times herein set forth, the applicable IWC Wage Order and California Labor Code sections 226.7, 512(a), 516, and 1198 were applicable to Plaintiff's and class members' employment by Defendants. At all relevant times herein set forth, California Labor Code section 512(a) provides that an employer may not require, cause, or permit an employee to work for a period of more than five (5) hours per day without providing the employee with a meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is not more than six (6) hours, the meal period may be waived by mutual consent of both the employer and the employee. Under California law, first meal periods must start after no more than five hours. *Brinker Rest. Corp. v. Superior Court*, 53

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Cal. 4th 1004, 1041-1042 (2012).

77. At all relevant times herein set forth, California Labor Code sections 226.7, 512(a), 516, and 1198 provide that no employer shall require an employee to work during any meal period mandated by an applicable order of the IWC.

78. At all relevant times herein set forth, Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order also require employers to provide a second meal period of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay an employee one (1) additional hour of pay at the employee's regular rate, except that if the total hours worked is no more than twelve (12) hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

79. Under California law, an employer cannot evade meal period requirements via the use of "on-duty" meal agreements because it understaffs its locations. *Abdullah v. U.S. Sec. Assocs.*, 731 F.3d 952, 963 (9th Cir. Cal. 2013). In addition, an employee must be provided with the opportunity to eat his or her meal while performing the duties required and any on-duty meal period must, like any off-duty meal period, be at least 30 minutes long. *L'Chaim House, Inc., et al. v. Division of Labor Standards Enforcement*, 38 Cal. App. 5th 141 (2019).

80. First, as stated, Defendants had, and continue to have, company-wide policies and/or practices of understaffing and/or single-staffing their locations while assigning heavy workloads, including imposing sales quotas for memberships, subscriptions, and products, which has resulted in a lack of meal period coverage and prevented Plaintiff and class members from taking all timely, uninterrupted meal periods to which they were entitled. Additionally, as also stated, Defendants maintained a company-wide practice of failing to schedule meal periods, which further caused Plaintiff and class members to not be relieved of their duties for compliant meal periods. As a result, Plaintiff and class members had to work through all or part of their meal periods, had their meal periods interrupted, and/or had to wait extended periods of time before taking meal periods. For example, as mentioned, Plaintiff's meal periods were regularly missed, interrupted, and/or cut short due to the lack of coverage.

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81. Second, on information and belief, because Defendants frowned upon employees accruing meal period premiums, Defendants' management adjusted employee time records to reflect compliant meal periods, regardless of whether they had received a compliant meal period or not, in order to limit the meal period premiums that would need to be paid by Defendants. For example, on information and belief, Defendants' management changed Plaintiff's time sheets to record that he had received compliant meal periods on shifts when he had not, in fact, received these timely, uninterrupted meal periods.

82. Third, during the relevant time period, Defendants maintained and implemented a company-wide on-premises meal period policy for employees, which mandated that Plaintiff and class members remain on the work premises during the meal periods. Because Plaintiff and class members were restricted from leaving the work premises during meal periods, they were denied the ability to use their meal periods freely for their own purposes. Thus, Defendants effectively maintained control over Plaintiff and class members during meal periods.

83. Fourth, as also stated, Defendants had a company-wide policy and/or practice of requiring that Plaintiff and class members respond to personal mobile devices at all times, including during meal periods, in order to meet Defendants' expectations. As a result, Defendants' management interrupted Plaintiff's and class members' meal periods to discuss work-related matters on their personal mobile devices.

84. Fifth, Defendants took the position that the nature of work performed by Plaintiff and class members called for "on-duty" meal periods and on that basis, did not provide off-duty meal periods and did not pay Plaintiff and class members all meal period premiums for non-compliant meal periods. Defendants' "on-duty" meal period policy provides, in relevant part:

> I UNDERSTAND ANG AGREE THAT THE NATURE OF MY WORK WITH GNC MAY MAKE IT DIFFICULT FOR ME TO BE RELIEVED OF ALL DUTIES DURING A MEAL PERIOD TO WHICH I AM ENTITLED. WHEN THE NATURE OF MY WORK PREVENTS ME FROM BEING RELIEVED OF ALL DUTY DURING A MEAL PERIOD, THE MEAL PERIOD SHALL BE CONSIDRED AN "ON DUTY" MEAL PERIOD

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AND COUNTED AS TIME WORKED.

85. However, Defendants' use of an "on-duty" meal period policy is and was unlawful. Under California law, "on-duty" meal periods are a limited alternative to the requirement to provide off-duty meal periods and can only be utilized under certain circumstances. Defendants' "on-duty" meal period policy results from the company's own staffing and business decisions, not because the nature of the work required on-duty meal periods. There were multiple employees employed by Defendants at Plaintiff's and class members' stores and Defendants' stores are not in remote or isolated areas. Defendants could have provided rover meal period coverage for Plaintiff and class members or staffed more employees at their stores, but chose not to do so. Further, the work of Defendants' employees is not of the kind that could be said to meet the "nature of the work" exception. Plaintiff and class members were responsible for selling products in a retail setting and providing customer service. None of these tasks are akin to the kind that the California Division of Labor Standards Enforcement ("DLSE") has found warrant an "on-duty" meal period, such as transporting hazardous materials via vehicles that must be monitored at all times pursuant to federal regulation. Therefore, Defendants' use of an "on-duty" meal period agreement is improper and unlawful. Because of Defendants' company-wide "on-duty" meal period policy, Plaintiff and class members did not receive all required off-duty meal periods and did not receive premium pay for all missed, late, or interrupted meal periods.

86. Sixth, Plaintiff and class members worked shifts in excess of ten (10) hours without receiving an uninterrupted second 30-minute meal period. For example, during his employment, Plaintiff worked shifts in excess of ten (10) or more hours per day, but was not always provided a second 30-minute meal period. Plaintiff and class members did not sign valid meal period waivers on days that they were entitled to meal periods and were not relieved of all duties.

87. At all times mentioned herein, Defendants knew or should have known that as a result of their policies, Plaintiff and class members were prevented from being relieved of all duties and were required to perform some of their assigned duties during meal periods.

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Defendants further knew or should have known that they did not pay Plaintiff and class members meal period premiums when meal periods were late, interrupted, shortened, and/or missed.

88. Furthermore, Defendants engaged in a company-wide practice and/or policy of not paying meal period premiums owed when compliant meal periods are not provided. Because of this practice and/or policy, Plaintiff and class members have not received premium pay for missed, late, and interrupted meal periods. As a result, Defendants failed to provide Plaintiff and class members compliant meal periods in violation of California Labor Code sections 226.7, 512(a), and 516 and failed to pay the full meal period premiums due.

89. Defendants' conduct violates the applicable IWC Wage Order, and California Labor Code sections 226.7, 512(a), 516, and 1198. Plaintiff and class members are therefore entitled to recover from Defendants one (1) additional hour of pay at the employee's regular rate of compensation for each work day that the meal period was not provided.

FOURTH CAUSE OF ACTION

Violation of California Labor Code §§ 226.7, 516, and 1198—Rest Period Violations

(Against all Defendants)

90. Plaintiff incorporates by reference and re-alleges as if fully stated herein each and every allegation set forth above.

91. At all relevant times herein set forth, the applicable IWC Wage Order and California Labor Code sections 226.7, 516, and 1198 were applicable to Plaintiff's and class members' employment by Defendants.

92. At all relevant times, the applicable IWC Wage Order provides that "[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period" and that the "rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof" unless the total daily work time is less than three and one-half (3 ½) hours.

93. At all relevant times, California Labor Code section 226.7 provides that no

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employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC. To comply with its obligation to authorize and permit rest periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an employer must "relinquish any control over how employees spend their break time, and relieve their employees of all duties—including the obligation that an employee remain on call. A rest period, in short, must be a period of rest." *Augustus v. ABM Security Services, Inc.*, 2 Cal. 5th 257, 273 (2016).

94. During the relevant time period, Defendants regularly failed to authorize and permit Plaintiff and class members to take a ten (10) minute rest period per each four (4) hour period worked or major fraction thereof. As with meal periods, Defendants' company-wide policies and/or practices, including understaffing/single-staffing and assigning heavy workloads, including imposing sales quotas, prevented Plaintiff and class members from being relieved of all duty in order to take compliant rest periods. Defendants also failed to schedule rest periods, which, coupled with Defendants' failure to provide adequate rest period coverage, further led to Plaintiff and class members not being authorized and permitted to take rest periods. In addition, as stated, Defendants engaged in a company-wide policy and/or practice requiring that Plaintiff and class members respond to work-related questions on their personal mobile devices, including during rest periods, which prevented Plaintiff and class members from being able to take uninterrupted rest periods.

95. Furthermore, upon information and belief, during the relevant time period, Defendants maintained a company-wide on-premises rest period policy, which effectively required that Plaintiff and class members remain on the facility premises during their rest periods. Because Plaintiff and class members were restricted from leaving the premises during rest periods, they were denied the ability to use their rest periods freely for their own purposes, such as running personal errands. Thus, Defendants effectively maintained control over Plaintiff and class members during rest periods.

96. As a result of Defendants' practices and policies, Plaintiff and/or class members worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10

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hours without receiving all compliant rest periods to which they were entitled. For example, Plaintiff often missed his rest periods due to the lack of coverage and heavy workload. For the same reasons, and because Defendants contacted Plaintiff on his personal mobile device during rest periods, when he was able to take rest periods, they were frequently interrupted or cut short.

97. Defendants also have engaged in a company-wide practice and/or policy of not paying rest period premiums owed when compliant rest periods are not authorized and permitted. Because of this practice and/or policy, Plaintiff and class members have not received premium pay for all missed rest periods. As a result, Defendants denied Plaintiff and class members rest periods and failed to pay them rest period premiums due, in violation of Labor Code sections 226.7 and 516, and the applicable IWC Wage Order.

98. Defendants' conduct violates the applicable IWC Wage Order and California Labor Code sections 226.7, 516, and 1198. Plaintiff and class members are therefore entitled to recover from Defendants one (1) additional hour of pay at the employee's regular rate of compensation for each work day that a compliant rest period was not authorized and permitted.

FIFTH CAUSE OF ACTION

Violation of California Labor Code §§ 226(a), 1174(d), and 1198—Non-Compliant Wage Statements and Failure to Maintain Accurate Payroll Records

(Against all Defendants)

99. Plaintiff incorporates by reference and re-alleges as if fully stated herein each and every allegation set forth above.

100. At all relevant times herein set forth, California Labor Code section 226(a) provides that every employer shall furnish each of his or her employees an accurate and complete itemized wage statement in writing, including, but not limited to, the name and address of the legal entity that is the employer, the inclusive dates of the pay period, total hours worked, and all applicable rates of pay.

