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October 16, 2020

VIA ONLINE SUBMISSION

California Labor & Workforce Development Agency  
ATTN: PAGA Administrator  
(<https://dir.tfaforms.net/295>)

Subject: *Shauntae Gray v. Contemporary Services Corporation*

Dear PAGA Administrator:

This office represents Shauntae Gray in connection with his claims under the California Labor Code. Mr. Gray was an employee of Contemporary Services Corporation ("CSC").

The employer may be contacted directly at the address below:

CONTEMPORARY SERVICES CORPORATION  
17101 SUPERIOR STREET  
NORTHRIDGE, CA 91325

Mr. Gray intends to seek civil penalties, attorney's 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. Gray seeks relief on behalf of himself, the State of California, and other persons who are or were employed by CSC 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.

CSC employed Mr. Gray as an hourly paid, non-exempt employee from approximately August 2019 to February 2020. Mr. Gray worked for CSC as an Event Staff employee from August 2019 until October 2019, and as VIP Security from October 2019 to February 2020. During his employment, Mr. Gray typically worked eight (8) to ten (10) hours or more per day and three (3) days per week. Mr. Gray earned between \$12.00 to \$14.25 per hour. His job duties included, without limitation, overseeing his security post, safeguarding and approving entry into secured areas, and maintaining walkways.

CSC committed one or more of the following Labor Code violations against Mr. Gray, the facts and theories of which follow, making him an “aggrieved employee” pursuant to California Labor Code section 2699(c):<sup>1</sup>

### **CSC’s Company-Wide and Uniform Payroll and HR Practices**

CONTEMPORARY SERVICES CORPORATION is a California corporation, and is the largest event staffing company and one of the largest security companies in North America. Upon information and belief, CSC maintains a single, centralized Human Resources (HR) department at its corporate headquarters in Northridge, California, for all non-exempt, hourly paid employees working for CSC in California, including Mr. Gray and other aggrieved employees. At all relevant times, CSC issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Mr. Gray and other aggrieved employees, regardless of its location or position.

Upon information and belief, CSC maintains a centralized Payroll department at its corporate headquarters in Northridge, California, which processes payroll for all non-exempt, hourly paid employees working for CSC in California, including Mr. Gray and other aggrieved employees. Further, CSC issues the same formatted wage statements in the same manner for all non-exempt, hourly paid employees working in California, including Mr. Gray and other aggrieved employees, irrespective of their location, position, or manner in which each employee’s employment ended. In other words, CSC utilized the same methods and formulas when calculating wages due to Mr. Gray 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 a day or more than forty (40) hours in a workweek at the rate of time-and-one-half (1½) 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.

CSC willfully failed to pay all overtime wages owed to Mr. Gray and other aggrieved employees. During the relevant time period, Mr. Gray 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 (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.

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<sup>1</sup> These facts, theories, and claims are based on Mr. Gray’s experience and counsel’s review of those records currently available relating to Mr. Gray’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. Gray 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.

First, during the relevant time period, CSC has had a company-wide policy and/or practice of improperly rounding employee clock-in and clock-out duration times to the nearest quarter-hour in its timekeeping system. CSC's rounding policy has resulted in the failure to compensate Mr. Gray and other aggrieved employees fully for all hours worked, causing Mr. Gray and other aggrieved employees to not be paid overtime wages for all of the overtime hours they actually worked. Upon information and belief, CSC's rounding policy is, and continues to be, unfair and has, over time, resulted in the underpayment of wages to Mr. Gray and other aggrieved employees. To the extent CSC's rounding policy has taken away time worked that was eligible for overtime, Mr. Gray and other aggrieved employees have been denied overtime pay for all hours worked.

Moreover, CSC had, and continues to have, a company-wide policy of circumventing the payment of overtime wages to minimize labor costs. Specifically, CSC implemented a policy that resets the work day at midnight and therefore treats shifts extending into the following day as two separate shifts. This policy has the effect of reducing the amount of overtime paid to other aggrieved employees when they worked during overnight shifts. CSC's policy is particularly onerous for those employees whose shifts started later in the day, so when other aggrieved employees worked shifts longer than eight (8) hours that extended past midnight, they were not paid overtime or double-time premiums for all of the hours they worked in excess of eight (8) hours in a day and/or in excess of twelve (12) hours in a day.

Second, during the relevant time period, CSC had, and continues to have, a company-wide policy and/or practice of discouraging and impeding Mr. Gray and other aggrieved employees from recording hours worked that were outside of their scheduled shifts in order to limit the amount of overtime employees could accrue. On information and belief, this limitation on overtime accrual was based on a company-wide policy of staffing job sites or locations strictly based on the labor hours or labor budget set by corporate. This policy of limiting overtime, coupled with CSC's understaffing and/or single-staffing policy (*see infra*), led Mr. Gray and other aggrieved employees to work off-the-clock before and after their scheduled shift times in order to complete their assigned tasks. As a result of this restriction on overtime accrual, Mr. Gray and other aggrieved employees were forced to work off-the-clock performing tasks before and after their scheduled shift times, but were not provided a means by CSC to account for this time.

