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ELECTRONICALLY FILED
Superior Court of California,
County of San Diego

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Clerk of the Superior Court
By Marc David, Deputy Clerk

9 SUPERIOR COURT OF CALIFORNIA

10 COUNTY OF SAN DIEGO

11 LUKAS CARTER; BENJAMIN SCALZI; and
BRUCE SPAKE,

12 Plaintiffs,

13 v.

14 DEBT RESOLUTION DIRECT LLC; MATT
15 CLEGG; DAVID NEARING; RICHARD
SENITTE; and DOES 1-100, inclusive,

16 Defendants.
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Case No.: 37-2021-00002143-CU-OE-CTL

SECOND AMENDED COMPLAINT

1. Failure to Pay Wages Including Minimum Wages – LC § 1194
2. Failure to Pay Overtime Wages – LC § 1194
3. Failure to Provide Meal Periods – LC § 226.7
4. Failure to Provide Paid Rest Periods – LC § 226.7
5. Failure to Provide Proper Wage Statements and Keep Records – LC § 226
6. Waiting Time Penalties – LC § 203
7. Unfair Business Practices – BPC § 17200
8. Private Attorneys General Act Claim – LC § 2699

Filed: 01/15/2021
Dept.: C-74
Judge: Ronald L. Styn
Trial: None set

1 Plaintiffs LUKAS CARTER (hereinafter "CARTER"), BENJAMIN SCALZI (hereinafter
2 "SCALZI"), and BRUCE SPAKE (hereinafter "SPAKE") (or collectively referred to with other
3 aggrieved employees as "Plaintiffs"), for causes of action against Defendants DEBT RESOLUTION
4 DIRECT LLC; MATT CLEGG; DAVID NEARING; RICHARD SENITTE; and DOES 1-100,
5 inclusive (hereinafter collectively referred to as "Defendants"), allege as follows:

6 JURISDICTION

7 1. This action arises out of acts, representations and events occurring within the
8 jurisdiction of the County of San Diego and the San Diego Judicial District.

9 2. Plaintiffs resided in the state of California, County of San Diego, during the
10 occurrence of the relevant allegations.

11 3. Defendants, at all relevant times mentioned herein, were individuals and businesses
12 existing under the laws of the State of California, doing business in San Diego County.

13 4. Whenever in this Complaint reference is made to any act, deed, or conduct of
14 Defendants, the allegation means that Defendants engaged in the act, deed, or conduct by or through
15 one or more of their officers, directors, agents, employees, or representatives, who were actively
16 engaged in the management, direction, control, or transaction of the ordinary business and affairs of
17 Defendants.

18 5. Plaintiffs are ignorant of the true names and capacities, whether individual,
19 corporate, associate or otherwise, of the Defendants sued herein as DOES 1-100, inclusive and
20 therefore sues said Defendants (the "Doe Defendants") by such fictitious names. Plaintiffs will
21 amend this Complaint to plead the true names and capacities of the Doe Defendants at such
22 time as the identities of the Doe Defendants have been ascertained.

23 6. Plaintiffs are informed and believe, and thereon allege, that Defendants DEBT
24 RESOLUTION DIRECT LLC; MATT CLEGG; DAVID NEARING; RICHARD SENITTE; and
25 Doe Defendants are the partners, agents, or principals and co-conspirators of Defendants, and of
26 each other; that identified Defendants and the unknown Doe Defendants performed the acts and
27 conduct herein alleged directly, aided and abetted the performance thereof, or knowingly acquiesced
28 in, ratified, and accepted the benefits of such acts and conduct, and therefore all Defendants,

1 including unknown Doe Defendants, are liable to Plaintiffs to the same extent unless otherwise
2 alleged.

3 7. Plaintiffs are further informed and believe, and thereon allege, that at all times herein
4 material, DEBT RESOLUTION DIRECT LLC and entity Doe Defendants were completely
5 dominated and controlled by MATT CLEGG, DAVID NEARING, RICHARD SENITTE, and Doe
6 Defendants, and each was the alter ego of the other in a single enterprise. At those times, a unity of
7 interest and ownership between DEBT RESOLUTION DIRECT LLC and entity Doe Defendants
8 on the one hand, and MATT CLEGG, DAVID NEARING, RICHARD SENITTE, and Doe
9 Defendants on the other hand existed such that the separate personalities of the entities did not in
10 reality exist. Additionally, Plaintiffs would suffer an inequitable harm if the actions of DEBT
11 MATT CLEGG, DAVID NEARING, RICHARD SENITTE, and entity Doe Defendants were not
12 treated as the acts of all Defendants. Plaintiffs are further informed and believe, and thereon allege,
13 that at all times relevant to this action DEBT RESOLUTION DIRECT LLC and entity Doe
14 Defendants, *inter alia*, failed to observe the requisite corporate formalities, were inadequately
15 capitalized, and their ownership and control were inappropriately concentrated in MATT CLEGG,
16 DAVID NEARING, RICHARD SENITTE, and Doe Defendants.

17 8. Plaintiffs are further informed and believe, and thereon allege, that at all times herein
18 material, each defendant, was completely dominated and controlled by its co-defendants and each
19 was the alter ego of the other. Whenever and wherever reference is made in this Complaint to any
20 conduct by Defendants, such allegations and references shall also be deemed to mean the conduct
21 of each of the Defendants, acting individually, jointly and severally. Whenever and wherever
22 reference is made to individuals who are not named as defendants in this Complaint, but were
23 employees or agents of, such individuals at all relevant times acted on behalf of Defendants named
24 in this Complaint within the scope of their respective employments.

25 9. Whenever and wherever reference is made in this Complaint to any conduct by a
26 defendant or Defendants, such allegations and references shall also be deemed to mean the conduct
27 of each of the Defendants, acting individually, jointly and severally. Whenever and wherever
28 reference is made to individuals who are not named as defendants in this Complaint, but were

1 employees or agents of, such individuals at all relevant times acted on behalf of Defendants named
2 in this Complaint within the scope of their respective employments.

3 **GENERAL ALLEGATIONS**

4 10. Defendant DEBT RESOLUTION DIRECT LLC is a California limited liability
5 company organized and existing under the laws of the State of California and doing business in San
6 Diego County. DEBT RESOLUTION DIRECT LLC employed Plaintiffs. MATT CLEGG,
7 DAVID NEARING, RICHARD SENITTE, acted individually and as officers, agents, managers,
8 owners, and employees of DEBT RESOLUTION DIRECT LLC who caused DEBT RESOLUTION
9 DIRECT LLC to fail to pay Plaintiffs at least the minimum wages fixed by a Wage Order of the
10 Industrial Welfare Commission, fail to pay overtime wages, fail to provide meal periods, fail to
11 provide paid rest periods separate from commission pay, fail to provide proper wage statements
12 (paystubs) and keep records, fail to provide paid sick leave, and fail to pay all earned wages when
13 Plaintiffs' employment ended.