101. At all relevant times, Defendants have knowingly and intentionally provided

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Plaintiff and Subclass members with uniform, incomplete, and inaccurate wage statements. For example, Defendants issued uniform wage statements to Plaintiff and Subclass members that fail to correctly list: gross wages earned; total hours worked; net wages earned; the address of the legal entity that is the employer; and all applicable hourly rates in effect during the pay period, including rates of pay for overtime wages, and the corresponding number of hours worked at each hourly rate. Specifically, Defendants violated sections 226(a)(1), 226(a)(2), 226(a)(5), 226(a)(8), and 226(a)(9).

102. First, Defendants did not accurately record the time Plaintiff and Subclass members spent working off the clock and deducted time from their records for meal periods that were interrupted and/or missed (and therefore time for which they should have been paid), Defendants did not list the correct amount of gross wages and net wages earned by Plaintiff and Subclass members in compliance with sections 226(a)(1) and 226(a)(5). For the same reason, Defendants failed to accurately list the total number of hours worked by Plaintiff and Subclass members, in violation of section 226(a)(2), and failed to list the applicable hourly rates of pay in effect during the pay period and the corresponding accurate number of hours worked at each hourly rate, in violation of section 226(a)(9).

103. Second, and separately from these violations, Defendants issued uniform wage statements to Plaintiff and Subclass members that failed to list the address of the legal entity of the actual employer in violation of 226(a)(8). The purpose of section 226(a)(8) is to provide California employees with transparency as to the true identity of their employer, to allow the employee to contact their employer during employment or in the future for various reasons, including filing an administrative claim, judicial claim, or other action to seek relief against their employer, to obtain unemployment benefits, etc. During the relevant time period, Defendants systematically, and on a company-wide basis, issued wage statements to Plaintiff and Subclass members that fail to list the employing entity's correct address. Plaintiff's and Subclass members' wage statements incorrectly list the employer's address as "75 HOPPER PL SUITE #501, PITTSBURGH, PA 15222," but according to the California Secretary of State's website, GNC HOLDINGS LLC's correct entity address is "300 SIXTH AVENUE,

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PITTSBURGH, PA 15222."

104. The wage statement deficiencies also include, among other things, failing to list the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; failing to list all deductions; failing to list the inclusive dates of the period for which employees were paid; failing to list the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number; failing to list the name of the legal entity that is the employer; and/or failing to state all hours worked as a result of not recording or stating hours worked off-the-clock.

105. California Labor Code section 1174(d) provides that "[e]very person employing labor in this state shall . . . [k]eep a record showing the names and addresses of all employees employed and the ages of all minors" and "[k]eep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments . . . ." At all relevant times, and in violation of Labor Code section 1174(d), Defendants willfully failed to maintain accurate payroll records for Plaintiff and Subclass members showing the daily hours they worked and the wages paid thereto as a result of failing to record the off-the-clock hours that they worked.

106. California Labor Code section 1198 provides that the maximum hours of work and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set forth in the applicable IWC Wage Order. Section 1198 further provides that "[t]he employment of any employees for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful." Pursuant to the applicable IWC Wage Order, employers are required to keep accurate time records showing when the employee begins and ends each work period and meal period. During the relevant time period, Defendants engaged in company-wide practices and/or policies of failing to record actual hours worked, and thereby failed to keep accurate records of work period and meal

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period start and end times for Plaintiff and Subclass members, in violation of section 1198. Also, in light of Defendants' failure to provide Plaintiff and Subclass members with second 30-minute meal periods to which they were entitled, Defendants kept no records of meal start and end times for second meal periods.

107. Plaintiff and Subclass members are therefore entitled to recover from Defendants the greater of their actual damages caused by Defendants' failure to comply with California Labor Code section 226(a), or an aggregate penalty not exceeding four thousand dollars ($4,000) per employee.

SIXTH CAUSE OF ACTION

Violation of California Labor Code §§ 201 and 202—Wages Not Timely Paid Upon Termination

(Against all Defendants)

108. Plaintiff incorporates by reference and re-alleges as if fully stated herein each and every allegation set forth above.

109. At all times relevant herein set forth, Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (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.

110. On information and belief, Defendants have a company-wide practice and/or policy of paying departing employees their final wages late, instead of adhering to the time requirements set forth in Labor Code sections 201 and 202. For example, Defendants terminated Plaintiff's employment on or around November 24, 2025; however, on information and belief, Defendants did not provide Plaintiff with his final wages until about ten (10) days later. Thus, Defendants failed to pay Plaintiff his final wages immediately at the time of discharge, in violation of California Labor Code section 201.

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111. Additionally, during the relevant time period, Defendants willfully failed to pay Plaintiff and class members who are no longer employed by Defendants the earned and unpaid wages set forth above, including but not limited to, overtime wages, minimum wages, and/or meal and rest period premiums, either at the time of discharge, or within seventy-two (72) hours of their leaving Defendants' employ.

112. Defendants' failure to pay Plaintiff and class members who are no longer employed by Defendants their wages earned and unpaid at the time of discharge, or within seventy-two (72) hours of their leaving Defendants' employ, violates Labor Code sections 201 and 202. Plaintiff and class members are therefore entitled to recover from Defendants the statutory penalty wages for each day they were not paid, at their regular rate of pay, up to a thirty (30) day maximum pursuant to California Labor Code section 203.

SEVENTH CAUSE OF ACTION

Violation of California Labor Code §§ 204 —Failure to Timely Pay Wages During Employment

(Against all Defendants)

113. Plaintiff incorporates by reference and re-alleges as if fully stated herein each and every allegation set forth above.

114. This cause of action is dependent upon, and wholly derivative of, the overtime wages, minimum wages, and/or meal and rest period premiums that were not timely paid to Plaintiff and class members during their employment.

115. At all times relevant herein set forth, Labor Code section 204 provides that all wages earned by any person in any employment between the first (1st) and the fifteenth (15th) days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the sixteenth (16th) and the twenty-sixth (26th) day of the month during which the labor was performed. Labor Code section 204 further provides that all wages earned by any person in any employment between the sixteenth (16th) and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the first (1st) and the tenth (10th) day of the following

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month.

116. At all times relevant herein, Labor Code section 204 provides that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. Alternatively, at all times relevant herein, Labor Code section 204 provides that the requirements of this section are deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven (7) calendar days following the close of the payroll period.

117. During the relevant time period, Defendants willfully failed to pay Plaintiff and class members all wages due including, but not limited to, overtime wages, minimum wages, and/or meal and rest period premiums, within the time periods specified by California Labor Code section 204.

118. Defendants' failure to pay Plaintiff and class members all wages due violates Labor Code section 204. Plaintiff and class members are therefore entitled to recover from Defendants the statutory penalty wages pursuant to California Labor Code section 210.

EIGHTH CAUSE OF ACTION

Violation of California Labor Code § 2802—Unpaid Business-Related Expenses

(Against all Defendants)

119. Plaintiff incorporates by reference and re-alleges as if fully stated herein each and every allegation set forth above.

120. At all times herein set forth, California Labor Code section 2802 provides that an employer must reimburse employees for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144 (2014). The applicable wage order, IWC Wage Order No. 7-2001, provides that: "[w]hen tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be

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required to provide and maintain hand tools and equipment customarily required by the trade or craft."

121. First, during the relevant time period, Defendants, on a company-wide basis, required Plaintiff and class members to use their personal mobile devices, including, but not limited to, cellular phones, and/or mobile data to carry out their job duties but failed to reimburse them for the costs of their work-related mobile device and/or mobile data expenses. For example, Plaintiff was regularly required to use his personal cellular phone to communicate with his managers regarding work-related matters. Although Defendants required Plaintiff and class members to use their personal mobile devices and/or mobile data to carry out their work-related duties, Defendants failed to reimburse them for their costs incurred.

122. Second, during the relevant time period, Defendants had a company-wide policy of requiring Plaintiff and class members to utilize their own personal vehicles to carry out company business, but failed to reimburse them for all costs of travel, including mileage. Specifically, Defendants required Plaintiff and class members to travel to complete bank deposits, but did not reimburse them for their travel expenses. For example, Defendants required Plaintiff to drive his personal vehicle to the bank approximately twice per week to make bank drops. This drive was about sixteen (16) miles roundtrip. As another example, Defendants required Plaintiff to drive about 100 miles roundtrip to attend a training, but did not reimburse him for this travel expenses. Although Defendants required Plaintiff and class members to utilize their own vehicles to carry out their work-related responsibilities, Defendants did not reimburse them for their travel expenses.

123. Third, during the relevant time period, Defendants required Plaintiff and class members to purchase supplies and equipment necessary for the performance of their duties, but failed to reimburse them for their out-of-pocket costs. For example, Plaintiff spent approximately $166 on printer paper and approximately $90 on construction tape. Defendants thus failed to provide him with the necessary supplies and equipment which were required for him to complete his assigned duties.

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124. Defendants could have provided Plaintiff and class members with the actual equipment for use on the job, such as company mobile devices, company vehicles, and supplies and equipment; or Defendants could have reimbursed employees for the costs of their mobile device usage, travel, mileage, and supply and equipment expenses. Instead, Defendants passed these operating costs onto Plaintiff and class members. At all relevant times, Plaintiff did not earn at least two (2) times the minimum wage.

125. Defendants' company-wide policy and/or practice of not reimbursing employees for expenses necessarily incurred and passing on their operating costs to Plaintiff and class members violates California Labor Code section 2802. Defendants have intentionally and willfully failed to reimburse Plaintiff and class members for necessary business-related expenses and costs.

126. Pursuant to California Labor Code section 2802, Plaintiff and class members are therefore entitled to recover from Defendants their business-related expenses incurred during the course and scope of their employment, plus interest, costs, and attorneys' fees.

NINTH CAUSE OF ACTION

For Civil Penalties Pursuant to California Labor Code §§ 2698, *et seq*.

(Against all Defendants)

127. Plaintiff incorporates by reference and re-alleges as if fully stated herein each and every allegation set forth above.

128. California Labor Code sections 2698, *et seq.* permit Plaintiff to recover civil penalties for the violation(s) of the Labor Code sections enumerated in Labor Code section 2699.5. Section 2699.5 enumerates Labor Code sections 201, 202, 204, 212, 213, 1174(d), and 1198. Labor Code section 2699.3(c) permits aggrieved employees, including Plaintiff, to recover civil penalties for violations of those Labor Code sections not found in section 2699.5, including sections 226(a), 226.7, 510, 512(a), 516, 1182.12, 1194, 1197, 1197.1, and 2802.