For example, approximately two (2) times per week, at the request of his supervisor, Mr. Gray would arrive 30-60 minutes early for his scheduled shift to begin preparing and securing the venue premises for an upcoming event, but was not permitted to clock in before his scheduled shift start-time. Similarly, other aggrieved employees would arrive 15 minutes early and clock in immediately for their scheduled shifts, but CSC's supervisors would adjust their clock-in times to reflect their scheduled shift start-time instead. In addition, approximately three (3) times per week, CSC would require that Mr. Gray spend at least 1-2 hours after his scheduled shift end-time continuing to supervise restricted access areas when events would run later than scheduled. CSC failed to record the time worked by Mr. Gray and other aggrieved employees on these occasions because the CSC sign-in sheets were no longer available to employees, and CSC's supervisors automatically clocked out employees at their scheduled shift end-time. Alternatively, when Mr. Gray and other aggrieved employees did not clock out at their designated shift end-times, on information and belief, Mr. Gray and other aggrieved employees were subject to CSC's supervisors falsifying their time records in order to prevent employees from accruing overtime. Thus, CSC failed to track this time spent working before and after scheduled shifts, and Mr. Gray and other aggrieved employees received no compensation for this time.

Moreover, CSC did not have a procedure in place to track the start and stop times of meal periods or to allow employees to report a short, missed, or interrupted meal period. The sign-in sheet that Mr. Gray and other aggrieved employees were required to sign did not have a place for them to record meal period start and stop times. Instead, CSC implemented a company-wide policy and practice of automatically deducting 30-minute meal periods from Mr. Gray's and other aggrieved employees' time records. As a result of this policy, CSC deducted 30-minute meal periods from Mr. Gray's and other aggrieved employees' time records even when meal periods were missed, short, and/or interrupted. For example, CSC deducted 30 minutes from Mr. Gray's and other aggrieved employees' time records when they worked six (6) hours or more in one day, and deducted one (1) hour from Mr. Gray's and other aggrieved employees' time records when they worked ten (10) or more hours in one day, even when meal periods were missed short, and/or interrupted. Because CSC failed to implement any sort of timekeeping system for meal periods and automatically deducted 30-minute meal periods from employees' timesheets, Mr. Gray and other aggrieved employees were not paid for all hours worked.

Third, during the relevant period, CSC had a company-wide "call-in" policy, whereby it scheduled Mr. Gray and other aggrieved employees to work "on-call," or on standby. These "call-in" shifts worked to CSC's benefit and to the detriment of Mr. Gray and other aggrieved employees. By utilizing "call-in" shifts, CSC received the benefit of being able to maximize revenue by having a standby workforce they could choose to utilize or not, depending on venue traffic and other metrics, without incurring the cost of compensating employees who show up to work and work a full or partial scheduled day's work.

When scheduled for a "call-in" or standby shift, Mr. Gray and other aggrieved employees were required to call their supervisors 2-4 hours before their scheduled standby shift to see if they were required to come in and work. Mr. Gray and other aggrieved employees were engaged to wait and could not engage in personal activities as they had to be ready to travel to their designated venues on short notice and work their standby shift. When scheduled to be "on-call" for a standby shift, Mr. Gray and other aggrieved employees were controlled by CSC because they were forced to put their lives on hold and could not use that time freely for their own purposes. For example, Mr. Gray refrained from making plans altogether while "on-call" for a standby shift because he knew that he had to drop whatever he was doing at a moment's notice if he was instructed to work his standby shift. CSC did not pay Mr. Gray and other aggrieved employees for the time they spent waiting to hear whether they needed to report to their designated venue for work on days they ultimately were not called in. CSC also did not compensate Mr. Gray and other aggrieved employees for the time they spent calling in to see if they were needed.

Fourth, CSC had, and continues to have, a company-wide policy that required its employees to be subject to its clients' loss prevention policies, which resulted in Mr. Gray and other aggrieved employees undergoing mandatory security checks before entering or leaving clients' premises/venues, while off-the clock. For example, any time Mr. Gray returned to the venue after leaving for a meal period, he would be required to cut short his meal period to allow for 10-15 minutes to undergo a security check and wait for other aggrieved employees to be searched before he could reenter the event venue. Similarly, after clocking out at the end of his shifts, when working larger events, Mr. Gray was required to wait off-the-clock for his supervisors to perform checks on each employee before being allowed to leave. Mr. Gray could spend up to 30 minutes waiting for other employees to undergo security checks and then undergo the check himself. Although CSC required that Mr. Gray and other aggrieved employees undergo mandatory security checks, CSC did not compensate them for the time it took them to pass through those screenings.