14 11. DEBT RESOLUTION DIRECT LLC is a company that negotiates, settles, and
15 resolves debts. CARTER worked for Defendants from in or around May 2019 to February 2020.
16 SCALZI worked for Defendants from in or around about May 2019 to February 2020. SPAKE
17 worked for Defendants from in or around August 2019 to January 2020. Plaintiffs performed
18 nonexempt duties working inside Defendants office as salespersons, also known as sales
19 representatives, openers, closers, or debt advisors.

20 12. Plaintiffs regularly worked more than 10 hours in a workday and more than 60 hours
21 in a workweek. Defendants implemented a policy and practice of not tracking the hours Plaintiffs
22 worked with time punches, timesheets, or timecards in a timekeeping system.

23 13. Defendants paid Plaintiffs pure commissions on sales, with up to a \$1,250
24 recoverable draw advanced against future earned commissions for every pay period where
25 Defendants did not determine that Plaintiffs earned at least \$1,250 in commissions regardless of
26 how many hours Plaintiffs worked in a pay period. Defendants' pay periods were the 1st of the
27 month through the 15th of the month and the 16th of the month through the end of the month, for
28

1 every month. However, Defendants failed to timely pay Plaintiffs all earned wages on regular
2 paydays twice monthly, in part as a result of the earned wages that remain unpaid presently.

3 14. Defendants did not pay Plaintiffs at least the minimum wage required by the City of
4 San Diego or the State of California for all hours worked. Defendants also did not pay Plaintiffs
5 overtime wages and overtime rates when applicable. Also, because Defendants only paid Plaintiffs
6 either what Defendants believed were the earned commission wages, a \$1,250 recoverable draw
7 advanced against future earned commissions, or a combination of the two to meet the minimum of
8 \$1,250 per pay period, Defendants also failed to pay Plaintiffs separately for 10 minutes of rest
9 periods for every 4 hours worked or major fraction of that within every workday. Further, Plaintiffs
10 are informed and believe that Defendants' failed to satisfy all of the requirements for written
11 commission agreements and failed to pay all earned commissions.

12 15. Defendants also implemented a policy and practice of directing Plaintiffs not to take
13 off duty 10-minute rest periods or 30-minute meal periods. Further, Defendants affirmatively
14 directed and encouraged Plaintiffs to not take meal periods and instructed Plaintiffs to eat and work
15 through lunches at their desks to make more sales. Defendants never paid Plaintiffs an additional
16 one hour of regular rate wages as a premium for every workday with a missed rest period or an
17 additional one hour of regular rate wages as a premium for every workday with a missed meal
18 period.

19 16. Defendants implemented a policy and practice of failing to provide Plaintiffs the
20 minimum required paid sick leave for California employees, record accrued paid sick leave, or
21 indicate the amount of paid sick leave available on wage statements (paystubs).

22 17. As a result of Defendants' unlawful policies and practices, Defendants also failed to
23 provide Plaintiffs proper wage statements (paystubs) and failed to maintain accurate meal period,
24 time, payroll, and paid sick leave records in violation of Labor Code sections 226, 246, 1174, and
25 Industrial Welfare Commission ("IWC") Wage Orders including, but not limited to, Wage Order 4-
26 2001 section 7.

27 18. Also as a result, Defendants failed to timely pay Plaintiffs all earned wages due and
28 payable twice during each calendar month on Defendants' designated regular paydays, failed to pay

1 Plaintiffs all earned wages due and payable within 72 hours after their employment relationships
2 ended with Defendants, and continue to fail to pay Plaintiffs those earned unpaid wages and the
3 accrued waiting time penalties for 30 days of additional daily wages authorized by Labor Code
4 section 203.

5 19. Plaintiffs are informed and believe that all of Defendants unlawful conduct described
6 above was directed by MATT CLEGG, DAVID NEARING, RICHARD SENITTE, and DOES 1-
7 100, who were all owners, directors, officers, or managing agents of DEBT RESOLUTION
8 DIRECT LLC and Doe Defendants, who exercised substantial independent authority and judgment
9 in their corporate decision making such that their decisions ultimately determined the entity's
10 corporate policy.

11 20. Plaintiffs have met the Private Attorneys General Act ("PAGA") notice requirement
12 with the Labor and Workforce Development Agency ("LWDA") to pursue a PAGA action against
13 Defendants pursuant to Labor Code section 2699 for civil penalties by uploading a PAGA claim
14 notice letter to the LWDA with a \$75 filing fee and mailing copies of the PAGA claim notice letter
15 to Defendants by certified mail. A true and accurate copy of the PAGA claim notice letter is attached
16 hereto as Exhibit 1. The 65-day waiting period passed. Plaintiffs intend to pursue a PAGA cause
17 of action for Defendants' violations of IWC Wage Orders and the Labor Code including, but not
18 limited to, pursuant to sections 3, 4, 7, 11, 12, 20 of Wage Order 4-2001, and pursuant to Labor
19 Code sections 98, 98.6, 200, 201, 202, 203, 204, 210, 212, 216, 218.6, 221, 222, 223, 224, 225,
20 225.5, 226, 226.2, 226.3, 226.7, 233, 234, 246, 246.5, 247.5, 248.5, 256, 500, 510, 512, 516, 558,
21 558.1, 1174, 1174.5, 1175, 1182.12, 1193.6, 1194, 1194.2, 1194.3, 1197, 1197.1, 1198, 1199, 2502,
22 2751, 2698, 2699, 2699.3, 2699.5 et al.

23 **FIRST CAUSE OF ACTION**

24 **(Failure to Pay Wages Including Minimum Wages – LC § 1194)**

25 **(Against all Defendants)**

26 21. Plaintiffs re-allege and incorporate herein by reference all paragraphs outside this
27 section as though fully set forth herein.

28 22. Pursuant to Labor Code section 200, "wages" includes all amounts for labor

1 performed by employees of every description, whether the amount is fixed or ascertained by the
2 standard of time, task, piece, commission basis or other method of calculation. Under California
3 law through IWC Minimum Wage Order MW-2019, and Labor Code sections 1182.12 and 1194,
4 and IWC Wage Order 4-2001, section 4, every employer shall pay to each employee wages not less
5 than the applicable minimum wage for all hours worked. Pursuant to IWC Minimum Wage Order
6 MW-2019, and Labor Code section 1182.12, every employer with 25 or less employees shall pay
7 each employee wages not less than \$11.00 per hour beginning January 1, 2019, and not less than
8 \$12.00 per hour if the employer has 26 or more employees; every employer with 25 or less
9 employees shall pay each employee not less than \$12.00 per hour beginning January 1, 2020, and
10 not less than \$13.00 per hour if the employer has 26 or more employees; and every employer with
11 25 or less employees shall pay each employee not less than \$13.00 per hour beginning January 1,
12 2021, and not less than \$14.00 per hour if the employer has 26 or more employees.