129. Defendants' conduct, as alleged herein, violates numerous sections of the California Labor Code, including, but not limited to, the following:

(a) Violation of Labor Code sections 510 and 1198, and the applicable IWC

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Wage Order for Defendants' failure to compensate Plaintiff and other aggrieved employees with all required overtime pay, as alleged herein;

(b) Violation of Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198, and the applicable IWC Wage Order for Defendants' failure to compensate Plaintiff and other aggrieved employees with at least minimum wages for all hours worked, as alleged herein;

(c) Violation of Labor Code sections 226.7, 512(a), 516, and 1198, and the applicable IWC Wage Order for Defendants' failure to provide Plaintiff and other aggrieved employees with meal periods, as alleged herein;

(d) Violation of Labor Code sections 226.7, 516, and 1198, and the applicable IWC Wage Order for Defendants' failure to authorize and permit Plaintiff and other aggrieved employees to take rest periods, as alleged herein;

(e) Violation of Labor Code sections 226(a) and 1198, and the applicable IWC Wage Order for failure to provide accurate and complete wage statements to Plaintiff and other aggrieved employees, as alleged herein;

(f) Violation of Labor Code sections 1174(d) and 1198, and the applicable IWC Wage Order for failure to maintain payroll records, as alleged herein;

(g) Violation of Labor Code sections 201 and 202 for failure to pay all earned wages upon termination, as alleged herein;

(h) Violation of Labor Code section 204 for failure to pay all earned wages during employment, as alleged herein;

(i) Violation of Labor Code sections 212 and 213 for issuing instruments for the payment of wages that were not payable in cash on demand, and with prior authorization, as set forth below; and

(j) Violation of Labor Code section 2802 for failure to reimburse Plaintiff

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and other aggrieved employees for all business expenses necessarily incurred, as alleged herein.

130. At all times relevant herein, California Labor Code section 212 prohibits employers from issuing any instruments for the payment of wages unless such instruments are negotiable and payable in cash, on demand, and without discount. California Labor Code section 213 permits employers to pay employees via direct deposit so long as the employee authorizes payment via direct deposit.

131. Under California law, employers are permitted to fulfill their wage payment obligations to employees by using payroll debit cards, but only so long as the employee is given the choice as to whether to accept a payroll debit card as a form of payment. *Johnson v. Sunrise Senior Living Management, Inc.*, No. 16 CV 00443 BRO RAOx, 2016 WL 8929249, *9 (C.D. Cal. May 5, 2016). In *Johnson*, the court stated that the Division of Labor Standards Enforcement ("DLSE") decision deeming payroll debit card program permissible relied heavily on:

> . . . [T]he fact that the pay programs were optional, thereby allowing an employee to either participate in the program or receive his or her pay in some other way, such as direct deposit. Specifically, the DLSE opined that "[t]he success of the described procedure, in practice, will of course require that . . . it is presented as an *alternative* method for wage payment for which [the employees'] participation is optional." The DLSE also stated, "[i]t is significant that the program does not mandate employee participation in the Money Network Service and that it is designed to provide an alternative for employees receiving their wage payment. Employees are also given the option of having their pay direct deposited into an account of their choosing. . . ." (internal citations omitted).

132. In addition, California law only permits employers to utilize payroll debit card programs if they provide employees with effective access to their wages without discount. The DLSE has interpreted Labor Code sections 212 and 213 as permitting employer use of payroll debit cards where the following requirements are satisfied:

> . . . (1) [T]he "wages [are] payable at some established place of business in the state and there be at least 30 days of sufficient funds for payment,"; (2) the employees are "fully informed of the service and procedures and that it is represented as an alternative method for wage payment for which their participation is

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> optional,"; (3) the employees receive "an itemized wage statement,"; and (4) "at least one transaction per pay period [is] without fee."

Ortiz v. Randstad North America, L.P., No. C-13-5050 MMC, 2015 WL 6202298 at 3.

133. During the relevant time period, Defendants had an agreement with a payroll service provider, Wisely, for the issuance of payroll debit cards to employees, including Plaintiff and other aggrieved employees, to discharge their wage payment obligations to their employees. On information and belief, Defendants had a practice and/or policy of automatically issuing payroll debit cards to departing employees without giving them the option to elect their form of payment for their final wages. For example, Plaintiff received his final wages on a payroll debit card without a choice of an alternate method of payment, such as a written check. Instead, Defendants automatically enrolled Plaintiff in their payroll debit card program for the purpose of issuing Plaintiff's final wages to him without prior, voluntary approval from Plaintiff.

134. California courts recognize a policy favoring the full and prompt payment of wages to employees. Defendants' payroll card program is inconsistent with this policy because Defendants' program is involuntary and denies Plaintiff and other aggrieved employees of easy access to their wages. Thus, Defendants' company-wide payroll debit card program violates California Labor Code sections 212 and 213.

135. Plaintiff and other aggrieved employees are therefore entitled to recover civil penalties pursuant to Labor Code sections 2699(a), (f), and (k).

TENTH CAUSE OF ACTION

Violation of California Business & Professions Code §§ 17200, *et seq.* –

Unlawful Business Practices

(Against all Defendants)

136. Plaintiff incorporates by reference and re-alleges as if fully stated herein each and every allegation set forth above.

137. Defendants are "persons" as defined by California Business & Professions Code section 17201, as they are corporations, firms, partnerships, joint stock companies,

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and/or associations.

138. Defendants' conduct, as alleged herein, has been, and continues to be, unfair, unlawful and harmful to Plaintiff, class members, and to the general public. Plaintiff has suffered injuries in fact and has lost money as a result of Defendants' unlawful business practices. Plaintiff seeks to enforce important rights affecting the public interest within the meaning of Code of Civil Procedure section 1021.5.

139. Defendants' activities, as alleged herein, are violations of California law, and constitute unlawful business acts and practices in violation of California Business & Professions Code sections 17200, *et seq*.

140. A violation of California Business & Professions Code sections 17200, *et seq.* may be predicated on the violation of any state or federal law. In the instant case, Defendants' policies and practices have violated state law in at least the following respects:

(a) Requiring non-exempt, hourly paid employees, including Plaintiff and class members, to work overtime without paying them proper compensation in violation of California Labor Code sections 510 and 1198, and the applicable IWC Wage Order, as alleged herein;

(b) Failing to pay at least minimum wage to Plaintiff and class members in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198, and the applicable IWC Wage Order, as alleged herein;

(c) Failing to provide all meal periods to Plaintiff and class members in violation of California Labor Code sections 226.7, 512(a), 516, and 1198, and the applicable IWC Wage Order, as alleged herein;

(d) Failing to authorize and permit Plaintiff and class members to take all rest periods in violation of California Labor Code sections 226.7, 516, and 1198, and the applicable IWC Wage Order, as alleged herein;

(e) Failing to provide Plaintiff and Subclass members with accurate wage statements and failing to maintain accurate payroll records in violation

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of California Labor Code sections 226(a), 1174(d), and 1198, and the applicable IWC Wage Order, as alleged herein;

(f) Failing timely to pay all earned wages to Plaintiff and class members in violation of California Labor Code sections 204, as alleged herein;

(g) Issuing instruments to Plaintiff and class members for the payment of wages that were not payable in cash, on demand, and with prior authorization, in violation of California Labor Code sections 212 and 213, as set forth below; and

(h) Failing to reimburse Plaintiff and class members for all business expenses necessarily incurred in violation of California Labor Code section 2802, as alleged herein.

141. At all times relevant herein, California Labor Code section 212 prohibits employers from issuing any instruments for the payment of wages unless such instruments are negotiable and payable in cash, on demand, and without discount. California Labor Code section 213 permits employers to pay employees via direct deposit so long as the employee authorizes payment via direct deposit.

142. Under California law, employers are permitted to fulfill their wage payment obligations to employees by using payroll debit cards, but only so long as the employee is given the choice as to whether to accept a payroll debit card as a form of payment. *Johnson v. Sunrise Senior Living Management, Inc.*, No. 16 CV 00443 BRO RAOx, 2016 WL 8929249, *9 (C.D. Cal. May 5, 2016). In *Johnson*, the court stated that the Division of Labor Standards Enforcement ("DLSE") decision deeming payroll debit card program permissible relied heavily on:

> . . . [T]he fact that the pay programs were optional, thereby allowing an employee to either participate in the program or receive his or her pay in some other way, such as direct deposit. Specifically, the DLSE opined that "[t]he success of the described procedure, in practice, will of course require that . . . it is presented as an *alternative* method for wage payment for which [the employees'] participation is optional." The DLSE also stated, "[i]t is significant that the program does not mandate employee participation in the Money Network Service and that it is designed

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> to provide an alternative for employees receiving their wage payment. Employees are also given the option of having their pay direct deposited into an account of their choosing . . . ." (internal citations omitted).

143. In addition, California law only permits employers to utilize payroll debit card programs if they provide employees with effective access to their wages without discount. The DLSE has interpreted Labor Code sections 212 and 213 as permitting employer use of payroll debit cards where the following requirements are satisfied:

> . . . (1) [T]he "wages [are] payable at some established place of business in the state and there be at least 30 days of sufficient funds for payment,"; (2) the employees are "fully informed of the service and procedures and that it is represented as an alternative method for wage payment for which their participation is optional,"; (3) the employees receive "an itemized wage statement,"; and (4) "at least one transaction per pay period [is] without fee."

Ortiz v. Randstad North America, L.P., No. C-13-5050 MMC, 2015 WL 6202298 at 3.

144. During the relevant time period, Defendants had an agreement with a payroll service provider, Wisely, for the issuance of payroll debit cards to employees, including Plaintiff and class members, to discharge their wage payment obligations to their employees. On information and belief, Defendants had a practice and/or policy of automatically issuing payroll debit cards to departing employees without giving them the option to elect their form of payment for their final wages. For example, Plaintiff received his final wages on a payroll debit card without a choice of an alternate method of payment, such as a written check. Instead, Defendants automatically enrolled Plaintiff in their payroll debit card program for the purpose of issuing Plaintiff's final wages to him without prior, voluntary approval from Plaintiff.

145. California courts recognize a policy favoring the full and prompt payment of wages to employees. Defendants' payroll card program is inconsistent with this policy because Defendants' program is involuntary and denies Plaintiff and class members easy access to their wages. Thus, Defendants' company-wide payroll debit card program violates California Labor Code sections 212 and 213.

146. As a result of the violations of California law herein described, Defendants

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unlawfully gained an unfair advantage over other businesses. Plaintiff and class members have suffered pecuniary loss by Defendants' unlawful business acts and practices alleged herein.

147. Pursuant to California Business & Professions Code sections 17200, *et seq.*, Plaintiff and class members are entitled to restitution of the wages withheld and retained by Defendants during a period that commences four years prior to the filing of the initial complaint; a permanent injunction requiring Defendants to pay all outstanding wages due to Plaintiff and class members; and an award of attorneys' fees pursuant to California Code of Civil Procedure section 1021.5 and other applicable laws; and an award of costs.

ELEVENTH CAUSE OF ACTION

Violation of California Business & Professions Code §§ 17200, *et seq.* – Unfair Business Practices

(Against all Defendants)

148. Plaintiff incorporates by reference and re-alleges as if fully stated herein each and every allegation set forth above.