Fifth, as stated above, CSC had, and continues to have, a company-wide policy and/or practice of understaffing its job sites, pursuant to its labor budget practices, resulting in a failure to provide Mr. Gray and other aggrieved employees with adequate meal period coverage. CSC also understaffed its job sites by adopting a single-staffing model for certain posts, which exacerbated the lack of meal period coverage for employees. As a result of CSC's policy of understaffing and/or single-staffing, coupled with a company-wide policy and/or practice of failing to schedule meal periods, Mr. Gray and other aggrieved employees were not always afforded uninterrupted 30-minute meal periods during shifts when they were entitled to receive a meal period. For example, during his employment, Mr. Gray had to forego his meal periods 1-2 times per week in order to ensure he was complying with CSC's policy requiring posts to be maintained by at least one employee at all times. In addition, CSC did not provide Mr. Gray and other aggrieved employees with second 30-minute meal periods on days when they worked in excess of ten (10) hours in one day. Thus, Mr. Gray and other aggrieved employees missed or had meal periods interrupted in order to complete and fulfill their work-related duties. CSC did not pay Mr. Gray and other aggrieved employees for the time they continued to perform tasks and remain on duty during meal periods.

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

Furthermore, CSC did not pay other aggrieved employees the correct overtime rate for the recorded overtime hours that they generated. In addition to an hourly wage, CSC paid other aggrieved employees shift differential pay, incentive pay, nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the California Labor Code, CSC failed to incorporate all remunerations, including shift differential pay, incentive pay, and/or nondiscretionary bonuses, into the calculation of the regular rate of pay for purposes of calculating the overtime wage rates. Therefore, during times when other aggrieved employees worked overtime and received these other forms of pay, CSC failed to pay all overtime wages by paying a lower overtime rate than required.

Specifically, CSC paid other aggrieved employees shift differential pay. During pay periods that other aggrieved employees were paid overtime and double-time wages, CSC failed to incorporate the shift differential pay into other aggrieved employees' regular rate of pay and, as a result, paid them at incorrect and lower rates of pay for overtime hours worked. Specifically, CSC paid other aggrieved employees 1.5 times their hourly rate of pay instead of 1.5 times their regular rate of pay. CSC's failure to properly calculate the overtime and double-time rates of pay based on all remuneration paid has resulted in an underpayment of overtime and double-time wages to other aggrieved employees on a company-wide basis.

Mr. Gray and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

**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 Wage Order No. 4 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, § 11040(2)(K) (defining “Hours Worked”).

As set forth above, CSC has had a policy of rounding Mr. Gray’s and other aggrieved employees’ hourly clock-in and clock-out duration times to the quarter-hour in its timekeeping system, resulting in the failure to compensate Mr. Gray and other aggrieved employees fully for all hours worked. Furthermore, as stated, due to CSC’s restriction on overtime accrual, CSC systematically failed to pay Mr. Gray and other aggrieved employees for actual hours worked before and after their scheduled shifts, because these hours were not accurately recorded. Also, as stated, CSC had a company-wide “call-in” policy, that required Mr. Gray and other aggrieved employees to call-in 2-4 hours in advance when scheduled for standby shifts. Even though Mr. Gray and other aggrieved employees had to put their lives on hold and were restricted from using that time freely for their own purposes, CSC did not pay Mr. Gray and other aggrieved employees at least minimum wages for the time they spent calling in or waiting to see if they were needed. Additionally, as set forth above, Mr. Gray and other aggrieved employees were required to undergo security checks while off-the-clock.

As also stated above, due to CSC’s policy and/or practice of understaffing or single-staffing and failure to schedule meal periods, Mr. Gray 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. In addition, CSC had a company-wide practice and/or policy of automatically deducting meal periods from Mr. Gray’s and other aggrieved employees’ time records, even when meal periods were missed, short, and/or interrupted.

Moreover, CSC implemented, on a company-wide basis, an employer-imposed requirement that other aggrieved employees undergo a mandatory drug test and/or physical examination upon hiring. At all times, CSC was in control of scheduling the date and time for the testing and/or examinations, selecting the provider/facility where the testing and/or examinations were to take place, and determining the scope of the testing and/or examinations. CSC gave other aggrieved employees strict instructions to obtain drug testing and/or physical examinations, and other aggrieved employees underwent the testing and/or examinations for the sole benefit of CSC. Other aggrieved employees were required to travel in their own personal vehicles or obtain alternate transportation and spend time undergoing CSC’s mandatory drug testing and/or physical examinations. However, CSC did not compensate other aggrieved employees for the time they spent traveling to and from the medical facilities and for the time they spent undergoing the drug testing and/or physical examinations.

Thus, CSC did not pay at least minimum wages for off-the-clock hours that qualified for overtime premium payment. Also, to the extent that these off-the-clock hours did not qualify for overtime premium payment, CSC 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, and 1197.1. Accordingly, CSC regularly failed to pay at least minimum wages to Mr. Gray 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. Gray and other aggrieved employees are therefore entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f)-(g).

### **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, 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 (Cal. 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 break requirements via the use of "on-duty" meal agreements because it understaffs its locations. *Abdullah v. U.S. Sec. Assocs.*, 2011 U.S. Dist. LEXIS 156685 (C.D. Cal. Jan. 11, 2011).