13 23. Pursuant to San Diego Municipal Code Chapter 3, Article 9, Division 1, section
14 39.0101, every employer must pay each employee who works in the geographic boundaries of the
15 City of San Diego, minimum wage rates not less than \$12.00 per hour beginning January 1, 2019;
16 not less than \$13.00 per hour beginning January 1, 2020; and not less than \$14.00 per hour beginning
17 January 1, 2021. Pursuant to Labor Code sections 98, 204, 218.5, 218.6, 1194, an employee has a
18 right to recover all unpaid wages from an employer.

19 24. Plaintiffs were non-exempt employees of Defendants who regularly worked more
20 than 10 hours in a workday and more than 60 hours in a workweek. Defendants implemented a
21 policy and practice of not tracking the hours Plaintiffs worked with time punches, timesheets, or
22 timecards in a timekeeping system. Defendants paid Plaintiffs pure commissions on sales, with up
23 to a \$1,250 recoverable draw advanced against future earned commissions for every pay period
24 where Defendants did not determine that Plaintiffs earned at least \$1,250 in commissions regardless
25 of how many hours Plaintiffs worked in a pay period. Defendants also failed to pay Plaintiffs
26 separately for 10 minutes of paid rest periods for every 4 hours worked or major fraction of that
27 within every workday. Further, Plaintiffs are informed and believe that Defendants' failed to satisfy
28 all of the requirements for written commission agreements and failed to pay all earned commissions.

1 As a result, Defendants failed to pay Plaintiffs all earned wages, including minimum wages.

2 25. Accordingly, Plaintiffs seek damages, interest, penalties, attorney fees, and costs
3 available pursuant to the Labor Code and IWC Wage Orders.

4 26. Defendants MATT CLEGG, DAVID NEARING, RICHARD SENITTE, and Doe
5 Defendants, as owners, directors, officers, and managing agents of Defendants DEBT
6 RESOLUTION DIRECT LLC and entity Doe Defendants were employers or other persons acting
7 on behalf of Defendants DEBT RESOLUTION DIRECT LLC and entity Doe Defendants, who
8 violated or caused to be violated the Labor Code and IWC Wage Orders as alleged above.
9 Accordingly, all Defendants including, but not limited to, MATT CLEGG, DAVID NEARING,
10 RICHARD SENITTE, and Doe Defendants are individually and personally liable along with
11 Defendants DEBT RESOLUTION DIRECT LLC and entity Doe Defendants for all of the above
12 described violations pursuant to Labor Code sections 558, 558.1, and 1197.1 for all damages,
13 interest, attorney fees, and costs.

14 **SECOND CAUSE OF ACTION**

15 **(Failure to Pay Overtime Wages – LC § 1194)**

16 **(Against all Defendants)**

17 27. Plaintiffs re-allege and incorporate herein by reference all paragraphs outside this
18 section as though fully set forth herein.

19 28. Pursuant to the applicable IWC Wage Order 4-2001, section 3, and Labor Code
20 sections 200, 500, 510, and 1198, Defendants were required to compensate Plaintiffs and other
21 aggrieved employees for all overtime, which is calculated at one and one-half (1.5) times the regular
22 rate of pay for hours worked in excess of eight (8) hours in one workday and forty (40) hours in any
23 one workweek, and for the first eight (8) hours on the seventh consecutive workday in any one
24 workweek; with double (2) time after eight (8) hours on the seventh day of any workweek, or after
25 twelve (12) hours in any workday.

26 29. Plaintiffs were non-exempt employees of Defendants who regularly worked more
27 than 10 hours in a workday and more than 60 hours in a workweek. Defendants implemented a
28 policy and practice of not tracking the hours Plaintiffs worked with time punches, timesheets, or

1 timecards in a timekeeping system. Defendants paid Plaintiffs pure commissions on sales, with up
2 to a \$1,250 recoverable draw advanced against future earned commissions for every pay period
3 where Defendants did not determine that Plaintiffs earned at least \$1,250 in commissions regardless
4 of how many hours Plaintiffs worked in a pay period. Defendants never paid Plaintiffs overtime
5 rate compensation, including when Plaintiffs' overtime hours required overtime rate pay. As a
6 result, Defendants failed to pay Plaintiffs overtime.

7 30. Accordingly, Plaintiffs seek damages, interest, penalties, attorney fees, and costs
8 available pursuant to the Labor Code and IWC Wage Orders.

9 31. Defendants MATT CLEGG, DAVID NEARING, RICHARD SENITTE, and Doe
10 Defendants, as owners, directors, officers, and managing agents of Defendants DEBT
11 RESOLUTION DIRECT LLC and entity Doe Defendants were employers or other persons acting
12 on behalf of Defendants DEBT RESOLUTION DIRECT LLC and entity Doe Defendants, who
13 violated or caused to be violated the Labor Code and IWC Wage Orders as alleged above.
14 Accordingly, all Defendants including, but not limited to, MATT CLEGG, DAVID NEARING,
15 RICHARD SENITTE, and Doe Defendants are individually and personally liable along with
16 Defendants DEBT RESOLUTION DIRECT LLC and entity Doe Defendants for all of the above
17 described violations pursuant to Labor Code sections 558, 558.1, and 1197.1 for all damages,
18 interest, attorney fees, and costs.

19 **THIRD CAUSE OF ACTION**

20 **(Failure to Provide Meal Periods – LC § 226.7)**

21 **(Against all Defendants)**

22 32. Plaintiffs re-allege and incorporate herein by reference all paragraphs outside this
23 section as though fully set forth herein.

24 33. Pursuant to California Labor Code sections 226.7 and 512, and IWC Wage Order 4-
25 2001, sections 7 and 11, duty-free meal periods of no less than thirty (30) minutes are required for
26 all non-exempt employees each time they work a period of more than (5) hours in a workday, except
27 that if the employee's total work period per workday is no more than (6) hours, the meal period may
28 be waived by written mutual consent of the employer and employee. An employer may not employ

1 an employee for a work period of more than 10 hours per workday without providing the employee
2 with a second meal period of not less than 30 minutes, except that if the total hours worked is no
3 more than 12 hours, the second meal period may be waived by mutual consent of the employer and
4 the employee, but only if the first meal period was not waived. Each meal period must be taken
5 within the 5-hour period before exceeding 5 hours. Time records of meal breaks must be kept. An
6 employer who fails to provide a duty-free meal period must pay the employee an additional one (1)
7 hour of regular pay for each workday in which a required duty-free meal period is not provided.