149. Defendants are "persons" as defined by California Business & Professions Code section 17201, as they are corporations, firms, partnerships, joint stock companies, and/or associations.

150. Defendants' conduct, as alleged herein, has been, and continues to be, unfair, and harmful to Plaintiff, class members, and to the general public. Plaintiff has suffered injuries in fact and has lost money as a result of Defendants' unfair business practices. Plaintiff seeks to enforce important rights affecting the public interest within the meaning of Code of Civil Procedure section 1021.5.

151. Defendants' activities, namely Defendants' company-wide practice and/or policy of not paying Plaintiff and class members all meal and rest period premiums due to them under Labor Code section 226.7, deprived Plaintiff and class members of the compensation guarantee and enhanced enforcement implemented by section 226.7. The statutory remedy provided by section 226.7 is a "'dual-purpose' remedy intended primarily to

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compensate employees, and secondarily to shape employer conduct." *Safeway, Inc. v. Superior Court*, 238 Cal. App. 4th 1138, 1149 (2015). The statutory benefits of section 226.7 were guaranteed to Plaintiff and class members as part of their employment with Defendants, and thus Defendants' practice and/or policy of denying these statutory benefits constitutes an unfair business practice in violation of California Business & Professions Code sections 17200, *et seq.* (*Id.*)

152. A violation of California Business & Professions Code sections 17200, *et seq.* may be predicated on any unfair business practice. In the instant case, Defendants' policies and practices have violated the spirit of California's meal and rest period laws and constitute acts against the public policy behind these laws.

153. Pursuant to California Business & Professions Code sections 17200, *et seq.*, Plaintiff and class members are entitled to restitution for the class-wide loss of the statutory benefits implemented by section 226.7 withheld and retained by Defendants during a period that commences four years prior to the filing of the initial complaint; a permanent injunction requiring Defendants to pay all statutory benefits implemented by section 226.7 due to Plaintiff and class members; an award of attorneys' fees pursuant to California Code of Civil Procedure section 1021.5 and other applicable laws; and an award of costs.

REQUEST FOR JURY TRIAL

Plaintiff requests a trial by jury.

PRAYER FOR RELIEF

Plaintiff, on behalf of all others similarly situated, prays for relief and judgment against Defendants, jointly and severally, as follows:

1. For damages, unpaid wages, penalties, injunctive relief, and attorneys' fees in excess of thirty-five thousand dollars ($35,000), exclusive of interest and costs. Plaintiff reserves the right to amend his prayer for relief to seek a different amount.

Class Certification

2. That this case be certified as a class action;

3. That Plaintiff be appointed as the representatives of the Class and Subclass;

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4. That counsel for Plaintiff be appointed as class counsel.

As to the First Cause of Action

5. That the Court declare, adjudge and decree that Defendants violated California Labor Code sections 510 and 1198, and the applicable IWC Wage Order by willfully failing to pay all overtime wages due to Plaintiff and class members;

6. For general unpaid wages at overtime wage rates and such general and special damages as may be appropriate;

7. For pre-judgment interest on any unpaid overtime compensation commencing from the date such amounts were due, or as otherwise provided by law;

8. For reasonable attorneys' fees and for costs of suit incurred herein pursuant to California Labor Code section 1194(a); and

9. For such other and further relief as the Court may deem equitable and appropriate.

As to the Second Cause of Action

10. That the Court declare, adjudge and decree that Defendants violated California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198, and the applicable IWC Wage Order by willfully failing to pay minimum wages to Plaintiff and class members;

11. For general unpaid wages and such general and special damages as may be appropriate;

12. For pre-judgment interest on any unpaid compensation from the date such amounts were due, or as otherwise provided by law;

13. For reasonable attorneys' fees and for costs of suit incurred herein pursuant to California Labor Code section 1194(a);

14. For liquidated damages pursuant to California Labor Code section 1194.2; and

15. For such other and further relief as the Court may deem equitable and appropriate.

As to the Third Cause of Action

16. That the Court declare, adjudge and decree that Defendants violated California

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Labor Code sections 226.7, 512(a), 516, and 1198, and the applicable IWC Wage Order by willfully failing to provide all meal periods to Plaintiff and class members;

17. That the Court make an award to the Plaintiff and class members of one (1) hour of pay at each employee's regular rate of pay for each workday that a meal period was not provided;

18. For all actual, consequential, and incidental losses and damages, according to proof;

19. For premiums pursuant to California Labor Code section 226.7(c);

20. For pre-judgment interest on any unpaid meal period premiums from the date such amounts were due, or as otherwise provided by law;

21. For attorneys' fees pursuant to California Code of Civil Procedure section 1021.5, or as otherwise provided by law; and

22. For such other and further relief as the Court may deem equitable and appropriate.

As to the Fourth Cause of Action

23. That the Court declare, adjudge and decree that Defendants violated California Labor Code sections 226.7, 516, and 1198, and the applicable IWC Wage Order by willfully failing to authorize and permit Plaintiff and class members to take all rest periods;

24. That the Court make an award to the Plaintiff and class members of one (l) hour of pay at each employee's regular rate of pay for each workday that a rest period was not authorized and permitted;

25. For all actual, consequential, and incidental losses and damages, according to proof;

26. For premiums pursuant to California Labor Code section 226.7(c);

27. For pre-judgment interest on any unpaid rest period premiums from the date such amounts were due, or as otherwise provided by law;

28. For attorneys' fees pursuant to California Code of Civil Procedure section 1021.5, or as otherwise provided by law; and

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29. For such other and further relief as the Court may deem equitable and appropriate.

As to the Fifth Cause of Action

30. That the Court declare, adjudge and decree that Defendants violated the recordkeeping provisions of California Labor Code section 226(a) and the applicable IWC Wage Order as to Plaintiff and Subclass members, and willfully failed to provide accurate itemized wage statements thereto;

31. For all actual, consequential, and incidental losses and damages, according to proof;

32. For injunctive relief pursuant to California Labor Code section 226(h);

33. For statutory penalties pursuant to California Labor Code section 226(e);

34. For attorneys' fees and costs pursuant to California Labor Code section 226(e)(1); and

35. For such other and further relief as the Court may deem equitable and appropriate.

As to the Sixth Cause of Action

36. That the Court declare, adjudge and decree that Defendants violated California Labor Code sections 201 and 202 by willfully failing to pay overtime wages, minimum wages, and/or meal and rest period premiums owed at the time of termination of the employment of Plaintiff and other terminated class members;

37. For all actual, consequential and incidental losses and damages, according to proof;

38. For waiting time penalties according to proof pursuant to California Labor Code section 203 for all employees who have left Defendants' employ;

39. For pre-judgment interest on any unpaid wages from the date such amounts were due, or as otherwise provided by law;

40. For attorneys' fees pursuant to California Code of Civil Procedure section 1021.5, or as otherwise provided by law; and

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41. For such other and further relief as the Court may deem equitable and appropriate.

As to the Seventh Cause of Action

42. That the Court declare, adjudge and decree that Defendants violated California Labor Code sections 204 by willfully failing to timely pay Plaintiff and class members overtime wages, minimum wages, and/or meal and rest period premiums during their employment;

43. For all actual, consequential and incidental losses and damages, according to proof;

44. For statutory penalties, plus 25 percent of the amount of wages unlawfully withheld, according to proof pursuant to California Labor Code section 210;

45. For pre-judgment interest on any unpaid wages from the date such amounts were due, or as otherwise provided by law;

46. For attorneys' fees pursuant to California Code of Civil Procedure section 1021.5, or as otherwise provided by law; and

47. For such other and further relief as the Court may deem equitable and appropriate.

As to the Eighth Cause of Action

48. That the Court declare, adjudge and decree that Defendants violated California Labor Code section 2802 by willfully failing to reimburse and/or indemnify all business-related expenses and costs incurred by Plaintiff and class members;

49. For unpaid business-related expenses and such general and special damages as may be appropriate;

50. For pre-judgment interest on any unpaid business-related expenses from the date such amounts were due pursuant to California Labor Code section 2802(b), or as otherwise provided by law;

51. For all actual, consequential, and incidental losses and damages, according to proof;

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52. For attorneys' fees and costs pursuant to California Labor Code section 2802(c), or as otherwise provided by law; and

53. For such other and further relief as the Court may deem equitable and appropriate.

As to the Ninth Cause of Action

54. That the Court declare, adjudge and decree that Defendants violated the following California Labor Code provisions as to Plaintiff and other aggrieved employees: 510 and 1198 (by failing to pay all overtime compensation); 1182.12, 1194, 1197, 1197.1, and 1198 (by failing to pay at least minimum wages for all hours worked); 226.7, 512(a), 516, and 1198 (by failing to provide all meal periods); 226.7, 516, and 1198 (by failing to authorize and permit all rest periods); 226(a), 1174(d), and 1198 (by failing to provide accurate wage statements and maintain accurate payroll records); 201 and 202 (by failing to timely pay all earned wages upon termination); 204 (by failing to timely pay all earned wages during employment); 212 and 213 (by failing to make earned wages accessible on demand and with authorization); and 2802 (by failing to reimburse business expenses);

55. For civil penalties pursuant to the California Labor Code, including sections 210, 225.5, 226.3, 256, 558, 1174.5, and/or 2699(a), (f), and (k), for violations of California Labor Code sections 201, 202, 204, 212, 213, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2802;

56. For injunctive relief pursuant to California Labor Code sections 1194.5 and/or 2699(k) to bring Defendants into compliance with the requirements of California Labor Code sections 201, 202, 204, 212, 213, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2802;

57. For attorneys' fees and costs pursuant to California Labor Code section 2699(k)(1), and any and all other relevant statutes, for Defendants' violations of California Labor Code sections 201, 202, 204, 212, 213, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2802;

58. For pre-judgment and post-judgment interest as provided by law; and

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59. For such other and further relief as the Court may deem equitable and appropriate.