First, as described above, CSC did not track the start and stop times of meal periods or to allow employees to report a short, missed, or interrupted meal period on their sign-in sheets. Instead, CSC implemented a company-wide policy and practice of automatically deducting 30 minutes from Mr. Gray's and other aggrieved employees' time records when they worked six (6) hours or more in one day, and deducted one (1) hour from Mr. Gray's and other aggrieved employees' time records when they worked ten (10) or more hours in one day. For example, according to CSC's time records, Mr. Gray worked 14.25 hours on November 9, 2019. *See excerpt from time records below.*

Gray Shauntae 1011851237 Camp Flog Gnaw 2019 18 Event Staff 1 11/09/2019 09:29 11/09/2019 09:30 11/09/2019 23:44 11/09/2019 23:45 14.25 Day 1

However, on Mr. Gray's wage statement for the corresponding pay period, CSC only paid Mr. Gray for 13.25 hours (8.00 hours of straight time, 4.00 hours of overtime, and 1.25 hours of double time) for that shift. *See excerpted wage statement below.*

| Shauntae E. Gray |            |           |          | November 22, 2019 |          |           |  | 412463 |  |  |  |
|------------------|------------|-----------|----------|-------------------|----------|-----------|--|--------|--|--|--|
| Emp Id           | 1011851237 | Rule      | 000      | Period Begin      | 11/09/19 | Net Pay   |  | 217.50 |  |  |  |
| CO-Branch        | 0CSC001    | Hire Date | 08/23/19 | Period End        | 11/15/19 |           |  |        |  |  |  |
| Clock            | 4072902    | Status    | A        | Check Type        | Reg      | Net Check |  | 217.50 |  |  |  |

  

| Earnings Summary           |              |       |               |                 | Payment Summary for Check 412463 |        |  |  |  |
|----------------------------|--------------|-------|---------------|-----------------|----------------------------------|--------|--|--|--|
| <b>Total Gross Pay</b>     | Hours        | Rate  | Current Amt   | Ytd Amt         | <b>Total Gross Pay</b>           | 286.13 |  |  |  |
| Regular (001018529691110)  | 4.25         | 12.00 | 51.00         | 1,652.26        | Federal Taxes                    | -21.89 |  |  |  |
| Regular (001018512371109)  | 8.00         | 44.25 | 114.00        |                 | State and Local Taxes            | -5.49  |  |  |  |
| DBL Time (001018512371109) | 1.25         | 28.50 | 35.63         | 35.63           | Other Deductions                 | -41.25 |  |  |  |
| Override (001048512371109) | 4.00         | 21.38 | 85.50         | 202.22          | <b>Net Pay</b>                   | 217.50 |  |  |  |
|                            | <b>17.50</b> |       | <b>286.13</b> | <b>1,890.11</b> |                                  |        |  |  |  |

Second, as stated, CSC required its employees to be subject to its clients' loss prevention policies, which resulted in Mr. Gray and other aggrieved employees receiving shortened meal periods, because they were required to undergo mandatory security checks before entering or leaving clients' premises/venues. For example, any time Mr. Gray returned to the venue after leaving for a meal period, he would be required to cut short his meal period to allow for 10-15 minutes to undergo a security check and wait for other aggrieved employees to be searched before he could reenter the event venue.

Third, as stated above, CSC's company-wide policies and/or practices of understaffing and/or single-staffing its job sites pursuant to a labor budget, resultant lack of adequate meal period coverage, and failure to schedule first and/or second meal periods, prevented Mr. Gray and other aggrieved employees from taking all timely, uninterrupted meal periods to which they were entitled. As a result of CSC's practices and/or policies, Mr. Gray and other aggrieved employees were forced to work in excess of five (5) hours before taking a meal period. And, for the same reasons, Mr. Gray and other aggrieved employees had their meal periods interrupted and/or had to forgo their meal periods altogether. For example, during his employment, Mr. Gray had to forego his meal periods 1-2 times per week in order to ensure he was complying with CSC's policy requiring posts to be maintained by at least one employee at all times. For the same reasons, when Mr. Gray was afforded a meal period, two (2) times per week he was not able to take his meal period until the sixth (6th) hour or later. To the extent CSC required Mr. Gray and other aggrieved employees to sign written "on-duty" meal period agreements, such agreements are invalid as the nature of the work performed by Mr. Gray and other aggrieved employees do not necessitate an "on-duty" meal period under California law. CSC could have provided rover meal period coverage for its employees or staffed more than one employee at certain posts, but chose not to do so. Because CSC required that Mr. Gray and other aggrieved employees remain alert and on-duty at all times while at their posts, and because they did not provide them with adequate meal period coverage, Mr. Gray and other aggrieved employees were subject to CSC's control and suffered to work during unpaid meal periods.

Furthermore, CSC did not provide Mr. Gray and other aggrieved employees with second 30-minute meal periods on days when they worked in excess of ten (10) hours in one day. For example, Mr. Gray worked shifts of 10 or more hours on October 26, November 2, and November 9, 2019, but was not provided with a second meal period on those days. Mr. Gray 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.