8 34. Plaintiffs were non-exempt employees of Defendants who regularly worked more
9 than 10 hours in a workday and more than 60 hours in a workweek.

10 35. Defendants implemented a policy and practice of directing Plaintiffs not to take off
11 duty 10-minute rest periods or 30-minute meal periods. Further Defendants affirmatively directed
12 and encouraged Plaintiffs to not take meal periods or take breaks and instructed Plaintiffs to eat and
13 work through lunches at their desks to complete more sales for Defendants. As a result, Plaintiffs
14 missed meal periods. Defendants never paid Plaintiffs an additional one hour of regular rate wages
15 as a premium for every workday with a missed rest period or an additional one hour of regular rate
16 wages as a premium for every workday with a missed meal period.

17 36. Accordingly, Plaintiffs seek damages, interest, penalties, attorney fees, and costs
18 available pursuant to the Labor Code and IWC Wage Orders.

19 37. Defendants MATT CLEGG, DAVID NEARING, RICHARD SENITTE, and Doe
20 Defendants, as owners, directors, officers, and managing agents of Defendants DEBT
21 RESOLUTION DIRECT LLC and entity Doe Defendants were employers or other persons acting
22 on behalf of Defendants DEBT RESOLUTION DIRECT LLC and entity Doe Defendants, who
23 violated or caused to be violated the Labor Code and IWC Wage Orders as alleged above.
24 Accordingly, all Defendants including, but not limited to, MATT CLEGG, DAVID NEARING,
25 RICHARD SENITTE, and Doe Defendants are individually and personally liable along with
26 Defendants DEBT RESOLUTION DIRECT LLC and entity Doe Defendants for all of the above
27 described violations pursuant to Labor Code sections 558, 558.1, and 1197.1 for all damages,
28 interest, attorney fees, and costs.

FOURTH CAUSE OF ACTION
(Failure to Provide Paid Rest Periods – LC § 226.7)
(Against all Defendants)

38. Plaintiffs re-allege and incorporate herein by reference all paragraphs outside this section as though fully set forth herein.

39. Pursuant to California Labor Code section 226.7 and IWC Wage Order 4-2001, section 12, employers must provide non-exempt employees a paid ten (10) minute duty-free rest period for every four (4) hours worked or major fraction thereof. An employer who fails to provide duty-free rest periods must pay the employee an additional (1) hour of regular pay for each workday in which a duty-free rest period is not provided.

40. Plaintiffs were non-exempt employees of Defendants who regularly worked more than 10 hours in a workday and more than 60 hours in a workweek.

41. Defendants implemented a policy and practice of directing Plaintiffs not to take off duty 10-minute rest periods or 30-minute meal periods. Further Defendants affirmatively directed and encouraged Plaintiffs to not take meal periods or breaks and instructed Plaintiffs to eat and work through lunches at their desks to make more sales. As a result, Plaintiffs missed rest periods. Defendants never paid Plaintiffs an additional one hour of regular rate wages as a premium for every workday with a missed rest period or an additional one hour of regular rate wages as a premium for every workday with a missed meal period.

42. Also, Defendants only paid Plaintiffs either what Defendants believed were the earned commission wages, a \$1,250 recoverable draw advanced against future earned commissions, or a combination of the two to meet Plaintiffs' minimum pay of \$1,250 per pay period. But Defendants failed to ever pay Plaintiffs separately for 10 minutes of rest periods for every 4 hours worked or major fraction of that within every workday as required.

43. Accordingly, Plaintiffs seek damages, interest, penalties, attorney fees, and costs available pursuant to the Labor Code and IWC Wage Orders.

44. Defendants MATT CLEGG, DAVID NEARING, RICHARD SENITTE, and Doe Defendants, as owners, directors, officers, and managing agents of Defendants DEBT

1 RESOLUTION DIRECT LLC and entity Doe Defendants were employers or other persons acting
2 on behalf of Defendants DEBT RESOLUTION DIRECT LLC and entity Doe Defendants, who
3 violated or caused to be violated the Labor Code and IWC Wage Orders as alleged above.
4 Accordingly, all Defendants including, but not limited to, MATT CLEGG, DAVID NEARING,
5 RICHARD SENITTE, and Doe Defendants are individually and personally liable along with
6 Defendants DEBT RESOLUTION DIRECT LLC and entity Doe Defendants for all of the above
7 described violations pursuant to Labor Code sections 558, 558.1, and 1197.1 for all damages,
8 interest, attorney fees, and costs.

9 **FIFTH CAUSE OF ACTION**

10 **(Failure to Provide Proper Wage Statements and Keep Records – LC § 226)**

11 **(Against all Defendants)**

12 45. Plaintiffs re-allege and incorporate herein by reference all paragraphs outside this
13 section as though fully set forth herein.

14 46. California Labor Code section 226(a) sets forth reporting requirements for employers
15 when they pay wages: “[a]n employer, semimonthly or at the time of each payment of wages, shall
16 furnish to his or her employee ... an accurate itemized statement in writing showing (1) gross wages
17 earned, (2) total hours worked by the employee ..., (5) net wages earned ..., and (9) all applicable
18 hourly rates in effect during the pay period and the corresponding number of hours worked at each
19 hourly rate by the employee...” Section 226(a) also requires that, “...a copy of the statement and
20 the record of deductions shall be kept on file by the employer for at least three years at the place of
21 employment or at a central location within the State of California.” Labor Code section 226(e)
22 provides that, “[a]n employee suffering injury as a result of a knowing and intentional failure by an
23 employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or
24 fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars
25 (\$100) per employee for each violation in a subsequent pay period, not to exceed an aggregate
26 penalty of four thousand dollars (\$4,000), and is entitled to an award of costs and reasonable
27 attorney's fees.”

28 47. As a result of Defendants’ unlawful policies and practices of failing to track time

1 Plaintiff worked, record meal periods, pay all wages earned at the applicable rates, and provide paid
2 sick leave, Defendants also failed to provide Plaintiffs proper wage statements (paystubs) and failed
3 to maintain accurate meal period, time, payroll, and paid sick leave records in violation of Labor
4 Code sections 226, 246, 1174, and IWC Wage Orders including, but not limited to, Wage Order 4-
5 2001, section 7. For example, the wage statements never include Plaintiffs' hours worked.

6 48. Accordingly, Plaintiffs seek damages, interest, penalties, attorney fees, and costs
7 available pursuant to the Labor Code and IWC Wage Orders.