As to the Tenth Cause of Action

60. That the Court declare, adjudge and decree that Defendants' conduct of failing to provide Plaintiff and class members all overtime wages due to them; failing to provide Plaintiff and class members all minimum wages due to them; failing to provide Plaintiff and class members all meal periods; failing to authorize and permit Plaintiff and class members to take all rest periods; failing to provide Plaintiff and Subclass members accurate and complete wage statements; failing to maintain accurate payroll records for Plaintiff and Subclass members; failing to timely pay Plaintiff and class members all earned wages during employment; failing to provide access to wages upon demand, and with authorization; and failing to reimburse Plaintiff and class members for business-related expenses; constitutes an unlawful business practice in violation of California Business and Professions Code sections 17200, *et seq.*;

61. For restitution of unpaid wages to Plaintiff and all class members and prejudgment interest from the day such amounts were due and payable;

62. For the appointment of a receiver to receive, manage and distribute any and all funds disgorged from Defendants and determined to have been wrongfully acquired by Defendants as a result of violations of California Business & Professions Code sections 17200, *et seq.*;

63. For reasonable attorneys' fees and costs of suit incurred herein pursuant to California Code of Civil Procedure section 1021.5; and

64. For such other and further relief as the Court may deem equitable and appropriate.

As to the Eleventh Cause of Action

65. That the Court declare, adjudge and decree that Defendants' conduct of denying Plaintiff and class members the statutory benefits guaranteed under section 226.7 constitutes an unfair business practice in violation of California Business and Professions Code sections

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17200, *et seq.*;

66. For restitution of the statutory benefits under section 226.7 unfairly withheld from Plaintiff and class members and prejudgment interest from the day such amounts were due and payable;

67. For the appointment of a receiver to receive, manage and distribute any and all funds disgorged from Defendants and determined to have been wrongfully acquired by Defendants as a result of violations of California Business & Professions Code sections 17200, *et seq.*;

68. For reasonable attorneys' fees and costs of suit incurred herein pursuant to California Code of Civil Procedure section 1021.5;

69. For pre-judgment and post-judgment interest as provided by law; and

70. For such other and further relief as the Court may deem equitable and appropriate.

Dated: June 29, 2026

Respectfully submitted,

CAPSTONE LAW APC

By: Roxanna Tabatabaeepour
Roxanna Tabatabaeepour
Ryan Tish
Alexander Wallin

Attorneys for Plaintiff Iram Alvarez

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EXHIBIT “1”

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April 2, 2026

VIA ONLINE SUBMISSION

California Labor & Workforce Development Agency
ATTN: PAGA Administrator
(https://dir.govfa.net/411)

Subject: *Iram Alvarez v. GNC Holdings LLC, et al.*

Dear PAGA Administrator:

This office represents Iram Alvarez in connection with his claims under the California Labor Code. Mr. Alvarez was an employee of GNC HOLDINGS LLC and/or GNC LIVE WELL LLC. For the purpose of this letter, Mr. Alvarez collectively refers to these entities as "GNC."

The employers may be contacted directly at the addresses below:

GNC HOLDINGS LCC
300 SIXTH AVENUE
PITTSBURGH, PA 15222

GNC LIVE WELL LLC
75 HOPPER PLACE, SUITE 501
PITTSBURGH, PA 15222

Mr. Alvarez intends to seek civil penalties, attorneys' fees, costs, and other available relief for violations of the California Labor Code, which are recoverable under sections 2698, *et seq.*, the Labor Code Private Attorneys General Act of 2004 ("PAGA"). Mr. Alvarez seeks relief on behalf of himself, the State of California, and other persons who are or were employed by GNC as a non-exempt, hourly paid employee in California and who received at least one wage statement ("aggrieved employees"). This letter is sent in compliance with the notice and reporting requirements of California Labor Code section 2699.3.

GNC employed Mr. Alvarez as an hourly paid, non-exempt employee from approximately October 2024 to March 20, 2025. Mr. Alvarez worked as a Store Manager for GNC at its retail location in Yuba City (1215 Colusa Avenue C-311, Yuba City, California, 95991). During his employment, Mr. Alvarez typically worked eight (8) hours or more per day and five (5) days per week. At the time Mr. Alvarez's employment with GNC ended, he earned approximately $22.00 per hour plus commissions. His job duties included, without limitation, conducting inventory, training employees on sales practices, and making sales.

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GNC has committed each of the following Labor Code violations against Mr. Alvarez, the facts and theories of which follow, making him an "aggrieved employee" pursuant to California Labor Code section 2699(c)(1):[1]

GNC's Company-Wide and Uniform Payroll and HR Practices

GNC HOLDINGS LLC is a California limited liability company and GNC LIVE WELL LLC is a Delaware limited liability company. Together, they are a retail and manufacturing company that specializes in health and nutrition related products. Upon information and belief, GNC maintains a single, centralized Human Resources (HR) department at its company headquarters in Pittsburgh, Pennsylvania, for all non-exempt, hourly paid employees working for GNC in California, including Mr. Alvarez and other aggrieved employees. At all relevant times, GNC issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Mr. Alvarez and other aggrieved employees, regardless of their location or position.

Upon information and belief, GNC maintains a centralized Payroll department at its company headquarters in Pittsburgh, Pennsylvania, which processes payroll for all non-exempt, hourly paid employees working for GNC in California, including Mr. Alvarez and other aggrieved employees. Further, GNC issues the same formatted wage statements in the same manner for all non-exempt, hourly paid employees in California, including Mr. Alvarez and other aggrieved employees, irrespective of their location, position, or manner in which each employee's employment ended. In other words, GNC utilized the same methods and formulas when calculating wages due to Mr. Alvarez and other aggrieved employees in California.

Violation of California Labor Code §§ 510 and 1198 – Unpaid Overtime

California Labor Code sections 510 and 1198 and the applicable Industrial Welfare Commission ("IWC") Wage Order require employers to pay employees working more than eight (8) hours in day or more than forty (40) hours in a workweek at the rate of time-and-one-half (1 ½) times the regular rate of pay for all hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a workweek. The applicable IWC Wage Order further provides that employers are required to pay employees working more than twelve (12) hours in a day overtime compensation at a rate of two (2) times their regular rate of pay. An employee's regular rate of pay includes all remuneration for employment paid to, or on behalf of, the employee, including nondiscretionary bonuses and incentive pay.

GNC willfully failed to pay all overtime wages owed to Mr. Alvarez and other aggrieved employees. During the relevant time period, Mr. Alvarez and other aggrieved employees were not paid overtime premiums for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve

[1] These facts, theories, and claims are based on Mr. Alvarez's experience and counsel's review of those records currently available relating to Mr. Alvarez's employment. Discovery conducted in litigation of wage and hour claims such as these often reveals additional claims that the aggrieved employee was not initially aware of (because the aggrieved employee was not aware of the law's requirements, the employer misinformed its employee of the law's requirements, or because the employer effectively hid the violations). Thus, Mr. Alvarez reserves the right to supplement this letter with additional facts, theories, and claims if he becomes aware of them subsequent to the submission of this letter.

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(12) hours in a day, and/or in excess of forty (40) hours in a week, because all hours that they worked were not recorded.

First, during the relevant time period, GNC had, and continues to have, a company-wide policy and/or practice of failing to accurately record hours worked by its employees and thus restricted overtime accrual. GNC failed to implement a reliable timekeeping system to track and record Mr. Alvarez's and other aggrieved employees' hours worked. GNC's timekeeping software, called Xenia, often malfunctioned or had connectivity issues, which impeded Mr. Alvarez and other aggrieved employees from accurately recording their hours worked. When GNC's timekeeping system malfunctioned or had connectivity issues, GNC's policy and/or practice was to require Mr. Alvarez and other aggrieved employees to call or message the District Manager, and verbally ask him to enter Mr. Alvarez's and other aggrieved employees' hours worked. Upon information and belief, the District Manager and/or GNC's management altered, falsified, and/or otherwise failed to accurately record Mr. Alvarez's and other aggrieved employees' clock-in and clock-out times, in order to avoid payment of additional wages. Essentially, due to the limitations of the timekeeping system, GNC's management maintained control and/or discretion over employees' clock-in and/or clock-out times. As a result, Mr. Alvarez and other aggrieved employees were not paid for all of their hours actually worked because GNC's management did not accurately record all hours worked.

Second, during the relevant time period, GNC had, and continues to have, a company-wide policy and/or practice of requiring Mr. Alvarez and other aggrieved employees to perform work off-the-clock outside of their scheduled shifts. For example, GNC's management frequently contacted Mr. Alvarez and other aggrieved employees outside of their shifts via phone calls and text messages to discuss work-related issues, such as employee attendance and store performance. As a further example, Mr. Alvarez was required to travel about two (2) hours roundtrip to attend mandatory training, but GNC failed to compensate him for this time spent traveling. Thus, GNC failed to track all of the time that employees spent performing work-related tasks outside of their shifts, and Mr. Alvarez and other aggrieved employees received no compensation for this time.

Third, GNC had, and continues to have, company-wide policies and/or practices of understaffing/single-staffing its stores while assigning heavy workloads, including pressuring employees to meet monthly sales quotas for memberships, subscriptions, and products. GNC's policies and/or practices resulted in a failure to provide Mr. Alvarez and other aggrieved employees with adequate meal period coverage, because there were too few employees on duty to handle the workload, and thus, Mr. Alvarez and other aggrieved employees were not always afforded uninterrupted 30-minute meal periods during shifts when they were entitled to receive a meal period. GNC also had a practice of failing to schedule meal periods, which further caused Mr. Alvarez and other aggrieved employees to not be relieved of their duties for compliant meal periods. For example, Mr. Alvarez worked through his meal periods approximately twice per week because he was often the only employee on shift and had to attend to any customers that came into the store. When he was able to take his meal periods, Mr. Alvarez's meal periods were frequently interrupted and/or cut short due to the lack of coverage. Further, on information and belief, GNC's management adjusted employee time records to reflect compliant meal periods, regardless of whether they had received a compliant meal period or not. Thus, GNC did not record all hours worked during meal periods, and Mr. Alvarez and other aggrieved employees performed work during meal periods for which they were not paid.

Fourth, GNC maintained and implemented a company-wide on-premises meal period policy, which mandated that Mr. Alvarez and other aggrieved employees remain on its premises during their unpaid

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meal periods. Because Mr. Alvarez and other aggrieved employees were restricted from leaving the premises during meal periods, they were denied the ability to use their meal periods freely for their own purposes. For example, Mr. Alvarez and other aggrieved employees were unable to run personal errands because they were unable to leave the work premises. Thus, GNC effectively maintained control over Mr. Alvarez and other aggrieved employees during their unpaid meal periods. Moreover, GNC had, and continues to have, a company-wide policy and/or practice of requiring that Mr. Alvarez and other aggrieved employees respond to calls from management and co-workers on their personal mobile devices at all times, including during unpaid meal periods. As a result, GNC's management contacted Mr. Alvarez on his personal mobile device during meal periods to discuss work-related matters, time for which he was not paid.

GNC knew or should have known that as a result of these company-wide practices and/or policies, Mr. Alvarez and other aggrieved employees were performing their assigned duties off-the-clock before and after their shifts and during meal periods, and were suffered or permitted to perform work for which they were not paid. Because Mr. Alvarez and other aggrieved employees worked shifts of eight (8) hours or more a day, or forty (40) hours a week or more, some of this off-the-clock work qualified for overtime premium pay. Therefore, Mr. Alvarez and other aggrieved employees were not paid overtime wages for all of the overtime hours they actually worked.