Moreover, CSC had a company-wide policy of requiring all newly hired employees to sign blanket meal period waivers at or near their time of hire. CSC took the position that non-exempt, hourly paid employees had waived their rights to first and/or second meal periods for the entirety of their employment and, on that basis, did not provide them with all meal periods to which they were entitled. CSC's company-wide use of blanket meal period waivers signed at or near the time of hire, discouraged and impeded Mr. Gray and other aggrieved employees from taking all meal periods to which they were entitled. And, CSC's presumption that second meal periods would not be provided for shifts in excess of ten (10) hours but less than twelve (12) hours due to blanket meal period waivers discouraged Mr. Gray and other aggrieved employees from taking second meal periods.

What's more, an employer's obligation to provide a meal break is only "triggered" when the employer "employs an employee for a work period of more than five hours per day." *Brinker*, 53

Cal. 4th at 1039 (“If an employer engages, suffers, or permits anyone to work for a full five hours, its meal break obligation is triggered.”).

[A]fter the meal break obligation is triggered . . . an employer is put to a choice: it must (1) afford an off-duty meal period; (2) consent to a mutually agreed-upon waiver if one hour or less will end the shift; or (3) obtain written agreement to an on-duty meal period if circumstances permit. Failure to do one of these will render the employer liable for premium pay. *Id.* (citing Cal. Labor Code § 226.7; Wage Order No. 5, subd. 11(A), (B)).

Further, under Labor Code section 512(a) and the applicable IWC Wage Order, employees may waive their second meal periods only if they took their first meal period. That CSC requires aggrieved employees to sign meal period waivers simultaneously at or near their time of hire (as opposed to on a specific work day) renders them invalid and unenforceable, because CSC’s obligation to provide Mr. Gray and other aggrieved employees with meal periods did not arise until it had employed them for a full five (5) hours.

CSC knew or should have known that as a result of its company-wide policies and/or practices, that Mr. Gray and other aggrieved employees were not actually relieved of all duties to take timely, uninterrupted meal periods. CSC further knew or should have known that it did not pay Mr. Gray and other aggrieved employees meal period premium wages when meal periods were missed, late, short, and/or interrupted.

Furthermore, CSC 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. Gray and other aggrieved employees have not received premium pay for missed, interrupted, or late meal periods. Alternatively, to the extent that CSC did pay other aggrieved employees for missed, late, and interrupted meal periods, CSC did not pay other aggrieved employees at the correct rate of pay for premium wages because CSC systematically failed to include all forms of compensation, such as shift differential pay, incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.

Accordingly, CSC failed to provide all meal periods in violation of California Labor Code sections 226.7, 512(a), 516, and 1198. Mr. Gray and other aggrieved employees are entitled to civil penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

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

California Labor Code sections 226.7, 512(a), 516, 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 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 (3½) 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, 269-270 (2016).

During the relevant time period, CSC regularly failed to authorize and permit Mr. Gray 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, CSC’s company-wide practices, including understaffing and/or single-staffing, resulted in a lack of rest period coverage and prevented Mr. Gray and other aggrieved employees from being relieved of all duty in order to take compliant rest periods. CSC also failed to schedule rest periods, which, coupled with CSC’s failure to provide adequate rest period coverage, further led to Mr. Gray and other aggrieved employees not being authorized and permitted to take rest periods.

Furthermore, CSC maintained and implemented a company-wide practice and/or policy requiring that Mr. Gray and/or other aggrieved employees remain on the work premises during their rest periods. Because Mr. Gray and/or other aggrieved employees were restricted from leaving the work premises during rest periods, they were denied the ability to use their rest periods freely for their own purposes. Thus, CSC effectively maintained control over Mr. Gray and/or other aggrieved employees during rest periods, and, as a result of this rest period policy, CSC did not relinquish control over Mr. Gray and/or other aggrieved employees during rest periods.

As a result, Mr. Gray and other aggrieved employees would work shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without being permitted and authorized to take all ten (10) minute rest periods to which they were entitled. For example, throughout his employment, CSC’s management only permitted Mr. Gray to take one rest period per day, despite the fact that Mr. Gray regularly worked shifts in excess of six (6) hours. Even still, twice per week Mr. Gray would miss the one rest period per shift he was permitted to take, in order to ensure that there was at least one employee at his post at all times. Moreover, Mr. Gray never received a third rest periods when working shifts in excess of 10 hours.

CSC also has engaged in a company-wide practice and/or policy of not paying all rest period premiums owed when compliant rest periods are not authorized and permitted. Because of this practice and/or policy, Mr. Gray and other aggrieved employees have not received premium pay for all missed rest periods. Alternatively, to the extent that CSC did pay other aggrieved employees one (1) additional hour of premium pay for missed rest periods, CSC did not pay other aggrieved employees at the correct rate of pay for premium wages because CSC failed to include all forms of compensation, such as shift differential pay, incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.

Accordingly, CSC failed to authorize and permit all rest periods in violation of California Labor Code sections 226.7, 516, and 1198. Mr. Gray and other aggrieved employees are entitled to civil penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

**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. CSC has not provided Mr. Gray 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 wages statements as set forth in 226(a), then the employee is entitled to recover the greater of all actual damages or \$50.00 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, CSC has knowingly and intentionally provided Mr. Gray and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, CSC issued uniform wage statements to Mr. Gray and other aggrieved employees that fail to correctly list: gross wages earned; total hours worked; net wages earned; and all applicable hourly rates in effect during the pay period, including overtime rates of pay, and the corresponding number of hours worked at each hourly rate. Specifically, CSC violated sections 226(a)(1), 226(a)(2), 226(a)(5), and 226(a)(9).