8 49. Defendants MATT CLEGG, DAVID NEARING, RICHARD SENITTE, and Doe
9 Defendants, as owners, directors, officers, and managing agents of Defendants DEBT
10 RESOLUTION DIRECT LLC and entity Doe Defendants were employers or other persons acting
11 on behalf of Defendants DEBT RESOLUTION DIRECT LLC and entity Doe Defendants, who
12 violated or caused to be violated the Labor Code and IWC Wage Orders as alleged above.
13 Accordingly, all Defendants including, but not limited to, MATT CLEGG, DAVID NEARING,
14 RICHARD SENITTE, and Doe Defendants are individually and personally liable along with
15 Defendants DEBT RESOLUTION DIRECT LLC and entity Doe Defendants for all of the above
16 described violations pursuant to Labor Code sections 558, 558.1, and 1197.1 for all damages,
17 interest, attorney fees, and costs, and 1197.1 for all damages, interest, attorney fees, and costs.

18 SIXTH CAUSE OF ACTION

19 (Waiting Time Penalties – LC § 203)

20 (Against all Defendants)

21 50. Plaintiffs re-allege and incorporate herein by reference all paragraphs outside this
22 section as though fully set forth herein.

23 51. Pursuant to Labor Code sections 201 and 202, Defendants were required to pay
24 employees all unpaid earned wages at the time Defendants discharge employees or within 72 hours
25 after employees quit. Pursuant to Labor Code section 203(a), “[i]f an employer willfully fails to
26 pay any wages of an employee who is discharged or who quits, the wages of the employee shall
27 continue as a penalty from the due date thereof at the same rate until paid or until an action therefor
28 is commenced; but the wages shall not continue for more than 30 days.”

1 52. Plaintiffs were non-exempt employees of Defendants who regularly worked more
2 than 10 hours in a workday and more than 60 hours in a workweek. Defendants paid Plaintiffs pure
3 commissions on sales, with up to a \$1,250 recoverable draw advanced against future earned
4 commissions for every pay period where Defendants did not determine that Plaintiffs earned at least
5 \$1,250 in commissions regardless of how many hours Plaintiffs worked in a pay period. Defendants
6 also failed to pay Plaintiffs separately for 10 minutes of rest periods for every 4 hours worked or
7 major fraction of that within every workday. Further, Plaintiffs are informed and believe that
8 Defendants' failed to satisfy all of the requirements for written commission agreements and failed
9 to pay all earned commissions. As a result, Defendants failed to pay Plaintiffs all earned wages,
10 including minimum wages, overtime wages, and paid rest period wages. Defendants also
11 implemented a policy and practice of directing Plaintiffs not to take off duty 10-minute rest periods
12 or 30-minute meal periods. As a result, Plaintiffs missed meal and rest periods, but Defendants
13 never paid Plaintiffs the required additional one hour of regular rate wages for each workday with a
14 missed meal period and one hour of regular rate wages for each workday with a missed rest period
15 as a premium.

16 53. Defendants failed to pay Plaintiffs all of the unpaid wages described in the preceding
17 paragraph within 72 hours of Plaintiffs' employment ending, entitling Plaintiffs to a full 30 days of
18 waiting time penalties.

19 54. Accordingly, Plaintiffs seek damages, interest, penalties, attorney fees, and costs
20 available pursuant to the Labor Code and IWC Wage Orders.

21 55. Defendants MATT CLEGG, DAVID NEARING, RICHARD SENITTE, and Doe
22 Defendants, as owners, directors, officers, and managing agents of Defendants DEBT
23 RESOLUTION DIRECT LLC and entity Doe Defendants were employers or other persons acting
24 on behalf of Defendants DEBT RESOLUTION DIRECT LLC and entity Doe Defendants, who
25 violated or caused to be violated the Labor Code and IWC Wage Orders as alleged above.
26 Accordingly, all Defendants including, but not limited to, MATT CLEGG, DAVID NEARING,
27 RICHARD SENITTE, and Doe Defendants are individually and personally liable along with
28 Defendants DEBT RESOLUTION DIRECT LLC and entity Doe Defendants for all of the above

1 described violations pursuant to Labor Code sections 558, 558.1, and 1197.1 for all damages,
2 interest, attorney fees, and costs.

3 **SEVENTH CAUSE OF ACTION**
4 **(Unfair Business Practices – BPC § 17200)**
5 **(Against Entity Defendants Only)**

6 56. Plaintiffs re-allege and incorporate herein by reference all paragraphs outside this
7 section as though fully set forth herein.

8 57. The acts, omissions, and practices of entity Defendants as alleged throughout this
9 operative Complaint constitute unlawful and unfair business acts and practices within the meaning
10 of sections 17200, et seq. of the California Business & Professions Code because they were done
11 repeatedly over a significant period of time, and in a systemic manner to the detriment of Plaintiffs

12 58. Specifically, Defendants' conduct constituted violations of IWC Wage Orders and
13 the Labor Code pursuant to Wage Order 4-2001 sections 3, 4, 7, 11, 12, 20, et al., and pursuant to
14 Labor Code sections 98, 98.6, 200, 201, 202, 203, 204, 210, 212, 216, 218.6, 221, 222, 223, 224,
15 225, 225.5, 226, 226.2, 226.3, 226.7, 233, 234, 246, 246.5, 247.5, 248.5, 256, 500, 510, 512, 516,
16 558, 558.1, 1174, 1174.5, 1175, 1182.12, 1193.6, 1194, 1194.2, 1194.3, 1197, 1197.1, 1198, 1199,
17 2502, 2751, 2698, 2699, 2699.3, 2699.5 et al.

18 59. As a result, Plaintiffs have suffered damages.

19 60. Pursuant to Business & Professions Code section 17203, Plaintiffs request that the
20 court order entity Defendants to disgorge all ill-gotten gains and award Plaintiffs full restitution of
21 all monies wrongfully acquired by entity Defendants by such "unfair" business acts and practices
22 as outlined herein above, plus interest, attorneys' fees, and costs pursuant to Code of Civil Procedure
23 section 1021.5. Plaintiffs additionally request that such funds be impounded by the court or that a
24 constructive trust be imposed upon such revenues and profits to avoid fraudulent transfers or
25 concealment of such monies by entity Defendants. Plaintiffs may be irreparably harmed or denied
26 an effective and complete remedy if such an order is not granted.

27 61. Pursuant to Business & Professions Code section 17203, Plaintiffs further seek an
28 order from the court for injunctive relief in the form of requiring entity Defendants to cease and

1 correct the unfair business practices referenced throughout this operative Complaint.

2 **EIGHTH CAUSE OF ACTION**

3 **(Private Attorneys General Act Claim – LC § 2699)**

4 **(Against all Defendants)**

5 62. Plaintiffs re-allege and incorporate herein by reference all paragraphs outside this
6 section as though fully set forth herein.