GNC's failure to pay Mr. Alvarez and other aggrieved employees the balance of overtime compensation, as required by California law, violates the provisions of California Labor Code sections 510 and 1198. Mr. Alvarez and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring GNC into compliance with the applicable IWC Wage Order and Labor Code sections 510 and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 – Unpaid Minimum Wages

California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 require employers to pay employees the minimum wage fixed by the IWC. The payment of a lesser wage than the minimum so fixed is unlawful. Compensable work time is defined in IWC Wage Order No. 7-2001 as "the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so." Cal. Code Regs. Tit. 8, § 11070(2)(H) (defining "Hours Worked").

First, as stated, GNC systematically failed to pay Mr. Alvarez and other aggrieved employees for actual hours worked before and after their scheduled shifts, because these hours were not accurately recorded. As set forth above, GNC's timekeeping system restricted Mr. Alvarez and other aggrieved employees from accurately recording their hours worked due to frequent malfunctions. Instead, on information and belief, Mr. Alvarez and other aggrieved employees were subject to GNC's management altering their time records and/or failing to accurately record their hours worked.

Second, as set forth above, GNC required Mr. Alvarez and other aggrieved employees to perform work off-the-clock outside of their scheduled shifts, including communicating with GNC's management to discuss work-related matters and traveling to and from mandatory training sessions. GNC failed to track this time Mr. Alvarez and other aggrieved employees spent working off-the-clock, and Mr. Alvarez and other aggrieved employees received no compensation for this time.

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Third, as also set forth above, due to GNC's policies and/or practices of understaffing/single-staffing, assigning heavy workloads (including pressure to meet sales quotas), failing to schedule meal periods, requiring employees to stay on the store premises during meal periods, and requiring employees to respond to calls from management on their personal mobile devices at all times, Mr. Alvarez and other aggrieved employees were impeded from taking all uninterrupted meal periods to which they were entitled and were required to work off-the-clock during meal periods, have their meal periods interrupted, and/or were otherwise not relieved of all duties during unpaid meal periods. Additionally, as stated, on information and belief, GNC's management adjusted employee time records to reflect compliant meal periods even when meal periods were missed, short, and/or interrupted. Thus, GNC systematically failed to pay Mr. Alvarez and other aggrieved employees for actual hours worked during unpaid meal periods because these hours were not always correctly recorded.

GNC did not pay at least minimum wages for all hours worked by Mr. Alvarez and other aggrieved employees. To the extent that these off-the-clock hours did not qualify for overtime premium payment, GNC did not pay at least minimum wages for those hours worked off-the-clock in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198.

Accordingly, GNC regularly failed to pay at least minimum wages to Mr. Alvarez and other aggrieved employees for all of the hours they worked in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Mr. Alvarez and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring GNC into compliance with the applicable IWC Wage Order and Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198 – Failure to Provide Meal Periods

California Labor Code sections 226.7, 512(a), 516, and 1198, and the applicable IWC Wage Order require employers to provide meal periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. Pursuant to Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order, an employer may not require, cause or permit an employee to work for a period of more than five (5) hours per day without providing the employee with an uninterrupted meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is not more than six (6) hours, the meal period may be waived by mutual consent of both the employer and the employee. Under California law, first meal periods must start after no more than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal.4th 1004, 1041-1042 (2012). Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order also require employers to provide a second meal period of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay an employee one (1) additional hour of pay at the employee's regular rate, except that if the total hours worked is no more than twelve (12) hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

Under California law, an employer cannot evade meal period requirements via the use of "on-duty" meal agreements because it understaffs its locations. *Abdullah v. U.S. Sec. Assocs.*, 731 F.3d 952, 963 (9th Cir. Cal. 2013). In addition, an employee must be provided with the opportunity to eat his or her meal while performing the duties required and any on-duty meal period must, like any off-duty

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meal period, be at least 30 minutes long. *L'Chaim House, Inc., et al. v. Division of Labor Standards Enforcement*, 38 Cal.App.5th 141 (2019).

First, during the relevant time period, as stated above, GNC had, and continues to have, a company-wide policies and/or practices of understaffing and/or single-staffing their locations while assigning heavy workloads, including imposing sales quotas for memberships, subscriptions, and products, which has resulted in a lack of meal period coverage and prevented Mr. Alvarez and other aggrieved employees from taking all timely, uninterrupted meal periods to which they were entitled. Additionally, as also stated, GNC maintained a company-wide practice of failing to schedule meal periods, which further caused Mr. Alvarez and other aggrieved employees to not be relieved of their duties for compliant meal periods. As a result, Mr. Alvarez and other aggrieved employees had to work through all or part of their meal periods, had their meal periods interrupted, and/or had to wait extended periods of time before taking meal periods. For example, as mentioned, Mr. Alvarez's meal periods were regularly missed, interrupted, and/or cut short due to the lack of coverage.

Second, on information and belief, because GNC frowned upon employees accruing meal period premiums, GNC's management adjusted employee time records to reflect compliant meal periods, regardless of whether they had received a compliant meal period or not, in order to limit the meal period premiums that would need to be paid by GNC. For example, on information and belief, GNC's management changed Mr. Alvarez's time sheets to record that he had received compliant meal periods on shifts when he had not, in fact, received these timely, uninterrupted meal periods.

Third, during the relevant time period, GNC maintained and implemented a company-wide on-premises meal period policy for employees, which mandated that Mr. Alvarez and other aggrieved employees remain on the work premises during the meal periods. Because Mr. Alvarez and other aggrieved employees were restricted from leaving the work premises during meal periods, they were denied the ability to use their meal periods freely for their own purposes. Thus, GNC effectively maintained control over Mr. Alvarez and other aggrieved employees during meal periods.

Fourth, as also stated, GNC had a company-wide policy and/or practice of requiring that Mr. Alvarez and other aggrieved employees respond to personal mobile devices at all times, including during meal periods, in order to meet GNC's expectations. As a result, GNC's management interrupted Mr. Alvarez's and other aggrieved employees' meal periods to discuss work-related matters on their personal mobile devices.

Fifth, GNC took the position that the nature of work performed by Mr. Alvarez and other aggrieved employees called for "on-duty" meal periods and on that basis, did not provide off-duty meal periods and did not pay Mr. Alvarez and other aggrieved employees all meal period premiums for non-compliant meal periods. GNC's "on-duty" meal period policy provides, in relevant part:

> I UNDERSTAND ANG AGREE THAT THE NATURE OF MY WORK WITH GNC MAY MAKE IT DIFFICULT FOR ME TO BE RELIEVED OF ALL DUTIES DURING A MEAL PERIOD TO WHICH I AM ENTITLED. WHEN THE NATURE OF MY WORK PREVENTS ME FROM BEING RELIEVED OF ALL DUTY DURING A MEAL PERIOD, THE MEAL PERIOD SHALL BE CONSIDRED AN "ON DUTY" MEAL PERIOD AND COUNTED AS TIME WORKED.

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However, GNC's use of an "on-duty" meal period policy is and was unlawful. Under California law, "on-duty" meal periods are a limited alternative to the requirement to provide off-duty meal periods and can only be utilized under certain circumstances. GNC's "on-duty" meal period policy results from the company's own staffing and business decisions, not because the nature of the work required on-duty meal periods. There were multiple employees employed by GNC at Mr. Alvarez's and other aggrieved employees' stores and GNC's stores are not in remote or isolated areas. GNC could have provided rover meal period coverage for Mr. Alvarez and other aggrieved employees or staffed more employees at its stores, but chose not to do so. Further, the work of GNC's employees is not of the kind that could be said to meet the "nature of the work" exception. Mr. Alvarez and other aggrieved employees were responsible for selling products in a retail setting and providing customer service. None of these tasks are akin to the kind that the California Division of Labor Standards Enforcement ("DLSE") has found warrant an "on-duty" meal period, such as transporting hazardous materials via vehicles that must be monitored at all times pursuant to federal regulation. Therefore, GNC's use of an "on-duty" meal period agreement is improper and unlawful. Because of GNC's company-wide "on-duty" meal period policy, Mr. Alvarez and other aggrieved employees did not receive all required off-duty meal periods and did not receive premium pay for all missed, late, or interrupted meal periods.

Sixth, Mr. Alvarez and other aggrieved employees worked shifts in excess of ten (10) hours without receiving an uninterrupted second 30-minute meal period. For example, during his employment, Mr. Alvarez worked shifts in excess of ten (10) or more hours per day, but was not always provided a second 30-minute meal period. Mr. Alvarez and other aggrieved employees did not sign valid meal period waivers on days that they were entitled to meal periods and were not relieved of all duties.

At all times mentioned herein, GNC knew or should have known that as a result of its policies, Mr. Alvarez and other aggrieved employees were not actually relieved of all duties to take timely, uninterrupted meal periods. GNC further knew or should have known that it did not pay Mr. Alvarez and other aggrieved employees meal period premiums when meal periods were late, interrupted, shortened, and/or missed.

Furthermore, GNC engaged in a company-wide practice and/or policy of not paying all meal period premiums owed when compliant meal periods are not provided. Because of this practice and/or policy, Mr. Alvarez and other aggrieved employees have not received premium pay for all missed, late, and interrupted meal periods.

Accordingly, GNC failed to provide all meal periods in violation of California Labor Code sections 226.7, 512(a), 516, and 1198. Mr. Alvarez and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring GNC into compliance with the applicable IWC Wage Order and Labor Code sections 226.7, 512(a), 516, and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 226.7, 516, and 1198 – Failure to Authorize and Permit Rest Periods

California Labor Code sections 226.7, 516, and 1198, and the applicable IWC Wage Order require employers to provide rest periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. California Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC. The applicable IWC Wage Order

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provides that "[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period" and that the "rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof" unless the total daily work time is less than three and one-half (3 ½) hours.

To comply with its obligation to authorize and permit rest periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an employer must "relinquish any control over how employees spend their break time, and relieve their employees of all duties—including the obligation that an employee remain on call. A rest period, in short, must be a period of rest." *Augustus, et al. v. ABM Security Services, Inc*., 2 Cal.5th 257, 273 (2016).

During the relevant time period, GNC regularly failed to authorize and permit Mr. Alvarez and other aggrieved employees to take a ten (10) minute rest period per each four (4) hour period worked or major fraction thereof. As with meal periods, GNC's company-wide policies and/or practices, including understaffing/single-staffing and assigning heavy workloads, including imposing sales quotas, prevented Mr. Alvarez and other aggrieved employees from being relieved of all duty in order to take compliant rest periods. GNC also failed to schedule rest periods, which, coupled with GNC's failure to provide adequate rest period coverage, further led to Mr. Alvarez and other aggrieved employees not being authorized and permitted to take rest periods. In addition, as stated, GNC engaged in a company-wide policy and/or practice requiring that Mr. Alvarez and other aggrieved employees respond to work-related questions on their personal mobile devices, including during rest periods, which prevented Mr. Alvarez and other aggrieved employees from being able to take uninterrupted rest periods.