Because CSC did not record the time Mr. Gray and other aggrieved employees spent working off-the-clock, deducted time from their records for meal periods that were interrupted and/or missed (and therefore time for which they should have been paid), and improperly rounded their total hours worked, CSC did not list the correct amount of gross wages and net wages earned by Mr. Gray and other aggrieved employees in compliance with section 226(a)(1) and section 226(a)(5), respectively. For the same reason, CSC failed to accurately list the total number of hours worked by Mr. Gray 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).

In addition, because CSC did not calculate other aggrieved employees' regular rate of pay correctly for purposes of paying overtime wages, CSC did not list the correct amount of gross wages earned by other aggrieved employees in compliance with section 226(a)(1) and did not list the correct amount of net wages earned by other aggrieved employees in violation of section 226(a)(5). CSC also failed to correctly list all applicable hourly rates in effect during the pay period, namely, correct overtime rates of pay and correct rates of pay for premium wages, in violation of section 226(a)(9).

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 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 and address of the legal entity that is the employer; failing to list the inclusive dates of the period for which aggrieved employees were paid; and/or failing to state all hours worked as a result of not recording or stating the hours they 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), CSC willfully failed to maintain accurate payroll records for Mr. Gray 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 and improperly rounding Mr. Gray’s and other aggrieved employees’ total hours 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 Orders. 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, CSC failed, on a company-wide basis, to keep accurate records of work period and meal period start and stop times for Mr. Gray and other aggrieved employees, in violation of section 1198. As stated, CSC engaged in a company-wide practice and/or policy of falsifying Mr. Gray’s and/or other aggrieved employees’ time records by deducting meal periods regardless of if or when meal periods were actually taken, and kept no records of meal start and end times altogether. Furthermore, in light of CSC’s failure to provide Mr. Gray and other aggrieved employees with second 30-minute meal periods to which they were entitled, CSC kept no records of meal start and end times for second meal periods.

Because CSC failed to provide the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on wage statements, Mr. Gray 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. Gray 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. Gray and other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f)-(g).

### **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, CSC failed to pay Mr. Gray and other aggrieved employees all wages due to them, including, but not limited to, overtime wages, minimum wages, reporting time pay, and/or meal and rest period premium wages, within any time period specified by California Labor Code section 204.

Mr. Gray and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 210 and/or 2699(a), (f)-(g).

#### **Violation of California Labor Code §§ 201, 202, and 203 – Failure to Timely Pay Final Wages Upon Termination**

California Labor Code sections 201, 202, and 203 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.

CSC willfully failed to pay Mr. Gray and other aggrieved employees who are no longer employed by CSC all their earned wages, including, but not limited to, overtime wages, minimum wages, reporting time pay, and/or meal and rest period premium wages, either at the time of discharge, or within seventy-two (72) hours of their leaving CSC's employ in violation of California Labor Code sections 201, 202, and 203.

Mr. Gray and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 256 and/or 2699(a), (f)-(g).

#### **Violation of California Labor Code § 222.5 – Failure to Pay for Costs of Mandatory Physical Exams and/or Drug Testing**

At all times herein set forth, California Labor Code section 222.5 requires employers to pay for the costs an employee incurs for obtaining any required medical or physical examination.

During the relevant time period, CSC implemented, on a company-wide basis, an employer-imposed requirement that other aggrieved employees undergo mandatory drug testing and/or physical examinations upon hiring, but required them to do so at their own expense. As stated, CSC had a company-wide policy requiring that other aggrieved employees travel to a specified medical facility on their own time and use their own means of transportation to undergo drug testing and/or physical examinations. At all times, CSC was in control of scheduling the date and time for the testing and/or examinations, selecting the provider/facility where the testing and/or examinations were to take place, and determining the scope of the testing and/or examinations. However, CSC did not compensate other aggrieved employees for the time they spent traveling to and from the medical facilities, for the time they spent undergoing the drug testing and/or physical examinations, or reimburse them for the travel expenses they incurred getting to and from the medical facilities. CSC's policy and/or practice of not paying for all costs other aggrieved employees incurred

obtaining mandatory drug testing and/or physical examinations is in violation of California Labor Code section 222.5.

Other aggrieved employees are therefore entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

**Violation of California Labor Code § 1198 and California Code of Regulations Title 8, Section 11040 Subdivision 5(A) – Failure to Pay Reporting Time Pay**

California Labor Code section 1198 dictates that no employer may employ an employee under conditions of labor that are prohibited by the applicable IWC wage order. California Labor Code section 1198 further 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.”