7 63. As a result of the acts alleged above, Plaintiffs bring this action on their own behalf,
8 and in their representative capacity for California and all aggrieved employees who are current or
9 former employees of Defendants, for civil penalties pursuant to Labor Code sections 7 and 2699 for
10 Defendants' violations of IWC Wage Orders and Labor Code including, but not limited to, pursuant
11 to sections 3, 4, 7, 11, 12, 20 of Wage Order 4-2001, and pursuant to Labor Code sections 98, 98.6,
12 200, 201, 202, 203, 204, 210, 212, 216, 218.6, 221, 222, 223, 224, 225, 225.5, 226, 226.2, 226.3,
13 226.7, 233, 234, 246, 246.5, 247.5, 248.5, 256, 500, 510, 512, 516, 558, 558.1, 1174, 1174.5, 1175,
14 1182.12, 1193.6, 1194, 1194.2, 1194.3, 1197, 1197.1, 1198, 1199, 2502, 2751, 2698, 2699, 2699.3,
15 2699.5 et al.

16 64. Labor Code section 210 states that, "(a) In addition to, and entirely independent and
17 apart from, any other penalty provided in this article, every person who fails to pay the wages of
18 each employee as provided in Sections 201.3, 204, 204b, 204.1, 204.2, 205, 205.5, and 1197.5, shall
19 be subject to a civil penalty as follows: (1) For any initial violation, one hundred dollars (\$100) for
20 each failure to pay each employee. (2) For each subsequent violation, or any willful or intentional
21 violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the
22 amount unlawfully withheld."

23 65. Labor Code section 225.5 states that, "...every person who unlawfully withholds
24 wages due any employee in violation of Section 212, 216, 221, 222, or 223 shall be subject to a civil
25 penalty as follows: (a) For any initial violation, one hundred dollars (\$100) for each failure to pay
26 each employee. (b) For each subsequent violation, or any willful or intentional violation, two
27 hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount
28 unlawfully withheld."

1 66. Labor Code section 226.3 states that, “Any employer who violates subdivision (a) of
2 Section 226 shall be subject to a civil penalty in the amount of two hundred fifty dollars (\$250) per
3 employee per violation in an initial citation and one thousand dollars (\$1,000) per employee for each
4 violation in a subsequent citation, for which the employer fails to provide the employee a wage
5 deduction statement or fails to keep the records required in subdivision (a) of Section 226. The civil
6 penalties provided for in this section are in addition to any other penalty provided by law.”

7 67. Code section 256 states that, “The Labor Commissioner shall impose a civil penalty
8 in an amount not exceeding 30 days pay as waiting time under the terms of Section 203.”

9 68. Labor Code section 558 states that, “(a) Any employer or other person acting on
10 behalf of an employer who violates, or causes to be violated, a section of this chapter or any
11 provision regulating hours and days of work in any order of the Industrial Welfare Commission
12 shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for each
13 underpaid employee for each pay period for which the employee was underpaid in addition to an
14 amount sufficient to recover underpaid wages. (2) For each subsequent violation, one hundred
15 dollars (\$100) for each underpaid employee for each pay period for which the employee was
16 underpaid in addition to an amount sufficient to recover underpaid wages... (d) The civil penalties
17 provided for in this section are in addition to any other civil or criminal penalty provided by law.”

18 69. Labor Code section 1174.5 states that, “Any person employing labor who willfully
19 fails to maintain the records required by subdivision (c) of section 1174 or accurate and complete
20 records required by subdivision (d) of Section 1174, or to allow any member of the commission or
21 employees of the division to inspect records pursuant to subdivision (b) of Section 1174, shall be
22 subject to a civil penalty of five hundred dollars (\$500).

23 70. Labor Code section 1197.1 states that, “(a) Any employer or other person acting
24 either individually or as an officer, agent, or employee of another person, who pays or causes to be
25 paid to any employee a wage less than the minimum fixed by an order of the commission shall be
26 subject to a civil penalty, restitution of wages, liquidated damages payable to the employee, and any
27 applicable penalties imposed pursuant to Section 203 as follows: (1) For any initial violation that is
28 intentionally committed, one hundred dollars (\$100) for each underpaid employee for each pay

1 period for which the employee is underpaid. This amount shall be in addition to an amount sufficient
2 to recover underpaid wages, liquidated damages pursuant to Section 1194.2, and any applicable
3 penalties imposed pursuant to Section 203. (2) For each subsequent violation for the same specific
4 offense, two hundred fifty dollars (\$250) for each underpaid employee for each pay period for which
5 the employee is underpaid regardless of whether the initial violation is intentionally committed. This
6 amount shall be in addition to an amount sufficient to recover underpaid wages, liquidated damages
7 pursuant to Section 1194.2, and any applicable penalties imposed pursuant to Section 203...”

8 71. Labor Code section 2699 states that, “(f) For all provisions of this code except those
9 for which a civil penalty is specifically provided, there is established a civil penalty for a violation
10 of these provisions, as follows: (1) If, at the time of the alleged violation, the person does not employ
11 one or more employees, the civil penalty is five hundred dollars (\$500). (2) If, at the time of the
12 alleged violation, the person employs one or more employees, the civil penalty is one hundred
13 dollars (\$100) for each aggrieved employee per pay period for the initial violation and two hundred
14 dollars (\$200) for each aggrieved employee per pay period for each aggrieved employee per pay
15 period for each subsequent violation.”

16 72. Plaintiffs are informed and believe that Defendants knowingly and willfully failed to
17 pay their employees all wages earned which were due at least twice each calendar month pursuant
18 to Labor Code section 204, by failing to pay employees the additional one hour of wages for each
19 workday Defendants unlawfully failed to provide employees a meal period which was required by
20 Labor Code section 226.7, failing to pay employees the additional one hour of wages for each
21 workday Defendants unlawfully failed to provide employees a rest period which was required by
22 Labor Code section 226.7, failing to pay employees separately from commissions for paid rest
23 periods if any rest periods were taken, failing to pay employees at least minimum wage for all hours
24 worked, failing to pay employees at least minimum wage for performing regularly required non-
25 commissioned activities outside the scope of work in which commissions were to be paid upon
26 (other non-productive time), recovering advanced commissions paid to employees from employees’
27 earned commissions in future pay periods, and failing to pay employees applicable overtime rates.

28 73. Plaintiffs are informed and believe that as a result of Defendants’ unlawful pay

1 policies and practices, and failure to provide all itemized information required by Labor Code
2 section 226 in wage statements, such as total hours worked, pay rates, and paid sick time
3 (Defendants also unlawfully failed to provide paid sick leave), Defendants failed to provide accurate
4 itemized wage statements to employees and failed to maintain accurate records of those wage
5 statements and hours worked daily by employees, including all meal periods taken (if any were
6 taken) in violation of Labor Code sections 226, 246, 1174, and IWC Wage Orders including Wage
7 Order 4-2001 section 7.