Furthermore, upon information and belief, during the relevant time period, GNC maintained a company-wide on-premises rest period policy, which effectively required that Mr. Alvarez and other aggrieved employees remain on the work premises during their rest periods. Because Mr. Alvarez and other aggrieved employees were restricted from leaving the premises during rest periods, they were denied the ability to use their rest periods freely for their own purposes, such as running personal errands. Thus, GNC effectively maintained control over Mr. Alvarez and other aggrieved employees during rest periods.

As a result of GNC's practices and policies, Mr. Alvarez and other aggrieved employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without receiving all uninterrupted rest periods to which they were entitled. For example, Mr. Alvarez often missed his rest periods due to the lack of coverage and heavy workload. For the same reasons, and because GNC contacted Mr. Alvarez on his personal mobile device during rest periods, when he was able to take rest periods, they were frequently interrupted or cut short.

GNC has also engaged in a company-wide practice and/or policy of not paying rest period premiums owed when compliant rest periods are not authorized and permitted. Because of this practice and/or policy, Mr. Alvarez and other aggrieved employees have not received premium pay for non-compliant rest periods.

Accordingly, GNC failed to authorize and permit all rest periods in violation of California Labor Code sections 226.7, 516, and 1198. Mr. Alvarez and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring

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GNC into compliance with the applicable IWC Wage Order and Labor Code sections 226.7, 516, and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 226(a), 1174(d), and 1198 – Non-Compliant Wage Statements and Failure to Maintain Accurate Payroll Records

California Labor Code section 226(a) requires employers to make, keep and provide true, accurate, and complete employment records. GNC has not provided Mr. Alvarez and other aggrieved employees with properly itemized wage statements. Labor Code section 226(e) provides that if an employer fails to comply with providing an employee with properly itemized wage statements as set forth in 226(a), then the employee is entitled to recover the greater of all actual damages or $50 for the initial pay period in which a violation occurs and $100 per employee for each violation in a subsequent pay period, not to exceed $4,000. Further, Labor Code section 226.3 provides that any employer who violates section 226(a) shall be subject to a civil penalty in the amount of $250 per employee per violation in an initial citation and $1,000 per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage statement or fails to keep the required records pursuant to Section 226(a).

During the relevant time period, GNC has knowingly and intentionally provided Mr. Alvarez and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, GNC issued uniform wage statements to Mr. Alvarez and other aggrieved employees that fail to correctly list: gross wages earned; total hours worked; net wages earned; the address of the legal entity that is the employer; and all applicable hourly rates in effect during the pay period, including rates of pay for overtime wages, and the corresponding number of hours worked at each hourly rate. Specifically, GNC violated sections 226(a)(1), 226(a)(2), 226(a)(5), 226(a)(8), and 226(a)(9).

First, GNC did not accurately record the time Mr. Alvarez and other aggrieved employees spent working off-the-clock and deducted time from their records for meal periods that were interrupted and/or missed (and therefore time for which they should have been paid), GNC did not list the correct amount of gross wages and net wages earned by Mr. Alvarez and other aggrieved employees in compliance with sections 226(a)(1) and 226(a)(5). For the same reason, GNC failed to accurately list the total number of hours worked by Mr. Alvarez and other aggrieved employees, in violation of section 226(a)(2), and failed to list the applicable hourly rates of pay in effect during the pay period and the corresponding accurate number of hours worked at each hourly rate, in violation of section 226(a)(9).

Second, and separately from these violations, GNC issued uniform wage statements to Mr. Alvarez and other aggrieved employees that failed to list the address of the legal entity of the actual employer in violation of 226(a)(8). The purpose of section 226(a)(8) is to provide California employees with transparency as to the true identity of their employer, to allow the employee to contact their employer during employment or in the future for various reasons, including filing an administrative claim, judicial claim, or other action to seek relief against their employer, to obtain unemployment benefits, etc. During the relevant time period, GNC systematically, and on a company-wide basis, issued wage statements to Mr. Alvarez and other aggrieved employees that fail to list the employing entity's correct address. Mr. Alvarez's and other aggrieved employees' wage statements incorrectly list the employer's address as "75 HOPPER PL SUITE #501, PITTSBURGH, PA 15222," but according to the California Secretary of State's website, GNC HOLDINGS LLC's correct entity address is "300 SIXTH AVENUE, PITTSBURGH, PA 15222."

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The wage statement deficiencies also include, among other things, failing to list the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; failing to list all deductions; failing to list the inclusive dates of the period for which employees were paid; failing to list the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number; failing to list the name of the legal entity that is the employer; and/or failing to state all hours worked as a result of not recording or stating hours worked off-the-clock.

California Labor Code section 1174(d) provides that "[e]very person employing labor in this state shall . . . [k]eep a record showing the names and addresses of all employees employed and the ages of all minors" and "[k]eep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments . . . ." Labor Code section 1174.5 provides that employers are subject to a $500 civil penalty if they fail to maintain accurate and complete records as required by section 1174(d). During the relevant time period, and in violation of Labor Code section 1174(d), GNC willfully failed to maintain accurate payroll records for Mr. Alvarez and other aggrieved employees showing the daily hours they worked and the wages paid thereto as a result of failing to record the off-the-clock hours that they worked.

California Labor Code section 1198 provides that the maximum hours of work and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set forth in the applicable IWC Wage Order. Section 1198 further provides that "[t]he employment of any employees for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful." Pursuant to the applicable IWC Wage Order, employers are required to keep accurate time records showing when the employee begins and ends each work period and meal period. During the relevant time period, GNC engaged in company-wide practices and/or policies of failing to record actual hours worked, and thereby failed to keep accurate records of work period and meal period start and end times for Mr. Alvarez and other aggrieved employees, in violation of section 1198. Also, in light of GNC's failure to provide Mr. Alvarez and other aggrieved employees with second 30-minute meal periods to which they were entitled, GNC kept no records of meal start and end times for second meal periods.

Because GNC failed to provide the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on wage statements, Mr. Alvarez and other aggrieved employees have been prevented from verifying, solely from information on the wage statements themselves, that they were paid correctly and in full. Instead, Mr. Alvarez and other aggrieved employees have had to look to sources outside of the wage statements themselves and reconstruct time records to determine whether in fact they were paid correctly and the extent of underpayment, thereby causing them injury.

Mr. Alvarez and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring GNC into compliance with the applicable IWC Wage Order and Labor Code sections 226(a), 1174(d), and 1198, pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f), and (k).

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Violation of California Labor Code § 204 – Failure to Timely Pay Wages During Employment

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. Alternatively, California Labor Code section 204 provides that the requirements of this section are deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven (7) calendar days following the close of the payroll period.

During the relevant time period, GNC failed to pay Mr. Alvarez and other aggrieved employees all wages due to them, including, but not limited to, overtime wages, minimum wages, and/or meal and rest period premiums, within any time period specified by California Labor Code section 204.

Mr. Alvarez and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring GNC into compliance with Labor Code section 204, pursuant to Labor Code sections 210 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 201 and 202 – Failure to Timely Pay Final Wages Upon Termination

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy two (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.

GNC willfully failed to pay Mr. Alvarez and other aggrieved employees who are no longer employed by GNC all their earned wages, including, but not limited to, overtime wages, minimum wages, and/or meal and rest period premiums, either at the time of discharge, or within seventy-two (72) hours of their leaving GNC's employ.

Mr. Alvarez and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring GNC into compliance with Labor Code sections 201 and 202, pursuant to Labor Code sections 256 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 212 and 213 – Unlawful Direct Deposit of Wages

California Labor Code section 212 prohibits employers from issuing any instruments for the payment of wages unless such instruments are negotiable and payable in cash on demand and without discount. California Labor Code section 213 permits employers to pay employees via direct deposit so long as the employee authorizes payment via direct deposit. Under California law, employers are also permitted to fulfill their wage payment obligations to employees by using payroll debit cards, but only under certain circumstances. Employer use of payroll debit cards is permitted only so long

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as the employee is given the choice as to whether to accept a payroll debit card as a form of payment. *Johnson v. Sunrise Senior Living Management, Inc.*, No. 16 CV 00443 BRO RAOx, 2016 WL 8929249, *9 (C.D. Cal. May 5, 2016). In *Johnson*, the court stated that the DLSE decision deeming payroll debit card program permissible relied heavily on:

> . . . [T]he fact that the pay programs were optional, thereby allowing an employee to either participate in the program or receive his or her pay in some other way, such as direct deposit. Specifically, the DLSE opined that "[t]he success of the described procedure, in practice, will of course require that . . . it is presented as an alternative method for wage payment for which [the employees'] participation is optional." The DLSE also stated, "'[i]t is significant that the program does not mandate employee participation in the Money Network Service and that it is designed to provide an alternative for employees receiving their wage payment. Employees are also given the option of having their pay direct deposited into an account of their choosing . . . ." (internal citations omitted).

In addition, employers can only utilize payroll debit card programs if they provide employees with effective access to their wages without discount. The DLSE has interpreted Labor Code sections 212 and 213 as permitting employer use of payroll debit cards where the following requirements are satisfied:

> (1) [T]he "wages [are] payable at some established place of business in the state and there be at least 30 days of sufficient funds for payment,"
> (2) the employees are "fully informed of the service and procedures and that it is represented as an alternative method for wage payment for which their participation is optional,"
> (3) the employees receive "an itemized wage statement," and
> (4) "at least one transaction per pay period [is] without fee."

Ortiz v. Randstad North America, L.P., No. C-13-5050 MMC, 2015 WL 6202298 at 3.

During the relevant time period, GNC had an agreement with a payroll service provider, Wisely, for the issuance of payroll debit cards to employees, including Mr. Alvarez and other aggrieved employees, to discharge its wage payment obligations to their employees. On information and belief, GNC had a practice and/or policy of automatically issuing payroll debit cards to departing employees without giving them the option to elect their form of payment for their final wages. For example, Mr. Alvarez received his final wages on a payroll debit card without a choice of an alternate method of payment, such as a written check. Instead, GNC automatically enrolled Mr. Alvarez in their payroll debit card program for the purpose of issuing Mr. Alvarez's final wages to him without prior, voluntary approval from Mr. Alvarez.

California courts recognize a policy favoring the full and prompt payment of wages to employees. GNC's payroll card program is inconsistent with this policy because GNC's program is involuntary and denies Mr. Alvarez and other aggrieved employees easy access to their wages. Thus, GNC's company-wide payroll debit card program violates California Labor Code sections 212 and 213. Mr. Alvarez and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring GNC into compliance with Labor Code sections 212 and 213, pursuant to Labor Code sections 225.5 and/or 2699(a), (f), and (k).

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Violation of California Labor Code § 2802 – Unreimbursed Business Expenses

California Labor Code section 2802 requires employers to pay for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan's Home Service, Inc*., 228 Cal.App.4th 1137, 1144 (2014). The applicable wage order, IWC Wage Order No. 7-2001, provides that: "[w]hen tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft."