California Code of Regulations, Title 8, section 11040(5)(A) provides that “[e]ach workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee’s usual or scheduled day’s work, the employee shall be paid for half the usual or scheduled day’s work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee’s regular rate of pay, which shall not be less than the minimum wage.” The “primary purpose of the reporting time regulation” is “to guarantee at least partial compensation for employees who report to work expecting to work a specified number of hours, and who are deprived of that amount because of inadequate scheduling or lack of proper notice by the employer.” *Aleman v. AirTouch Cellular*, 209 Cal. App. 4th 556 (2012)

Upon information and belief, CSC violated California Labor Code section 1198 and California Code of Regulations, Title 8, section 11040(5), because CSC failed to pay Mr. Gray and other aggrieved employees reporting time pay when they reported to work for their scheduled shift but were put to work for less than half of the regular schedule.

First, as described above, CSC had a company-wide “call-in” policy, whereby it scheduled Mr. Gray and other aggrieved employees to work “on-call,” or on standby. When scheduled for a “call-in” or standby shift, Mr. Gray and other aggrieved employees regularly presented themselves as ready for work by calling in to their supervisors 2-4 hours prior to their scheduled standby shifts and awaiting instructions on whether to go to the event venue, but were ultimately not told to come in. When this occurred, CSC did not pay Mr. Gray and other aggrieved employees for at least half of their scheduled day’s work when they were subject to CSC’s “call-in” policy and were ultimately not called.

Second, CSC had a company-wide practice of sending Mr. Gray and other aggrieved employees home early from their shifts, including before they had worked at least half of their regular shift, but would not pay Mr. Gray and other aggrieved employees for half of their scheduled shift. Although Mr. Gray and other aggrieved employees would report to work based on the schedule that CSC provided to them, CSC would send them home before they had worked at least half of their scheduled shifts without giving them reporting time pay. For example, Mr. Gray reported to work for his scheduled shift, but was told to go home because he was no longer needed. When this occurred, CSC did not pay Mr. Gray for at least half of his scheduled standby time or the required minimum reporting time pay. Accordingly, Mr. Gray and other aggrieved employees were not properly compensated with reporting time pay in violation of California Labor Code section 1198.

Mr. Gray and other aggrieved employees are therefore entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

**Violation of California Labor Code § 1198 and California Code of Regulations Title 8, Section 11040 Subdivision 4(C) – Failure to Pay Split-Shift Premiums**

California Labor Code section 1198 provides that no employer may employ an employee under conditions of labor that are prohibited by the applicable IWC wage order. California Labor Code section 1198 further 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.”

California Code of Regulations, Title 8, section 11040(4)(C) provides that, “When an employee works a split shift, one (1) hour's pay at the minimum wage shall be paid in addition to the minimum wage for that workday, except when the employee resides at the place of employment.” California Code of Regulations, Title 8, defines a split shift as “a work schedule, which is interrupted by non-paid non-working periods established by the employer, other than bona fide rest or meal periods.”

CSC willfully violated California Labor Code section 1198 and California Code of Regulations, Title 8, section 11040(4)(C), because CSC failed to pay other aggrieved employees a split-shift premium when they returned to work for an additional shift in the same day, after having been clocked out for more than an hour. Accordingly, CSC required other aggrieved employees to work split shifts but failed to pay them an additional hour at minimum wage, in violation of California Labor Code section 1198.

CSC's failure to provide other aggrieved employees with split-shift pay when they returned to work for an additional shift in the same day, after having been clocked out for more than an hour, violates California Labor Code section 1198 and California Code of Regulations Title 8, Section 11040(4)(C). Other aggrieved employees are therefore entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

**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 4-2001, 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, CSC, on a company-wide basis, required Mr. Gray 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. For example, Mr. Gray and other aggrieved employees were assigned to venues in specific geographic areas within the Los Angeles Metropolitan region, but were sometimes required to work at venues in other areas. Specifically, although Mr. Gray primarily worked in the

“South Bay” and “Downtown Los Angeles” areas that were near his home, he would occasionally be forced to drive an additional 30 miles roundtrip when he was scheduled to work events at the Rose Bowl in the “Pasadena” area, but was never reimbursed for any of his mileage. Accordingly, Mr. Gray and other aggrieved employees were not reimbursed for travel required as part of their work-related duties.

Additionally, as stated, CSC had a company-wide policy of requiring other aggrieved employees to travel to medical facilities on their own time and using their personal vehicles or alternate transportation to obtain mandatory drug testing and/or physical examinations, but did not reimburse them for their travel expenses, including mileage. At all times, CSC was in control of scheduling the date and time for the testing and/or physical examinations, selecting the provider or facility where the testing and/or physical examinations were to take place, and determining the scope of the testing and/or physical examinations. CSC gave other aggrieved employees strict instructions to obtain drug testing and/or physical examinations, and other aggrieved employees underwent the examinations and/or testing for the sole benefit of CSC. Although CSC required other aggrieved employees to use their own vehicles or obtain alternate transportation to undergo drug testing and/or physical examinations, CSC never reimbursed them for their travel expenses.

Second, during the relevant time period, CSC, on a company-wide basis, forced Mr. Gray and other aggrieved employees to purchase their own supplies, such as flashlights, notepads, and clipboards, in order to complete their work-related duties. For example, Mr. Gray was required to spend \$40.00 on a flashlight in order to carry out his work-related duties, such as verifying attendees’ access to restricted areas. Although CSC required Mr. Gray and other aggrieved employees to purchase and use their own supplies on the job, CSC did not reimburse them for these expenses.