8 74. Plaintiffs are informed and believe that Defendants failed to pay employees all
9 earned wages within 72 hours after their employment relationships ended with Defendants as a result
10 of the unlawful pay policies and practices described above, and Defendants continue to fail to pay
11 those earned wages and the waiting time penalties of up to 30 days of additional daily wages which
12 are authorized as the amount of the civil penalty calculation provided by Labor Code section 203.

13 75. Code section 558.1 states that, “(a) Any employer or other person acting on behalf
14 of an employer, who violates, or causes to be violated, any provision regulating minimum wages or
15 hours and days of work in any order of the Industrial Welfare Commission, or violates, or causes to
16 be violated, sections 203, 226, 226.7, 1193.6, 1194, or 2802, may be held liable as the employer for
17 such violations.

18 76. Defendants MATT CLEGG, DAVID NEARING, RICHARD SENITTE, and Doe
19 Defendants, as owners, directors, officers, and managing agents of Defendants DEBT
20 RESOLUTION DIRECT LLC and entity Doe Defendants were employers or other persons acting
21 on behalf of Defendants DEBT RESOLUTION DIRECT LLC and entity Doe Defendants, who
22 violated or caused to be violated the Labor Code and IWC Wage Orders as alleged above.
23 Accordingly, all Defendants including, but not limited to, MATT CLEGG, DAVID NEARING,
24 RICHARD SENITTE, and Doe Defendants are individually and personally liable along with
25 Defendants DEBT RESOLUTION DIRECT LLC and entity Doe Defendants for all of the violations
26 described above pursuant to Labor Code sections 558, 558.1, and 1197.1 for all civil penalties,
27 damages, interest, attorney fees, and costs.

1 **PRAYER**

2 WHEREFORE, Plaintiff prays for judgment against Defendants in an amount exceeding
3 \$25,000 as follows:

- 4 1. For civil penalties in an amount to be proven at trial
5 2. For compensatory damages in an amount to be proven at trial;
6 3. For liquidated damages in an amount to be proven at trial;
7 4. For interest;
8 5. For penalties in an amount to be proven at trial;
9 6. For attorney fees in an amount to be proven at trial;
10 7. For costs of suit in an amount to be proven at trial;
11 8. For restitution;
12 9. For injunctive relief;
13 10. For declaratory relief; and
14 11. For such other and further and relief as the court may deem just and proper.

15 Respectfully submitted,

16 Date:04/20/2021

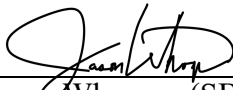
17 
18 Jason Whooper (SBN 279972)
19 W LAW
20 Attorneys for Plaintiffs
21
22
23
24
25
26
27
28

Exhibit 1

January 15, 2021

UPLOADED VIA DIR WEBSITE

Department of Industrial Relations
Accounting Unit
455 Golden Gate Avenue, 10th Floor
San Francisco, CA 94102
dir.ca.gov

W LAW
1916 3rd Ave
San Diego, CA 92101
Tel: (619) 432-2836
Fax: (619) 717-2111
Email: info@wlawinc.com

Re: *LUKAS CARTER; BENJAMIN SCALZI; AND BRUCE SPAKE v. DEBT RESOLUTION DIRECT LLC; MATT CLEGG; DAVID NEARING; RICHARD SENITTE; and DOES 1-100, inclusive*

To Whom It May Concern:

I, Jason Whooper, of W Law, represent LUKAS CARTER (“CARTER”); BENJAMIN SCALZI (“SCALZI”); and BRUCE SPAKE (“SPAKE”) individually and on behalf of all other similarly aggrieved employees (hereinafter also referred to jointly as “Plaintiffs” or “Plaintiffs and other aggrieved employees”), who are either former or current employees of DEBT RESOLUTION DIRECT LLC; MATT CLEGG; DAVID NEARING; RICHARD SENITTE; and DOES 1-100, inclusive (all of whom are also, hereinafter sometimes referred to collectively as “Defendants”).

Pursuant to Labor Code section 2699.3, this letter constitutes written notice of Defendants’ various Labor Code violations and Plaintiffs’ intent to recover civil penalties under the Labor Code’s Private Attorney General Act of 2004. A copy of this letter is also being sent to the Defendants by certified mail. A \$75 filing fee payment will be made with the filing of this letter to the Department of Industrial Relations, Accounting Unit, 455 Golden Gate Ave., 10th Floor, San Francisco, CA 94102.

FACTUAL ALLEGATIONS AND THEORIES

Defendant DEBT RESOLUTION DIRECT LLC is a California limited liability company organized and existing under the laws of the State of California and doing business in San Diego County. DEBT RESOLUTION DIRECT LLC employed Plaintiffs. MATT CLEGG, DAVID NEARING, RICHARD SENITTE, acted individually and as officers, agents, managers, owners, and employees of DEBT RESOLUTION DIRECT LLC who caused DEBT RESOLUTION DIRECT LLC to fail to pay Plaintiffs at least the minimum wages fixed by a Wage Order of the Industrial Welfare Commission, fail to pay overtime wages, fail to provide meal periods, fail to provide paid rest periods separate from commission pay, fail to provide proper wage statements (paystubs) and keep records, fail to provide paid sick leave, and fail to pay all earned wages when Plaintiffs’ employment ended.

DEBT RESOLUTION DIRECT LLC is a company that negotiates, settles, and resolves debts. CARTER worked for Defendants from in or around May 2019 to February 2020. SCALZI worked for Defendants from in or around about May 2019 to February 2020. SPAKE worked for

Defendants from in or around August 2019 to January 2020. Plaintiffs performed nonexempt duties working inside Defendants office as salespersons, also known as sales representatives, openers, closers, or debt advisors.

Plaintiffs regularly worked more than 10 hours in a workday and more than 60 hours in a workweek. Defendants implemented a policy and practice of not tracking the hours Plaintiffs worked with time punches, timesheets, or timecards in a timekeeping system.

Defendants paid Plaintiffs pure commissions on sales, with up to a \$1,250 recoverable draw advanced against future earned commissions for every pay period where Defendants did not determine that Plaintiffs earned at least \$1,250 in commissions regardless of how many hours Plaintiffs worked in a pay period. Defendants' pay periods were the 1st of the month through the 15th of the month and the 16th of the month through the end of the month, for every month. However, Defendants failed to timely pay Plaintiffs all earned wages on regular paydays twice monthly, in part as a result of the earned wages that remain unpaid presently.

Defendants did not pay Plaintiffs at least the minimum wage required by the City of San Diego or the State of California for all hours worked. Defendants also did not pay Plaintiffs overtime wages and overtime rates when applicable. Also, because Defendants only paid Plaintiffs either what Defendants believed were the earned commission wages, a \$1,250 recoverable draw advanced against future earned commissions, or a combination of the two to meet the minimum of \$1,250 per pay period, Defendants also failed to pay Plaintiffs separately for 10 minutes of rest periods for every 4 hours worked or major fraction of that within every workday. Further, Plaintiffs are informed and believe that Defendants' failed to satisfy all of the requirements for written commission agreements and failed to pay all earned commissions.