First, during the relevant time period, GNC, on a company-wide basis, required Mr. Alvarez and other aggrieved employees to use their personal mobile devices, including, but not limited to, cellular phones, and/or mobile data to carry out their job duties but failed to reimburse them for the costs of their work-related mobile device and/or mobile data expenses. For example, Mr. Alvarez was regularly required to use his personal cellular phone to communicate with his managers regarding work-related matters. Although GNC required Mr. Alvarez and other aggrieved employees to use their personal mobile devices and/or mobile data to carry out their work-related duties, GNC failed to reimburse them for their costs incurred.

Second, during the relevant time period, GNC had a company-wide policy of requiring Mr. Alvarez and other aggrieved employees to utilize their own personal vehicles to carry out company business, but failed to reimburse them for all costs of travel, including mileage. Specifically, GNC required Mr. Alvarez and other aggrieved employees to travel to complete bank deposits, but did not reimburse them for their travel expenses. For example, GNC required Mr. Alvarez to drive his personal vehicle to the bank approximately twice per week to make bank drops. This drive was about sixteen (16) miles roundtrip. As another example, GNC required Mr. Alvarez to drive about 100 miles roundtrip to attend a training, but did not reimburse him for this travel expenses. Although GNC required Mr. Alvarez and other aggrieved employees to utilize their own vehicles to carry out their work-related responsibilities, GNC did not reimburse them for their travel expenses.

Third, during the relevant time period, GNC required Mr. Alvarez and other aggrieved employees to purchase supplies and equipment necessary for the performance of their duties, but failed to reimburse them for their out-of-pocket costs. For example, Mr. Alvarez spent approximately $166 on printer paper and approximately $90 on construction tape. GNC thus failed to provide him with the necessary supplies and equipment which were required for him to complete his assigned duties.

GNC could have provided Mr. Alvarez and other aggrieved employees with actual equipment for use on the job, such as company mobile devices, company vehicles, and supplies and equipment; or GNC could have reimbursed employees for the costs of their mobile device usage, travel, mileage, and supply and equipment expenses. Instead, GNC passed these operating costs onto Mr. Alvarez and other aggrieved employees. At all relevant times, Mr. Alvarez did not earn at least two (2) times the minimum wage.

Thus, GNC had, and continues to have, a company-wide policy and/or practice of not reimbursing employees for expenses necessarily incurred in violation of California Labor Code section 2802. Mr. Alvarez and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring GNC into compliance with the applicable

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IWC Wage Order and Labor Code section 2802, pursuant to Labor Code sections 2699(a), (f), and (k).

California Labor Code § 558(a)

California Labor Code section 558(a) provides "[a]ny employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars ($50) for each underpaid employee for each pay period for which the employee was underpaid . . . . (2) For each subsequent violation, one hundred dollars ($100) for each underpaid employee for each pay period for which the employee was underpaid . . . ." Labor Code section 558(c) provides that "[t]he civil penalties provided for in this section are in addition to any other civil or criminal penalty provided by law." GNC, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Mr. Alvarez's and other aggrieved employees' rights by violating various sections of the California Labor Code.

Accordingly, Mr. Alvarez seeks the remedies set forth in Labor Code section 558 for himself, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 1194.5, 2699(a), 2699(k), 2699.3(a), 2699.3(c), 2699.5, and 558, Mr. Alvarez, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties and injunctive relief for himself, all other aggrieved employees, and the State of California against GNC for violations of California Labor Code sections 201, 202, 204, 212, 213, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2802.

Therefore, on behalf of all aggrieved employees, Mr. Alvarez seeks all applicable civil penalties related to these violations of the California Labor Code pursuant to PAGA.

Thank you for your attention to this matter. If you have any questions, please contact me at the phone number or address below:

Sairah Budhwani
Capstone Law APC
1875 Century Park East, Suite 1860
Los Angeles, CA 90067
(310) 556-4811

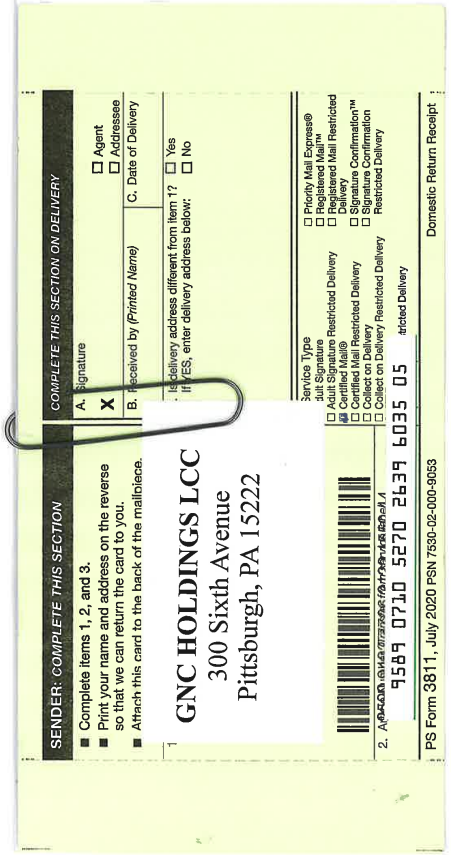
Best Regards,



Sairah Budhwani

Copy: GNC HOLDINGS LLC (via U.S. Certified Mail); GNC LIVE WELL LLC (via U.S. Certified Mail)

CAPSTONE LAW, APC
1875 Century Park East
Suite #1860
Los Angeles, CA 90067



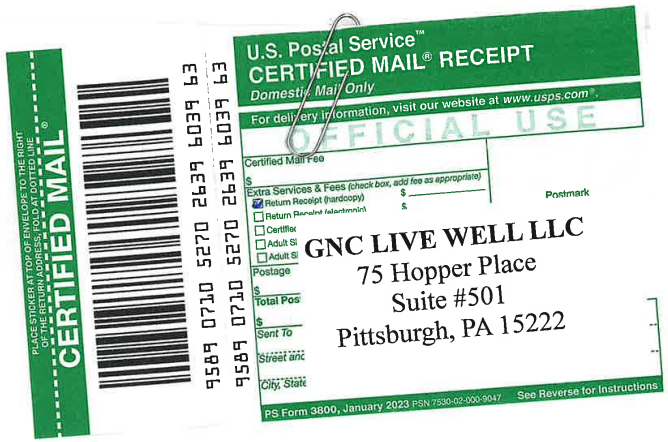


. **GNC HOLDINGS LCC**
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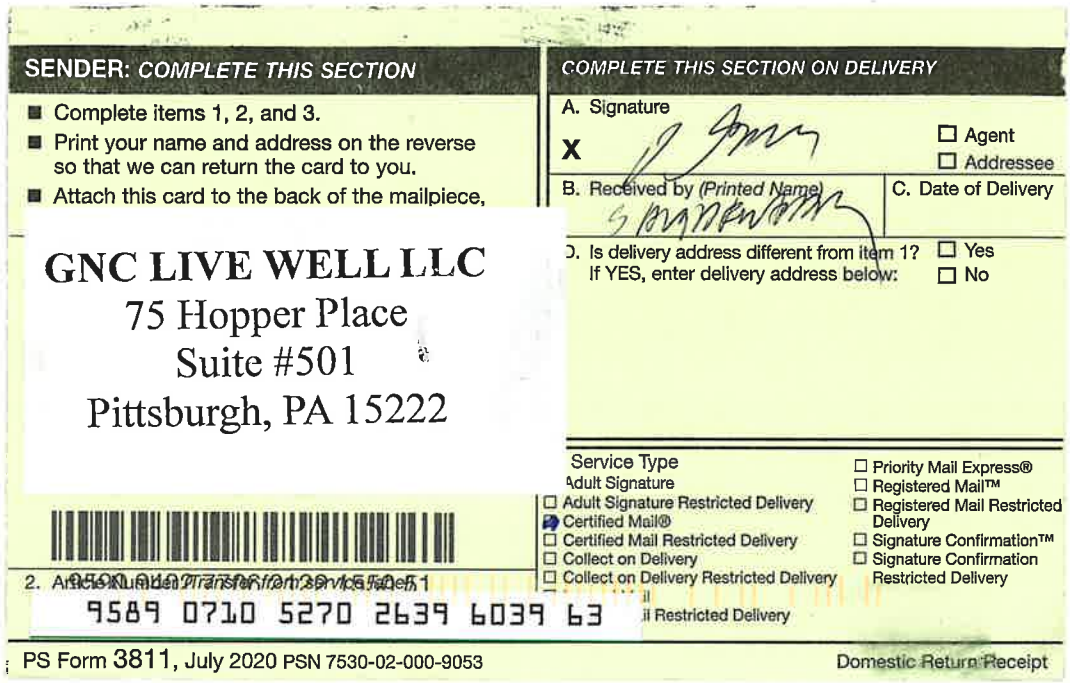




GNC LIVE WELL LLC
75 Hopper Place
Suite #501
Pittsburgh, PA 15222

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75 Hopper Place
Suite #501
Pittsburgh, PA 15222

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PROOF OF SERVICE

I am employed in the State of California, County of Los Angeles. I am over the age of 18 and not a party to the within suit; my business address is 1875 Century Park East, Suite 1860 Los Angeles, California 90067.

On **June 29, 2026**, I served the document described as: **FIRST AMENDED CLASS ACTION COMPLAINT & ENFORCEMENT ACTION UNDER THE PRIVATE ATTORNEYS GENERAL ACT, CALIFORNIA LABOR CODE §§ 2698, *ET SEQ.*** on the interested parties in this action by sending [ ] the original [or] [✓] a true copy thereof [✓] to interested parties as follows [or] [ ] as stated on the attached service list:

Sophia Collins
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Attorneys for Defendants:
GNC Holdings, LLC; GNC Live Well, LLC

[ ] **BY MAIL (ENCLOSED IN A SEALED ENVELOPE):** I deposited the envelope(s) for mailing in the ordinary course of business at Los Angeles, California. I am "readily familiar" with this firm's practice of collection and processing correspondence for mailing. Under that practice, sealed envelopes are deposited with the U.S. Postal Service that same day in the ordinary course of business with postage thereon fully prepaid at Los Angeles, California.

[**X**] **BY E-MAIL:** I hereby certify that this document was served from Los Angeles, California, by e-mail delivery on the parties listed herein at their most recent known e-mail address or e-mail of record in this action.

[ ] **BY PERSONAL SERVICE:** I delivered the document, enclosed in a sealed envelope, by hand to the counsel for Defendant.

[**X**] **BY ELECTRONIC SERVICE:** I caused the document(s) to be transmitted electronically via One Legal eService to the individuals listed above, as they exist on that database. This will constitute service of the document(s).

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on **June 29, 2026,** at Los Angeles, California.

Julia Urquizo
Type/Print Name

Julia Urquizo
Signature