Third, CSC, on a company-wide basis, required other aggrieved employees to obtain and pay for certain licenses, such as the Security Guard License issued by the California Bureau of Security and Investigative Services (BSIS), also known as a “guard card,” that were required for their continued employment, as well as associated costs such as training and examination fees. CSC had a uniform policy of requiring employees to obtain a license within three (3) months of hire, if they wanted to ensure that they would continue to be scheduled for future jobs and assignments, but did not reimburse them for the costs of obtaining the license (“I . . . understand, agree and acknowledge it is an expectation that, within three months . . . I will complete the training and application procedures necessary to be licensed by the State of California as a Security Guard. I understand that failure to get a Security Guard License or failure to comply with the training requirements . . . will dramatically affect my ability to schedule for work.”). Thus, CSC failed to reimburse other aggrieved employees for all of the costs of obtaining these licenses, including training and examination fees.

CSC could have provided Mr. Gray and other aggrieved employees with the actual tools for use on the job, such as company vehicles to be used for fulfilling work-related tasks and security supplies. Or, CSC could have reimbursed employees for their travel; mileage; security supply expenses; and license, training, and examination fees. Instead, CSC passed these operating costs off onto Mr. Gray and other aggrieved employees. At all relevant times, Mr. Gray did not earn at least two (2) times the minimum wage.

Thus, CSC 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. Gray and other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

### **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.” CSC, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Mr. Gray’s and other aggrieved employees’ rights by violating various sections of the California Labor Code.

Accordingly, Mr. Gray 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 2699(a), 2699.3(a) and 2699.3(c), 2699.5, and 558, Mr. Gray, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties for himself, all other aggrieved employees, and the State of California against CSC for violations of California Labor Code sections 201, 202, 203, 204, 222.5, 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. Gray seeks all applicable civil penalties related to these violations of the California Labor Code pursuant to PAGA.

### **Pre-Litigation Demand**

This notice shall further serve as Mr. Gray’s reasonable attempt to settle his dispute with CSC prior to litigation. Pursuant to *Graham v. DaimlerChrysler Corp.*, 34 Cal. 4th 553 (2004), this notice serves to inform CSC of Mr. Gray’s aforementioned grievances and the proposed remedies as detailed below, while affording CSC a reasonable opportunity to satisfy Mr. Gray’s demands.

Demand is hereby made that CSC shall, within 30 calendar days of this notice, agree, in writing to the following corrective actions:

1. CSC shall pay Mr. Gray and all other aggrieved employees employed by CSC at any time during the past three years from the date of this notice unpaid wages and compensation for the above-referenced violations.
2. CSC shall comply with all California labor laws and ensure that its non-exempt employees are paid overtime wages and minimum wages for all hours worked, provided lawful meal and rest periods, and paid reporting time pay.
3. CSC shall conduct a survey or interview all current and former aggrieved employees in California who worked for CSC in the past three years to obtain information from them regarding the above-referenced violations, including, but not limited to: the number of meal periods which were not provided; the number of rest periods which were not authorized and permitted; and the number of employees who were required to pay for mandatory medical examinations; travel; security supply expenses; license, training, or examination fees; or

other expenditures in the discharge of their duties, with the investigation to be completed within 60 days.

4. CSC shall pay each aggrieved employee one hour of pay at his or her regular rate of pay for each work day he or she was not provided one or more meal periods, as required by Labor Code sections 226.7, 512, 516, and 1198. CSC also shall pay each aggrieved employee one hour of pay at his or her regular rate of pay for each work day he or she was not authorized and permitted one or more rest periods, as required by Labor Code sections 226.7, 516, and 1198.
5. CSC shall reimburse those aggrieved employees who were required to pay for any business expenses incurred for CSC's benefit, including, but not limited to, costs of mandatory medical examinations; travel; security supply expenses; and license, training, or examination fees, as required by Labor Code sections 222.5 and 2802.
6. CSC shall pay accrued legal interest to all aggrieved employees at the rate of 10% per annum for said unpaid wages.
7. CSC shall provide Mr. Gray and all aggrieved employees employed by CSC at any time during the past three years from the date of this notice corrected wage statements that include the requisite information set forth in Labor Code section 226(a).
8. CSC shall pay waiting time penalties, equal to 30 days of pay, to each former aggrieved employee who was not paid all wages due as described herein.
9. CSC shall pay all penalties arising from the violations of the Labor Code and IWC Wage Order sections referenced above and pursuant to PAGA, Labor Code sections 2698, *et seq.*, including, but not limited to, penalties under Labor Code sections 210, 226.3, 256, 558, 1174.5, 1197.1, and 2699, and Wage Order No. 4-2001, section 20.

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

Julian Quattlebaum  
Capstone Law APC  
1875 Century Park East, Suite 1000  
Los Angeles, CA 90067  
(310) 556-4811

Best Regards,



Julian Quattlebaum

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