Defendants also implemented a policy and practice of directing Plaintiffs not to take off duty 10-minute rest periods or 30-minute meal periods. Further, Defendants affirmatively directed and encouraged Plaintiffs to not take meal periods and instructed Plaintiffs to eat and work through lunches at their desks to make more sales. Defendants never paid Plaintiffs an additional one hour of regular rate wages as a premium for every workday with a missed rest period or an additional one hour of regular rate wages as a premium for every workday with a missed meal period.

Defendants implemented a policy and practice of failing to provide Plaintiffs the minimum required paid sick leave for California employees, record accrued paid sick leave, or indicate the amount of paid sick leave available on wage statements (paystubs).

As a result of Defendants' unlawful policies and practices, Defendants also failed to provide Plaintiffs proper wage statements (paystubs) and failed to maintain accurate meal period, time, payroll, and paid sick leave records in violation of Labor Code sections 226, 246, 1174, and Industrial Welfare Commission ("IWC") Wage Orders including, but not limited to, Wage Order 4-2001 section 7.

Also as a result, Defendants failed to timely pay Plaintiffs all earned wages due and payable twice during each calendar month on Defendants' designated regular paydays, failed to pay Plaintiffs all earned wages due and payable within 72 hours after their employment relationships ended with Defendants, and continue to fail to pay Plaintiffs those earned unpaid wages and the

accrued waiting time penalties for 30 days of additional daily wages authorized by Labor Code section 203.

Plaintiffs are informed and believe that all of Defendants unlawful conduct described above was directed by MATT CLEGG, DAVID NEARING, RICHARD SENITTE, and DOES 1-100, who were all owners, directors, officers, or managing agents of DEBT RESOLUTION DIRECT LLC and Doe Defendants, who exercised substantial independent authority and judgment in their corporate decision making such that their decisions ultimately determined the entity's corporate policy.

Plaintiffs will meet the Private Attorneys General Act ("PAGA") notice requirement with the Labor and Workforce Development Agency ("LWDA") to pursue a PAGA action against Defendants pursuant to Labor Code section 2699 for civil penalties by uploading this PAGA claim notice letter to the LWDA with a \$75 filing fee and mailing copies of the PAGA claim notice letter to Defendants by certified mail. Plaintiffs will file a lawsuit against Defendants for their individual claims in this matter. After the 65 day waiting period passes, Plaintiffs intend to amend the Complaint to add a PAGA cause of action for Defendants' violations of IWC Wage Orders and the Labor Code including, but not limited to, pursuant to sections 3, 4, 7, 11, 12, and 20 of Wage Order 4-2001, and pursuant to Labor Code sections 98, 98.6, 200, 201, 202, 203, 204, 210, 212, 216, 218.6, 221, 222, 223, 224, 225, 225.5, 226, 226.2, 226.3, 226.7, 233, 234, 246, 246.5, 247.5, 248.5, 256, 500, 510, 512, 516, 558, 558.1, 1174, 1174.5, 1175, 1182.12, 1193.6, 1194, 1194.2, 1194.3, 1197, 1197.1, 1198, 1199, 2502, 2751, 2698, 2699, 2699.3, 2699.5 et al.

PROVISIONS OF THE LABOR CODE VIOLATED

After the 65 day waiting period passes, Plaintiffs intend to amend the Complaint to add a PAGA cause of action for Defendants' violations of IWC Wage Orders and the Labor Code including, but not limited to, pursuant to sections 3, 4, 7, 11, 12, and 20 of Wage Order 4-2001, and pursuant to Labor Code sections 98, 98.6, 200, 201, 202, 203, 204, 210, 212, 216, 218.6, 221, 222, 223, 224, 225, 225.5, 226, 226.2, 226.3, 226.7, 233, 234, 246, 246.5, 247.5, 248.5, 256, 500, 510, 512, 516, 558, 558.1, 1174, 1174.5, 1175, 1182.12, 1193.6, 1194, 1194.2, 1194.3, 1197, 1197.1, 1198, 1199, 2502, 2751, 2698, 2699, 2699.3, 2699.5 et al.

REQUEST TO THE LWDA

Accordingly, Plaintiffs respectfully request that the Labor & Workforce Development Agency ("LWDA") open a claim and provide notification of whether the LWDA intends to investigate. If the LWDA declines to pursue enforcement, Plaintiffs intend to bring a claim for PAGA civil penalties in a Superior Court action in a representative capacity for all aggrieved employees pursuant to various regulations and statutes including, but not limited to, sections 3, 4, 7, 11, 12, and 20 of Wage Order 4-2001, and pursuant to Labor Code sections 98, 98.6, 200, 201, 202, 203, 204, 210, 212, 216, 218.6, 221, 222, 223, 224, 225, 225.5, 226, 226.2, 226.3, 226.7, 233, 234, 246, 246.5, 247.5, 248.5, 256, 500, 510, 512, 516, 558, 558.1, 1174, 1174.5, 1175, 1182.12, 1193.6, 1194, 1194.2, 1194.3, 1197, 1197.1, 1198, 1199, 2502, 2751, 2698, 2699, 2699.3, 2699.5 et al.

If you have any questions or concerns regarding the above, please do not hesitate to contact my office. Thank you for your attention to this matter.

Sincerely,



Jason Whooper

cc:

SENT VIA CERTIFIED U.S. MAIL

Debt Resolution Direct LLC
6863 Friars Rd., Suite 101
San Diego, CA 92108

Matt Clegg
Debt Resolution Direct LLC
6863 Friars Rd., Suite 101
San Diego, CA 92108

David Nearing
Debt Resolution Direct LLC
6863 Friars Rd., Suite 101
San Diego, CA 92108

Richard Senitte
Debt Resolution Direct LLC
6863 Friars Rd., Suite 101
San Diego, CA 92108



Jason Whooper <jwhooper@wlawinc.com>

Thank you for submission of your PAGA Case.

LWDA DO NOT REPLY <lwdadonotreply@dir.ca.gov>
To: "jwhooper@wlawinc.com" <jwhooper@wlawinc.com>

Fri, Jan 15, 2021 at 2:11 PM

1/15/2021

LWDA Case No. LWDA-CM-818881-21
Law Firm : W Law
Plaintiff Name : Lukas Carter, Benjamin Scalzi, Bruce Spake
Employer: Debt Resolution Direct LLC
Filing Fee : \$75.00
IFP Claimed : No

Item submitted: Initial PAGA Notice

Thank you for your submission to the Labor and Workforce Development Agency. Please make a note of the LWDA Case No. above as you may need this number for future reference when filing any subsequent documents for this Case.

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm