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BY 
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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO

12 BLAKE CHAPPELL, as an aggrieved
13 employee pursuant to the Private Attorneys
14 General Act ("PAGA"), on behalf of the
15 State of California and other aggrieved
16 employees,

17 Plaintiff,

18 vs.

19 ENERSYS DELAWARE INC., a Delaware
20 corporation; ENERSYS ENERGY
21 PRODUCTS INC., a Delaware corporation;
22 and DOES 1 through 10, inclusive,

23 Defendants.

Case No.: **CIV SB 2117346**

**COMPLAINT – PAGA ENFORCEMENT
ACTION**

(1) Claim for Civil Penalties for Violations of
California Labor Code, Pursuant to PAGA,
§§ 2698, *et seq.*

Jury Trial Demanded

1 Plaintiff Blake Chappell, as an aggrieved employee and on behalf of the State of
2 California and all other non-party Aggrieved Employees, alleges as follows:

3 JURISDICTION AND VENUE

4 1. This is an enforcement action under the Labor Code Private Attorneys General
5 Act of 2004, California Labor Code section 2698, *et seq.* (“PAGA”) to recover civil penalties
6 and any other available relief on behalf of Plaintiff, the State of California, and other current
7 and former employees who worked for Defendants in California as non-exempt, hourly paid
8 employees and against whom one or more violations of any provision in Division 2 Part 2
9 Chapter 1 of the Labor Code or any provision regulating hours and days of work in the
10 applicable Industrial Welfare Commission (“IWC”) Wage Order were committed, as set forth
11 in this complaint, at any time between one year prior to the filing of the pre-filing written
12 notices to the Labor and Workforce Development Agency (“LWDA”) in this case on April 12,
13 2021, until judgment (“non-party Aggrieved Employees”). Plaintiff’s share of civil penalties
14 sought in this action does not exceed \$75,000.

15 2. This Court has jurisdiction over this action pursuant to the California
16 Constitution, Article VI, section 10. The statute under which this action is brought does not
17 specify any other basis for jurisdiction.

18 3. This Court has jurisdiction over all Defendants because, on information and
19 belief, Defendants are either citizens of California, have sufficient minimum contacts in
20 California, or otherwise intentionally avail themselves of the California market so as to render
21 the exercise of jurisdiction over them by the California courts consistent with traditional
22 notions of fair play and substantial justice. There is no basis for federal diversity jurisdiction
23 in this action given that the State of California, as the real party in interest in this action, is not
24 a “citizen” for purposes of satisfying diversity jurisdiction. *Urbino v. Orkin Servs. of Cal.*,
25 726 F.3d 1118, 1123 (9th Cir. Cal. 2013). *Urbino* also holds that civil penalties cannot be
26 aggregated to satisfy the amount in controversy requirement for federal diversity jurisdiction
27 in this action, and that diversity jurisdiction cannot be established when Plaintiff’s share of the
28 civil penalties attributable to violations personally suffered are less than \$75,000. *Id.* at 1122.

4. Venue is proper in this Court because Defendants employ or employed persons within the County of San Bernardino and have violated the requirements of the California Labor Code and applicable Wage Order in this county which give rise to the penalties sought in this action. Cal. Code Civ. P. § 393. Specifically, Defendants have violated the requirements of the California Labor Code and applicable Wage Order in at least one location within the County of San Bernardino, including Defendants' location in Chino (5580 Edison Ave, Chino, California 91710). Pursuant to California Civil Code of Procedure section 393, venue is proper for the recovery of a penalty imposed by statute in the county in which the cause, or some part of the cause, arose. Because Defendants have employees in San Bernardino County and Plaintiff could bring this action to recover penalties in San Bernardino County, venue is proper. *Crestwood Behavioral Health, Inc. v. Superior Court of Alameda County*, 60 Cal. App. 5th 1069 (2021).

5. California Labor Code sections 2698, *et seq.*, the “Labor Code Private Attorneys General Act of 2004” (“PAGA”), authorize aggrieved employees to sue as private attorneys general their current or former employers for various civil penalties for violations of various provisions in the California Labor Code.

THE PARTIES

6. Plaintiff Blake Chappell is a resident of Apple Valley, in San Bernardino County, California. Defendants employed Plaintiff as an hourly paid, Field Service Technician from approximately October 2019 to July 2020. Plaintiff worked for Defendants out of their location in Santa Fe Springs, California. During his employment, Plaintiff typically worked eight (8) or more hours per day and five (5) to six (6) days per week. Plaintiff's primary job duties included, without limitation, performing on-site battery installations, loading and unloading equipment, transporting batteries, and mapping and traveling to job sites.

7. On information and belief, Defendants required some employees, including Plaintiff, to execute a dispute resolution policy and/or arbitration agreement at the time of their hire or during their employment. On further information and belief, Defendants' dispute

1 resolution policy and/or arbitration agreement was and is both procedurally and substantively
2 unconscionable. Specifically, Defendants presented employees with an Employment
3 Agreement including an arbitration clause (“Arbitration Agreement”), which had to be
4 reviewed and acknowledged immediately. Also, employees did not have a meaningful
5 opportunity to negotiate the terms of the Arbitration Agreement. Rather, it was provided to
6 Defendants’ employees for them to sign on a take-it or leave-it basis. Furthermore,
7 Defendants did not set forth in the agreement or otherwise provide employees with the rules
8 which will govern the arbitration, instead forcing employees to request or seek this
9 information out on their own.

10 8. ENERSYS DELAWARE INC. was and is, upon information and belief, a
11 Delaware corporation, and at all times hereinafter mentioned, an employer whose employees
12 are engaged throughout this county, the State of California, or the various states of the United
13 States of America.

14 9. ENERSYS ENERGY PRODUCTS INC. was and is, upon information and
15 belief, a Delaware corporation, and at all times hereinafter mentioned, an employer whose
16 employees are engaged throughout this county, the State of California, or the various states of
17 the United States of America.

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

22 11. Plaintiff is informed and believes, and thereon alleges, that DOES 1 through 10
23 were the partners, agents, owners, or managers of ENERSYS DELAWARE INC. and
24 ENERSYS ENERGY PRODUCTS INC. at all relevant times.

25 12. Plaintiff is informed and believes, and thereon alleges, that each and all of the
26 acts and omissions alleged herein was performed by, or is attributable to, ENERSYS
27 DELAWARE INC., ENERSYS ENERGY PRODUCTS INC., and/or DOES 1 through 10
28 (collectively, “Defendants” or “ENERSYS”), each acting as the agent, employee, alter ego,

1 and/or joint venturer of, or working in concert with, each of the other co-Defendants and was
2 acting within the course and scope of such agency, employment, joint venture, or concerted
3 activity with legal authority to act on the others' behalf. The acts of any and all Defendants
4 were in accordance with, and represent, the official policy of Defendants.

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

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

12 15. Under California law, Defendants are jointly and severally liable as employers
13 for the violations alleged herein because they have each exercised sufficient control over the
14 wages, hours, working conditions, and employment status of Plaintiff and other non-party
15 Aggrieved Employees. Each Defendant had the power to hire and fire Plaintiff and other non-
16 party Aggrieved Employees, supervised and controlled their work schedule and/or conditions
17 of employment, determined their rate of pay, and maintained their employment records.
18 Defendants suffered or permitted Plaintiff and other non-party Aggrieved Employees to work
19 and/or "engaged" Plaintiff and other non-party Aggrieved Employees so as to create a
20 common-law employment relationship. As joint employers of Plaintiff and other non-party
21 Aggrieved Employees, Defendants are jointly and severally liable for the civil penalties
22 available to Plaintiff and other non-party Aggrieved Employees under the law.

23 16. Plaintiff is informed and believes, and thereon alleges, that at all relevant times,
24 Defendants, and each of them, have acted as joint employers with respect to Plaintiff and other
25 non-party Aggrieved Employees because Defendants have:

26 (a) jointly exercised meaningful control over the work performed by
27 Plaintiff and other non-party Aggrieved Employees;

28 (b) jointly exercised meaningful control over Plaintiff's and other non-party

1 Aggrieved Employees' wages, hours, and working conditions, including
2 the quantity, quality standards, speed, scheduling, and operative details
3 of the tasks performed by Plaintiff and other non-party Aggrieved
4 Employees;

5 (c) jointly required that Plaintiff and other non-party Aggrieved Employees
6 perform work which is an integral part of Defendants' businesses; and

7 (d) jointly exercised control over Plaintiff and other non-party Aggrieved
8 Employees as a matter of economic reality in that Plaintiff and other
9 non-party Aggrieved Employees were dependent on Defendants, who
10 shared the power to set the wages of Plaintiff and other non-party
11 Aggrieved Employees and determined their working conditions, and
12 who jointly reaped the benefits from the underpayment of their wages
13 and noncompliance with other statutory provisions governing their
14 employment.

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

18 18. ENERSYS DELAWARE INC., ENERSYS ENERGY PRODUCTS INC.,
19 and/or DOES 1 through 10 are therefore alter egos of each other.

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

23 20. Plaintiff further alleges, upon information and belief, that Defendants
24 ENERSYS DELAWARE INC. and ENERSYS ENERGY PRODUCTS INC. are alter egos of
25 each other for the following reasons:

26 (a) On EnerSys's SEC Form 10-K filing for 2021¹, ENERSYS

27 ¹ 10-K Annual Report 05/26/2021, "SEC Filings – EnerSys,"
28 <https://investor.enersys.com/financial-information/annual-reports> (last accessed June 10, 2021).

1 DELAWARE INC. and ENERSYS ENERGY PRODUCTS INC. are
2 listed as subsidiaries of EnerSys;

3 (b) According to their most recent “Statement of Information” forms filed
4 with the California Secretary of State, ENERSYS DELAWARE INC.
5 and ENERSYS ENERGY PRODUCTS INC. share the same officers,
6 including, but not limited to:

7 i. Michael J. Schmittlein, who serves as Chief Financial
8 Officer of ENERSYS DELAWARE INC. and Chief
9 Executive Officer of ENERSYS ENERGY PRODUCTS
10 INC.;

11 ii. Joseph G. Lewis, who serves as Secretary of ENERSYS
12 DELAWARE INC. and ENERSYS ENERGY PRODUCTS
13 INC.; and

14 iii. Thomas L. O’Neill, who serves as Treasurer of ENERSYS
15 DELAWARE INC. and Chief Financial Officer of
16 ENERSYS ENERGY PRODUCTS INC.;

17 (c) On the California Secretary of State’s website
18 (<https://businesssearch.sos.ca.gov/>) ENERSYS DELAWARE INC. and
19 ENERSYS ENERGY PRODUCTS INC. have the same agent for
20 service of process, “CORPORATION SERVICE COMPANY WHICH
21 WILL DO BUSINESS IN CALIFORNIA AS CSC - LAWYERS
22 INCORPORATING SERVICE (C1592199);” and

23 (d) On information and belief, ENERSYS DELAWARE INC. and
24 ENERSYS ENERGY PRODUCTS INC. utilize the same standardized
25 employment forms and issue the same employment policies.

26 **PAGA REPRESENTATIVE ALLEGATIONS**

27 21. Defendants are a global manufacturer and supplier of industrial batteries. Upon
28 information and belief, Defendants maintain a single, centralized Human Resources (“HR”)

1 department at their company headquarters in Reading, Pennsylvania, which is responsible for
2 the recruiting and hiring of new employees, and communicating and implementing
3 Defendants' company-wide policies, including timekeeping policies and meal and rest period
4 policies, to employees throughout California.

5 22. In particular, Plaintiff and other non-party Aggrieved Employees, on
6 information and belief, received the same standardized documents and/or written policies.
7 Upon information and belief, the usage of standardized documents and/or written policies,
8 including new-hire documents, indicate that Defendants dictated policies at the corporate level
9 and implemented them company-wide, regardless of their employees' assigned locations or
10 positions. Upon information and belief, Defendants set forth uniform policies and procedures
11 in several documents provided at an employee's time of hire.

12 23. Upon information and belief, Defendants maintain a centralized Payroll
13 department at their company headquarters in Reading, Pennsylvania, which processes payroll
14 for all non-exempt, hourly paid employees working for Defendants at their various locations
15 and jobsites in California, including Plaintiff and other non-party Aggrieved Employees.
16 Based upon information and belief, Defendants issue the same formatted wage statements to
17 all non-exempt, hourly paid employees in California, irrespective of their work locations.
18 Upon information and belief, Defendants process payroll for departing employees in the same
19 manner throughout the State of California, regardless of the manner in which each employee's
20 employment ends.

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

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

27 26. Plaintiff is informed and believes, and thereon alleges, that Plaintiff and other
28 non-party Aggrieved Employees were not paid for all hours worked because all hours worked

1 were not recorded.

2 27. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
3 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
4 receive certain wages for overtime compensation and that they were not receiving certain
5 wages for overtime compensation.

6 28. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
7 should have known that other non-party Aggrieved Employees were entitled to be paid at a
8 regular rate of pay, and corresponding overtime rate of pay, that included as eligible income
9 all remuneration required by law, including but not limited to, all income derived from
10 incentive pay, nondiscretionary bonuses, and/or other forms of compensation.

11 29. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
12 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
13 receive at least minimum wages for compensation and that they were not receiving at least
14 minimum wages for work that was required to be done off-the-clock. In violation of the
15 California Labor Code, Plaintiff and other non-party Aggrieved Employees were not paid at
16 least minimum wages for work done off-the-clock.

17 30. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
18 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
19 meal periods in accordance with the California Labor Code and applicable IWC Wage Order
20 or payment of one (1) additional hour of pay at their regular rates of pay when they were not
21 provided with timely, uninterrupted, thirty (30) minute meal periods and that Plaintiff and
22 other non-party Aggrieved Employees were not provided with all meal periods or payment of
23 one (1) additional hour of pay at their regular rates of pay when they did not receive a timely,
24 uninterrupted, thirty (30) minute meal period.

25 31. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
26 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
27 rest periods in accordance with the California Labor Code and applicable IWC Wage Order or
28 payment of one (1) additional hour of pay at their regular rates of pay when they were not

1 authorized and permitted to take a compliant rest period. In violation of the Labor Code,
2 Plaintiff and other non-party Aggrieved Employees were not authorized and permitted to take
3 compliant rest periods, nor did Defendants provide Plaintiff and other non-party Aggrieved
4 Employees with payment of one (1) additional hour of pay at their regular rates of pay when
5 they were not authorized and permitted to take a compliant rest period.

6 32. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
7 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
8 receive complete and accurate wage statements in accordance with California law. In
9 violation of the California Labor Code, Plaintiff and other non-party Aggrieved Employees
10 were not provided complete and accurate wage statements.

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

15 34. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
16 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
17 timely payment of wages during their employment. In violation of the California Labor Code,
18 Plaintiff and other non-party Aggrieved Employees did not receive payment of all wages,
19 including, but not limited to, overtime wages, minimum wages, and/or meal and rest period
20 premiums, within permissible time periods.

21 35. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
22 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
23 timely payment of all wages earned upon termination of employment. In violation of the
24 California Labor Code, Plaintiff and other non-party Aggrieved Employees did not receive
25 payment of all wages due, including, but not limited to, overtime wages, minimum wages,
26 meal and rest period premiums, and/or vested vacation wages, within permissible time
27 periods.

28 36. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or

1 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
2 payment of all vested vacation wages upon termination of employment. In violation of the
3 California Labor Code, Plaintiff and other non-party Aggrieved Employees did not receive
4 payment of all vested vacation wages due.

5 37. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
6 should have known that other non-party Aggrieved Employees were entitled to receive full
7 reimbursement for all business-related expenses and costs they incurred during the course and
8 scope of their employment and that they did not receive full reimbursement of applicable
9 business-related expenses and costs incurred.

10 38. Plaintiff is informed and believes, and thereon alleges, that at all times herein
11 mentioned, Defendants knew or should have known that Defendants had a duty to provide
12 Plaintiff and other non-party Aggrieved Employees with written notice of the material terms
13 of their employment with Defendants as required by the California Wage Theft Prevention
14 Act, but failed to do so.

15 39. Plaintiff is informed and believes, and thereon alleges, that at all times herein
16 mentioned, Defendants knew or should have known that they had a duty to compensate
17 Plaintiff and other non-party Aggrieved Employees for all hours worked, and that Defendants
18 had the financial ability to pay such compensation, but willfully, knowingly, and intentionally
19 failed to do so, and falsely represented to Plaintiff and other non-party Aggrieved Employees
20 that they were properly denied wages, all in order to increase Defendants' profits.

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

27 41. PAGA defines an "aggrieved employee" in Labor Code section 2699(c) as "any
28 person who was employed by the alleged violator and against whom one or more of the

1 alleged violations was committed.”

2 42. Plaintiff and other current and former employees of Defendants are “aggrieved
3 employees” as defined by Labor Code section 2699(c) in that they are all Defendants’ current
4 or former employees and one or more of the alleged violations were committed against them.

5 43. Pursuant to California Labor Code sections 2699.3 and 2699.5, an aggrieved
6 employee, including Plaintiff, may pursue a civil action arising under PAGA after the
7 following requirements have been met:

- 8 (a) The aggrieved employee shall give written notice by online filing
9 (hereinafter “Employee’s Notice”) to the LWDA and by certified mail
10 to the employer of the specific provisions of the California Labor Code
11 alleged to have been violated, including the facts and theories to support
12 the alleged violations.
- 13 (b) An aggrieved employee’s notice filed with the LWDA pursuant to
14 2699.3(a) and any employer response to that notice shall be
15 accompanied by a filing fee of seventy-five dollars (\$75).
- 16 (c) The LWDA shall provide notice (hereinafter “LWDA Notice”) to the
17 employer and the aggrieved employee by certified mail that it does not
18 intend to investigate the alleged violation within sixty (60) calendar
19 days of the postmark date of the Employee’s Notice. Upon receipt of
20 the LWDA Notice, or if the LWDA Notice is not provided within sixty-
21 five (65) calendar days of the postmark date of the Employee’s Notice,
22 the aggrieved employee may commence a civil action pursuant to
23 California Labor Code section 2699 to recover civil penalties in addition
24 to any other penalties to which the employee may be entitled.

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

- 1 (a) The aggrieved employee or representative shall give written notice
2 by online filing to the LWDA and by certified mail to the employer
3 of the specific provisions of the California Labor Code alleged to
4 have been violated (other than those listed in Section 2699.5),
5 including the facts and theories to support the alleged violation.
- 6 (b) An aggrieved employee's notice filed with the LWDA pursuant to
7 2699.3(c) and any employer response to that notice shall be
8 accompanied by a filing fee of seventy-five dollars (\$75).
- 9 (c) The employer may cure the alleged violation within thirty-three (33)
10 calendar days of the postmark date of the notice. The employer
11 shall give written notice by certified mail within that period of time
12 to the aggrieved employee or representative and the agency if the
13 alleged violation is cured, including a description of actions taken,
14 and no civil action pursuant to Section 2699 may commence. If the
15 alleged violation is not cured within the 33-day period, the employee
16 may commence a civil action pursuant to Section 2699.

17 45. On April 12, 2021, Plaintiff provided written notice by online filing to the
18 LWDA and by certified mail to Defendants of the specific provisions of the California Labor
19 Code alleged to have been violated, including facts and theories to support the alleged
20 violations, in accordance with California Labor Code section 2699.3. Plaintiff's written
21 notice was accompanied with the applicable filing fee of seventy-five dollars (\$75). The
22 LWDA PAGA Administrator has confirmed receipt of Plaintiff's written notice and assigned
23 Plaintiff PAGA Case Number LWDA-CM-829074-21. A true and correct copy of Plaintiff's
24 written notice to the LWDA and Defendants dated April 12, 2021, is attached hereto as
25 "Exhibit 1."

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

1 47. Thus, Plaintiff has satisfied the administrative prerequisites under California
2 Labor Code sections 2699.3(a) and 2699.3(c) to recover civil penalties against Defendants for
3 violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 227.3, 510,
4 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1198, 2802, and 2810.5.

5 48. Labor Code section 558(a) provides “[a]ny employer or other person acting on
6 behalf of an employer who violates, or causes to be violated, a section of this chapter or any
7 provision regulating hours and days of work in any order of the Industrial Welfare
8 Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty
9 dollars (\$50) for each underpaid employee for each pay period for which the employee was
10 underpaid. . . . (2) For each subsequent violation, one hundred dollars (\$100) for each
11 underpaid employee for each pay period for which the employee was underpaid. . . .” Labor
12 Code section 558(c) provides “[t]he civil penalties provided for in this section are in addition
13 to any other civil or criminal penalty provided by law.” Plaintiff, acting in the public interest
14 as a private attorney general, seek assessment and collection of civil penalties under Labor
15 Code section 558 for himself, all other non-party Aggrieved Employees, and the State of
16 California against Defendants for violations of Labor Code sections 510, 512(a), 516, 1198,
17 and the applicable IWC Wage Order. Plaintiff, acting in the public interest as a private
18 attorney general, does not seek the recovery of unpaid wages under Labor Code section 558
19 from Defendants for violations of Labor Code sections 510, 512(a), 516, 1198, and the
20 applicable IWC Wage Order.

21 49. Defendants, at all times relevant to this complaint, were employers or persons
22 acting on behalf of an employer(s) who violated Plaintiff’s and other non-party Aggrieved
23 Employees’ rights by violating various sections of the California Labor Code as set forth
24 above.

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

28 51. Pursuant to PAGA, and in particular, California Labor Code sections 2699(a),

2699.3(a), 2699.3(c), 2699.5, and section 558, Plaintiff, acting in the public interest as a private attorney general, seek assessment and collection of civil penalties for himself, all other non-party Aggrieved Employees, and the State of California against Defendants for violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 227.3, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1198, 2802, and 2810.5.

FIRST CAUSE OF ACTION

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

(Against all Defendants)

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

53. California Labor Code §§ 2698, *et seq.* (“PAGA”) permits Plaintiff to recover civil penalties for the violation(s) of the Labor Code sections enumerated in Labor Code section 2699.5. Section 2699.5 enumerates Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 227.3, 510, 512(a), 1174(d), 1194, 1197, 1198, and 2802. Labor Code section 2699.3(c) permits aggrieved employees, including Plaintiff, to recover civil penalties for violations of those Labor Code sections not found in section 2699.5, including sections 516, 1182.12, and 2810.5.

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

- (a) Violation of Labor Code sections 510 and 1198, and the applicable IWC Wage Order for Defendants’ failure to compensate Plaintiff and other non-party Aggrieved Employees with all required overtime pay and failure to properly calculate the overtime rates paid to other non-party Aggrieved Employees, as set forth below;
- (b) Violation of Labor Code sections 1182.12, 1194, 1197, and 1198, and the applicable IWC Wage Order for Defendants’ failure to compensate Plaintiff and other non-party Aggrieved Employees with at least minimum wages for all hours worked, as set forth below;

- 1 (c) Violation of Labor Code sections 226.7, 512(a), 516, and 1198, and the
2 applicable IWC Wage Order for Defendants' failure to provide Plaintiff
3 and other non-party Aggrieved Employees with meal periods, as set
4 forth below;
- 5 (d) Violation of Labor Code sections 226.7, 516, and 1198, and the
6 applicable IWC Wage Order for Defendants' failure to authorize and
7 permit Plaintiff and other non-party Aggrieved Employees to take rest
8 periods, as set forth below;
- 9 (e) Violation of Labor Code sections 226(a) and 1198, and the applicable
10 IWC Wage Order for failure to provide accurate and complete wage
11 statements to Plaintiff and other non-party Aggrieved Employees, as set
12 forth below;
- 13 (f) Violation of Labor Code section 204 for failure to pay all earned wages
14 during employment, as set forth below;
- 15 (g) Violation of Labor Code sections 201, 202, and 203 for failure to pay all
16 earned wages upon termination, as set forth below;
- 17 (h) Violation of Labor Code section 227.3 for failure to pay all vested
18 vacation wages upon termination, as set forth below;
- 19 (i) Violation of Labor Code section 2802 for failure to reimburse other
20 non-party Aggrieved Employees for all business expenses necessarily
21 incurred, as set forth below; and
- 22 (j) Violation of Labor Code section 2810.5(a)(1)(A)-(C) for failure to
23 provide written notice of information material to Plaintiff's and other
24 non-party Aggrieved Employees' employment with Defendants, as set
25 forth below.

26 **FAILURE TO PAY OVERTIME**

27 **VIOLATION OF LABOR CODE SECTIONS 510 AND 1198**

- 28 55. Labor Code section 1198 makes it illegal to employ an employee under

1 conditions of labor that are prohibited by the applicable IWC Wage Order. California Labor
2 Code section 1198 requires that “. . . the standard conditions of labor fixed by the commission
3 shall be the . . . standard conditions of labor for employees. The employment of any employee
4 . . . under conditions of labor prohibited by the order is unlawful.”

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

9 57. Specifically, the applicable IWC Wage Order provides that Defendants are and
10 were required to pay Plaintiff and other non-party Aggrieved Employees working more than
11 eight (8) hours in a day or more than forty (40) hours in a workweek, at the rate of time and
12 one-half (1 ½) for all hours worked in excess of eight (8) hours in a day or more than forty
13 (40) hours in a workweek.

14 58. The applicable IWC Wage Order further provides that Defendants are and were
15 required to pay Plaintiff and other non-party Aggrieved Employees working more than twelve
16 (12) hours in a day, overtime compensation at a rate of two (2) times their regular rate of pay.
17 An employee’s regular rate of pay includes all remuneration for employment paid to, or on
18 behalf of, the employee, including nondiscretionary bonuses and incentive pay.

19 59. California Labor Code section 510 codifies the right to overtime compensation
20 at one and one-half (1 ½) times the regular rate of pay for hours worked in excess of eight (8)
21 hours in a day or forty (40) hours in a week or for the first eight (8) hours worked on the
22 seventh (7th) day of work, and to overtime compensation at twice the employee’s regular rate
23 of pay for hours worked in excess of twelve (12) hours in a day or in excess of eight (8) hours
24 in a day on the seventh (7th) day of work.

25 60. During the relevant time period, Defendants willfully failed to pay all overtime
26 wages owed to Plaintiff and other non-party Aggrieved Employees. During the relevant time
27 period, Plaintiff and other non-party Aggrieved Employees were not paid overtime premiums
28 for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12)

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

3 61. First, during the relevant period, Defendants had, and continue to have, a
4 company-wide policy of discouraging and impeding Plaintiff and other non-party Aggrieved
5 Employees from recording hours worked that were outside of their scheduled shifts in order to
6 limit the amount of overtime employees could accrue. On information and belief, this policy
7 of limiting overtime, coupled with Defendants' assignment of heavy workloads and use of
8 productivity quotas (*see infra*), led Plaintiff and other non-party Aggrieved Employees to
9 work off-the-clock before and after their scheduled shift times. For example, prior to every
10 shift, Plaintiff was required to spend 1-2 hours speaking with clients to coordinate service
11 times at each site he was traveling to that day. As a further example, after every shift,
12 Plaintiff would spend an additional 1-2 hours off-the-clock performing work-related tasks,
13 such as unloading and storing batteries, drafting work summary emails for each client site,
14 speaking with clients to coordinate service times for the following day, and completing
15 mandatory online trainings. When this occurred, Plaintiff was unable to record this off-the-
16 clock work because Defendants' management prohibited him from recording these overtime
17 hours. Defendants could have recorded this off-the-clock work, but refused to do so to avoid
18 paying Plaintiff and other non-party Aggrieved Employees overtime wages.

19 62. Moreover, on information and belief, when Plaintiff and other non-party
20 Aggrieved Employees worked on certain extended special assignments, they were subject to
21 Defendants' supervisors falsifying their time records and moving the extra time worked to
22 employees' off-days in order to reduce overtime accrual.

23 63. Second, Defendants had, and continue to have, a company-wide policy and/or
24 practice of requiring employees to use their company cellular phones to communicate with
25 supervisors at all times, including during unpaid meal periods, before and after shifts, and on
26 days off. Defendants expected that Plaintiff and other non-party Aggrieved Employees
27 promptly respond to calls, text messages, and emails at all times to discuss work-related
28 matters. For example, Plaintiff's and other non-party Aggrieved Employees' meal periods

1 were interrupted by calls from management to discuss work-related matters. As a further
2 example, other non-party Aggrieved Employees were required to respond to work-related
3 calls, text messages, and emails before and after their shifts to answer questions and receive
4 instructions from management. However, Defendants did not compensate Plaintiff and other
5 non-party Aggrieved Employees for the time they spent communicating with supervisors
6 regarding work-related issues while off-the-clock.

7 64. Third, as stated, Defendants have systematically, and on a company-wide basis,
8 assigned heavy workloads and productivity targets or quotas, thereby failing to provide
9 adequate meal period coverage to permit employees to take compliant meal periods. For
10 example, Plaintiff and other non-party Aggrieved Employees were expected to service
11 between 2-8 client sites each day and 150 client sites each quarter. Defendants also had a
12 practice of failing to schedule meal periods, which further caused Plaintiff and other non-party
13 Aggrieved Employees to not be relieved of their duties for compliant meal periods. As a
14 result, Plaintiff and other non-party Aggrieved Employees were not always afforded 30-
15 minute meal periods during shifts when they were entitled to receive a meal period. For
16 example, Plaintiff worked through his meal periods 4-5 times per week in order to meet
17 Defendants' productivity expectations. In addition, when Plaintiff and other non-party
18 Aggrieved Employees were able to take their meal periods, Defendants pressured them to eat
19 their meals while driving between client sites. Thus, Defendants effectively maintained
20 control over Plaintiff and other non-party Aggrieved Employees during meal periods.

21 65. Fourth, because Defendants frowned upon employees accruing meal period
22 penalties, Defendants pressured Plaintiff and other non-party Aggrieved Employees to clock
23 out for meal periods and/or adjusted employee time records to reflect compliant meal periods,
24 regardless of whether they had received a compliant meal period, in order to strictly limit meal
25 penalties that would need to be paid by Defendants. For example, Plaintiff was pressured by
26 Defendants' management to clock out and record compliant meal periods during shifts when
27 he would not, in fact, receive a compliant meal period. Thus, Defendants did not record all
28 hours worked during meal periods and Plaintiff and other non-party Aggrieved Employees

1 performed work during meal periods for which they were not paid.

2 66. Defendants knew or should have known that as a result of these company-wide
3 practices and/or policies, Plaintiff and other non-party Aggrieved Employees were working
4 before and after their shifts and during their meal periods, and were suffered or permitted to
5 perform work for which they were not paid. Because Plaintiff and other non-party Aggrieved
6 Employees worked shifts of eight (8) hours a day or more or forty (40) hours a week or more,
7 some of this off-the-clock work qualified for overtime premium pay.

8 67. Furthermore, Defendants did not pay other non-party Aggrieved Employees the
9 correct overtime rate for the recorded overtime hours that they generated. In addition to an
10 hourly wage, Defendants paid other non-party Aggrieved Employees incentive pay,
11 nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the
12 California Labor Code, Defendants failed to incorporate all compensation, including incentive
13 pay, nondiscretionary bonuses, and/or other forms of remuneration, into the calculation of the
14 regular rate of pay for purposes of calculating the overtime wage rate. Therefore, during
15 times when other non-party Aggrieved Employees worked overtime and received these other
16 forms of pay, Defendants failed to pay all overtime wages by paying a lower overtime rate
17 than required.

18 68. Defendants' failure to pay Plaintiff and other non-party Aggrieved Employees
19 the balance of overtime compensation as required by California law, violates the provisions of
20 California Labor Code sections 510 and 1198. Plaintiff and other non-party Aggrieved
21 Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections
22 558 and/or 2699(a), (f), and (g).

23 **FAILURE TO PAY MINIMUM WAGES**

24 **VIOLATION OF LABOR CODE SECTIONS 1182.12, 1194, 1197, AND 1198**

25 69. At all relevant times, California Labor Code sections 1182.12, 1194, 1197, and
26 1198 provide that the minimum wage for employees fixed by the IWC is the minimum wage
27 to be paid to employees, and the payment of a wage less than the minimum so fixed is
28 unlawful. Compensable work time is defined in IWC Wage Order No. 4-2001 as "the time

1 during which an employee is subject to the control of an employer, and includes all the time
2 the employee is suffered or permitted to work, whether or not required to do so.” Cal. Code.
3 Regs. tit. 8, § 11040(2)(G) (defining “Hours Worked”).

4 70. As stated, due to Defendants’ policy of limiting the amount of overtime
5 employees could accrue by not recording hours worked that were outside of employees’
6 scheduled shifts, Defendants systematically failed to pay Plaintiff and other non-party
7 Aggrieved Employees for actual hours worked before and after scheduled shifts, because these
8 hours were not accurately recorded. Additionally, as set forth above, due to Defendants’
9 uniform policies and/or practices of assigning heavy workloads and productivity quotas,
10 failing to schedule meal periods, and requiring employees to take their meal periods while
11 driving, Plaintiff and other non-party Aggrieved Employees were impeded from taking all
12 uninterrupted meal periods to which they were entitled and were required to work off-the-
13 clock. In addition, as stated, in order to prevent employees from accruing meal period
14 penalties, Defendants’ management pressured employees to clock out for meal periods and/or
15 adjusted employee time records to reflect compliant meal periods, but required them to
16 continue working, time for which they were not paid.

17 71. Thus, Defendants did not pay minimum wages for all hours worked by Plaintiff
18 and other non-party Aggrieved Employees. To the extent that these off-the-clock hours did
19 not qualify for overtime premium payment, Defendants did not pay at least minimum wages
20 for those hours worked off-the-clock in violation of California Labor Code sections 1182.12,
21 1194, 1197, and 1198.

22 72. Defendants’ failure to pay Plaintiff and other non-party Aggrieved Employees
23 minimum wages violates California Labor Code sections 1182.12, 1194, 1197, and 1198.
24 Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover civil
25 penalties pursuant to Labor Code sections 2699(a), (f), and (g).

26 **FAILURE TO PROVIDE AND RECORD MEAL PERIODS**
27 **VIOLATION OF LABOR CODE SECTIONS 226.7, 512(a), 516, AND 1198**

28 73. At all relevant times herein set forth, the applicable IWC Wage Order and

California Labor Code sections 226.7, 512(a), 516, and 1198 were applicable to Plaintiff's and other non-party Aggrieved Employees' employment by Defendants.

74. At all relevant times herein set forth, California Labor Code section 512(a) provides that an employer may not require, cause, or permit an employee to work for a period of more than five (5) hours per day without providing the employee with a meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is not more than six (6) hours, the meal period may be waived by mutual consent of both the employer and the employee. Under California law, first meal periods must start after no more than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (2012).

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

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

77. First, as set forth above, Defendants had, and continue to have, company-wide policies and/or practices of assigning heavy workloads and productivity quotas, which resulted in Plaintiff and other non-party Aggrieved Employees having missed, late, and/or interrupted meal periods. These company-wide practices, combined with the failure to schedule meal periods, prevented Plaintiff and other non-party Aggrieved Employees from taking all timely, uninterrupted meal periods to which they were entitled. For example, as stated, Plaintiff worked through his meal periods 4-5 times per week in order to service the client sites Defendants expected him to visit each day. Furthermore, when Plaintiff and other non-party Aggrieved Employees were able to take their meal periods, Defendants' management pressured them to eat their meals while driving between client sites.

1 78. Second, as stated, Defendants had a policy and/or practice of requiring that
2 Plaintiff and other non-party Aggrieved Employees respond to calls from supervisors and
3 management on their cellular phones at all times, even during unpaid meal periods.
4 Defendants' supervisors and management contacted Plaintiff and other non-party Aggrieved
5 Employees on their cellular during their meal periods. Thus, Plaintiff and other non-party
6 Aggrieved Employees had meal periods interrupted attending to work-related matters.

7 79. Third, because Defendants frowned upon employees accruing meal period
8 penalties, Defendants' management pressured Plaintiff and other non-party Aggrieved
9 Employees to clock out for meal periods and/or would adjust their time records in order to
10 reflect compliant meal periods, regardless of whether they had received a compliant meal
11 period, in order to strictly limit meal penalties that would need to be paid by Defendants.

12 80. Fourth, during the relevant time period, Plaintiff and other non-party Aggrieved
13 Employees worked shifts in excess of ten (10) hours without receiving an uninterrupted
14 second 30-minute meal period. For example, during his employment, Plaintiff worked shifts
15 in excess of ten (10) or more hours per day, but was never provided a second 30-minute meal
16 period. Plaintiff and other non-party Aggrieved Employees did not sign valid meal period
17 waivers on days that they were entitled to meal periods and were not relieved of all duties.

18 81. Defendants knew or should have known that as a result of their policies and
19 practices, that Plaintiff and other non-party Aggrieved Employees were not actually relieved
20 of all duties to take timely, uninterrupted meal periods. Defendants further knew or should
21 have known that they did not pay Plaintiff and other non-party Aggrieved Employees meal
22 period premium wages when meal periods were missed, late, short, and/or interrupted.

23 82. Furthermore, Defendants engaged in a company-wide practice and/or policy of
24 not paying all meal period premiums owed when compliant meal periods are not provided.
25 Because of this practice and/or policy, Plaintiff and other non-party Aggrieved Employees
26 have not received premium pay for missed, interrupted, or late meal periods. Alternatively, to
27 the extent that Defendants did pay other non-party Aggrieved Employees premium pay for
28 missed, late, and interrupted meal periods, Defendants did not pay other non-party Aggrieved

1 Employees at the correct rate of pay for premiums because Defendants systematically failed to
2 include all forms of compensation, such as incentive pay, nondiscretionary bonuses, and/or
3 other forms of remuneration, in the regular rate of pay.

4 83. Thus, Defendants failed to provide Plaintiff and other non-party Aggrieved
5 Employees compliant meal periods and failed to pay the full meal period premiums due.
6 Defendants' conduct violates the applicable IWC Wage Order, and California Labor Code
7 sections 226.7, 512(a), 516, and 1198. Plaintiff and other non-party Aggrieved Employees are
8 therefore entitled to recover civil penalties pursuant to Labor Code sections 558 and/or
9 2699(a), (f), and (g).

10 **FAILURE TO AUTHORIZE AND PERMIT REST PERIODS**

11 **VIOLATION OF LABOR CODE SECTIONS 226.7, 516, AND 1198**

12 84. At all relevant times herein set forth, the applicable IWC Wage Order and
13 California Labor Code sections 226.7, 516, and 1198 were applicable to Plaintiff's and other
14 non-party Aggrieved Employees' employment by Defendants.

15 85. At all relevant times, the applicable IWC Wage Order provides that "[e]very
16 employer shall authorize and permit all employees to take rest periods, which insofar as
17 practicable shall be in the middle of each work period" and that the "rest period time shall be
18 based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4)
19 hours or major fraction thereof" unless the total daily work time is less than three and one-half
20 (3½) hours.

21 86. At all relevant times, California Labor Code section 226.7 provides that no
22 employer shall require an employee to work during any rest period mandated by an applicable
23 order of the California IWC. To comply with its obligation to authorize and permit rest
24 periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an
25 employer must "relinquish any control over how employees spend their break time, and
26 relieve their employees of all duties—including the obligation that an employee remain on
27 call. A rest period, in short, must be a period of rest." *Augustus v. ABM Security Services,*
28 *Inc.*, 2 Cal. 5th 257, 269-270 (2016).

1 87. Pursuant to the applicable IWC Wage Order and California Labor Code section
2 226.7(c), Plaintiff and other non-party Aggrieved Employees are entitled to recover from
3 Defendants one (1) additional hour of pay at their regular rates of pay for each work day that a
4 required rest period was not authorized and permitted.

5 88. During the relevant time period, Defendants regularly failed to authorize and
6 permit Plaintiff and other non-party Aggrieved Employees to take a ten (10) minute rest
7 period per each four (4) hour period worked or major fraction thereof. As with meal periods,
8 Defendants' company-wide practices, including assigning heavy workloads and productivity
9 quotas, prevented Plaintiff and other non-party Aggrieved Employees from being relieved of
10 all duty in order to take compliant rest periods. Defendants also failed to schedule rest
11 periods, which further led to Plaintiff and other non-party Aggrieved Employees not being
12 authorized and permitted to take rest periods. Moreover, Plaintiff and other non-party
13 Aggrieved Employees were expected to respond to their cellular phones at all times, including
14 during rest periods.

15 89. Furthermore, upon information and belief, Defendants maintained and
16 implemented a company-wide on-premises rest period policy, which mandated that Plaintiff
17 and/or other non-party Aggrieved Employees remain on the work premises during their rest
18 periods. Because Plaintiff and/or other non-party Aggrieved Employees were restricted from
19 leaving the work premises during rest periods, they were denied the ability to use their rest
20 periods freely for their own purposes, such as running personal errands. Thus, Defendants
21 effectively maintained control over Plaintiff and/or other non-party Aggrieved Employees
22 during rest periods.

23 90. As a result, Plaintiff and other non-party Aggrieved Employees would work
24 shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without being
25 permitted and authorized to take all ten (10) minute rest periods to which they were entitled.
26 For example, during his employment, Plaintiff had to forego his rest periods altogether due to
27 the heavy workload and productivity quotas Defendants assigned to him.

28 91. Defendants also have engaged in a company-wide practice and/or policy of not

1 paying all rest period premiums owed when compliant rest periods are not authorized and
2 permitted. Alternatively, to the extent that Defendants did pay other non-party Aggrieved
3 Employees one (1) additional hour of premium pay for missed rest periods, Defendants did
4 not pay other non-party Aggrieved Employees at the correct rate of pay for premiums because
5 Defendants failed to include all forms of compensation, such as incentive pay,
6 nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.

7 92. Defendants' conduct violates the applicable IWC Wage Order and California
8 Labor Code sections 226.7, 516, and 1198. Plaintiff and other non-party Aggrieved
9 Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections
10 558 and/or 2699(a), (f), and (g).

11 **FAILURE TO PROVIDE AND MAINTAIN COMPLIANT WAGE STATEMENTS**
12 **VIOLATION OF LABOR CODE SECTIONS 226(a), 1174(d), AND 1198**

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

18 94. During the relevant time period, Defendants have knowingly and intentionally
19 provided Plaintiff and other non-party Aggrieved Employees with uniform, incomplete, and
20 inaccurate wage statements. For example, Defendants issued uniform wage statements to
21 Plaintiff and other non-party Aggrieved Employees that fail to correctly list: gross wages
22 earned; total hours worked; net wages earned; and all applicable hourly rates in effect during
23 the pay period, including overtime rates of pay, and the corresponding number of hours
24 worked at each hourly rate. Specifically, Defendants violated sections 226(a)(1), 226(a)(2),
25 226(a)(5), and 226(a)(9).

26 95. Because Defendants did not record the time Plaintiff and other non-party
27 Aggrieved Employees spent working off-the-clock and deducted time from their records for
28 meal periods that were interrupted and/or missed (and therefore time for which they should

1 have been paid), Defendants did not list the correct amount of gross wages and net wages
2 earned by Plaintiff and other non-party Aggrieved Employees in compliance with section
3 226(a)(1) and section 226(a)(5), respectively. For the same reason, Defendants failed to
4 accurately list the total number of hours worked by Plaintiff and other non-party Aggrieved
5 Employees, in violation of section 226(a)(2), and failed to list the applicable hourly rates of
6 pay in effect during the pay period and the corresponding accurate number of hours worked at
7 each hourly rate, in violation of section 226(a)(9).

8 96. Moreover, because Defendants did not calculate other non-party Aggrieved
9 Employees' regular rate of pay correctly for purposes of paying overtime, Defendants did not
10 list the correct amount of gross wages in compliance with section 226(a)(1). For the same
11 reason, Defendants also failed to list the correct amount of net wages in violation of section
12 226(a)(5). Defendants also failed to correctly list all applicable hourly rates in effect during
13 the pay period, namely, correct overtime rates of pay, in violation of section 226(a)(9).

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

22 98. California Labor Code section 1174(d) provides that "[e]very person employing
23 labor in this state shall . . . [k]eep a record showing the names and addresses of all employees
24 employed and the ages of all minors" and "[k]eep, at a central location in the state or at the
25 plants or establishments at which employees are employed, payroll records showing the hours
26 worked daily by and the wages paid to, and the number of piece-rate units earned by and any
27 applicable piece rate paid to, employees employed at the respective plants or
28 establishments. . . ." Labor Code section 1174.5 provides that employers are subject to a \$500

1 civil penalty if they fail to maintain accurate and complete records as required by section
2 1174(d). During the relevant time period, and in violation of Labor Code section 1174(d),
3 Defendants willfully failed to maintain accurate payroll records for Plaintiff and other non-
4 party Aggrieved Employees showing the daily hours they worked and the wages paid thereto
5 as a result of failing to record the off-the-clock hours that they worked.

6 99. California Labor Code section 1198 provides that the maximum hours of work
7 and the standard conditions of labor shall be those fixed by the Labor Commissioner and as
8 set forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he
9 employment of any employees for longer hours than those fixed by the order or under
10 conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC
11 Wage Order, employers are required to keep accurate time records showing when the
12 employee begins and ends each work period and meal period. During the relevant time
13 period, Defendants failed, on a company-wide basis, to keep accurate records of work and
14 meal period start and stop times for Plaintiff and other non-party Aggrieved Employees, in
15 violation of section 1198. Also, as stated, Defendants engaged in a company-wide practice
16 and/or policy of falsifying Plaintiff’s and other non-party Aggrieved Employees’ time records
17 by recording that compliant meal periods were taken regardless of if or when meal periods
18 were actually taken, and thereby failed to keep accurate records of meal start and end times for
19 Plaintiff and other non-party Aggrieved Employees. Furthermore, in light of Defendants’
20 failure to provide Plaintiff and other non-party Aggrieved Employees with second 30-minute
21 meal periods to which they were entitled, Defendants kept no records of meal start and end
22 times for second meal periods.

23 100. Defendants’ conduct violates California Labor Code sections 226(a), 1174(d),
24 and 1198. Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover
25 civil penalties pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f), and (g).

26 **FAILURE TO PAY WAGES DURING EMPLOYMENT**

27 **VIOLATION OF LABOR CODE SECTION 204**

28 101. At all relevant times herein set forth, California Labor Code section 204

1 requires that all wages earned by any person in any employment between the 1st and the 15th
2 days, inclusive, of any calendar month, other than those wages due upon termination of an
3 employee, are due and payable between the 16th and the 26th day of the month during which
4 the labor was performed. Labor Code section 204 further provides that all wages earned by
5 any person in any employment between the 16th and the last day, inclusive, of any calendar
6 month, other than those wages due upon termination of an employee, are due and payable
7 between the 1st and the 10th day of the following month.

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

14 103. During the relevant time period, Defendants failed to pay Plaintiff and other
15 non-party Aggrieved Employees all wages due to them, including, but not limited to, overtime
16 wages, minimum wages, and/or meal and rest period premiums, within any time period
17 specified by California Labor Code section 204.

18 104. Plaintiff and other non-party Aggrieved Employees are therefore entitled to
19 recover civil penalties pursuant to Labor Code sections 210 and/or 2699(a), (f), and (g).

20 **FAILURE TO PAY WAGES UPON TERMINATION**

21 **VIOLATION OF LABOR CODE SECTIONS 201 AND 202**

22 105. At all times relevant herein set forth, California Labor Code sections 201 and
23 202 provide that if an employer discharges an employee, the wages earned and unpaid at the
24 time of discharge are due and payable immediately, and that if an employee voluntarily leaves
25 his or her employment, his or her wages shall become due and payable not later than seventy-
26 two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous
27 notice of his or her intention to quit, in which case the employee is entitled to his or her wages
28 at the time of quitting.

106. Defendants willfully failed to pay Plaintiff and other non-party Aggrieved Employees who are no longer employed by Defendants all their earned wages, including, but not limited to, overtime wages, minimum wages, meal and rest period premiums, and/or vested vacation wages, either at the time of discharge, or within seventy-two (72) hours of their leaving Defendants' employ.

107. Defendants' failure to pay Plaintiff and those non-party Aggrieved Employees who are no longer employed by Defendants their wages earned and unpaid at the time of discharge, or within seventy-two (72) hours of their leaving Defendants' employ, violates California Labor Code sections 201 and 202. Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections 256 and/or 2699(a), (f), and (g).

**FAILURE TO PAY ALL VESTED VACATION TIME AND PAID TIME OFF UPON
TERMINATION**

VIOLATION OF LABOR CODE SECTION 227.3

108. At all relevant times herein set forth, California Labor Code section 227.3 provides that whenever a contract of employment or employer policy provides for paid vacations, and an employee is terminated without having taken his or her vested vacation time, all vested vacation shall be paid to him or her as wages at his or her final rate in accordance with such contract of employment or employer policy respecting eligibility or time served.

109. During the relevant time period, Defendants had a company-wide policy and practice of failing to pay Plaintiff and other non-party Aggrieved Employees vested vacation wages that were owed to them at the end of their employment, in violation of California Labor Code section 227.3. For example, Defendants provided Plaintiff and other non-party Aggrieved Employees with at least 80 hours of vacation per year. When his employment with Defendants ended, Plaintiff had used 64 hours of vacation for the year and had 16 hours of unused accrued vacation remaining. However, on information and belief, Defendants did not pay Plaintiff the balance of his accrued and unused vacation wages. Defendants' failure to

1 pay Plaintiff and other non-party Aggrieved Employees all vested vacation wages at the end
2 of their employment has caused a forfeiture of vested vacation wages in violation of
3 California Labor Code section 227.3.

4 110. Plaintiff and other non-party Aggrieved Employees are therefore entitled to
5 recover civil penalties pursuant to Labor Code sections 2699(a), (f), and (g).

6 **FAILURE TO REIMBURSE NECESSARY BUSINESS EXPENSES**

7 **VIOLATION OF LABOR CODE SECTION 2802**

8 111. At all times herein set forth, California Labor Code section 2802 provides that
9 an employer must reimburse employees for all necessary expenditures and losses incurred by
10 the employee in the performance of his or her job. The purpose of Labor Code section 2802 is
11 to prevent employers from passing off their cost of doing business and operating expenses on
12 to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144
13 (2014). The applicable wage order, IWC Wage Order No. 4-2001, provides that: "[w]hen
14 tools or equipment are required by the employer or are necessary to the performance of a job,
15 such tools and equipment shall be provided and maintained by the employer, except that an
16 employee whose wages are at least two (2) times the minimum wage provided herein may be
17 required to provide and maintain hand tools and equipment customarily required by the trade
18 or craft."

19 112. During the relevant time period, Defendants had a company-wide policy of
20 requiring Plaintiff and other non-party Aggrieved Employees to travel to client sites for work
21 purposes, but failed to reimburse them for all costs of travel, including parking. For example,
22 over the course of his employment, Plaintiff was forced to spend around \$100 for parking at
23 various job sites that he serviced, but Defendants failed to reimburse him for these expenses.

24 113. Defendants could have provided Plaintiff and other non-party Aggrieved
25 Employees with a parking stipend or could have reimbursed employees for their travel costs.
26 Instead, Defendants passed these operating costs off onto Plaintiff and other non-party
27 Aggrieved Employees.

28 114. Plaintiff and other non-party Aggrieved Employees are therefore entitled to

1 recover civil penalties pursuant to Labor Code sections 2699(a), (f), and (g).

2 **FAILURE TO PROVIDE WRITTEN NOTICE OF MATERIAL TERMS OF**
3 **EMPLOYMENT**

4 **VIOLATION OF LABOR CODE SECTION 2810.5(a)(1)(A)-(C)**

5 115. California's Wage Theft Prevention Act was enacted to ensure that employers
6 provide employees with basic information material to their employment relationship at the
7 time of hiring, and to ensure that employees are given written and timely notice of any
8 changes to basic information material to their employment. Codified at California Labor
9 Code section 2810.5, the Wage Theft Prevention Act provides that at the time of hiring, an
10 employer must provide written notice to employees containing basic and material payroll
11 information, including, among other things, the rate(s) of pay and basis thereof, whether paid
12 by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for
13 overtime, the regular payday designated by the employer, and any allowances claims as part
14 of the minimum wage, including meal or lodging allowances. Labor Code § 2810.5(a)(1)(A)-
15 (C).

16 116. Defendants failed to provide Plaintiff and other non-party Aggrieved
17 Employees written notice that lists all the requisite information set forth in Labor Code section
18 2810.5(a)(1)(A)-(C).

19 117. Defendants' failure to provide Plaintiff and other non-party Aggrieved
20 Employees with written notice of basic information regarding their employment with
21 Defendants is in violation of California Labor Code section 2810.5. Plaintiff and other non-
22 party Aggrieved Employees are therefore entitled to recover civil penalties pursuant to Labor
23 Code sections 2699(a), (f), and (g).

24 **REQUEST FOR JURY TRIAL**

25 Plaintiff requests a trial by jury.

26 **PRAYER FOR RELIEF**

27 Plaintiff, on behalf of all other non-party Aggrieved Employees, prays for relief and
28 judgment against Defendants, jointly and severally, as follows:

1 1. For civil penalties and attorneys' fees in excess of twenty-five thousand dollars
2 (\$25,000). Plaintiff reserves the right to amend his prayer for relief to seek a different
3 amount.

4 **As to the First Cause of Action**

5 2. That the Court declare, adjudge and decree that Defendants violated the
6 following California Labor Code provisions as to Plaintiff and/or other non-party Aggrieved
7 Employees: 510 and 1198 (by failing to pay all overtime compensation); 1182.12, 1194, 1197,
8 and 1198 (by failing to pay at least minimum wages for all hours worked); 226.7, 512(a), 516,
9 and 1198 (by failing to provide all meal periods); 226.7, 516, and 1198 (by failing to authorize
10 and permit all rest periods); 226(a), 1174(d), and 1198 (by failing to provide accurate wage
11 statements and maintain accurate payroll records); 204 (by failing to timely pay all earned
12 wages during employment); 201 and 202 (by failing to timely pay all earned wages upon
13 termination); 227.3 (by failing to pay all vested vacation wages); 2802 (by failing to
14 reimburse business expenses); and 2810.5 (by failing to provide written notice of information
15 material to employment);

16 3. For civil penalties, pursuant to California Labor Code sections 210, 226.3, 256,
17 558, 1174.5, and 2699(a), (f), and (g), for violations of California Labor Code sections 201,
18 202, 203, 204, 226(a), 226.7, 227.3, 510, 512(a), 516 1174(d), 1182.12, 1194, 1197, 1198,
19 2802, and 2810.5;

20 4. For attorneys' fees and costs pursuant to California Labor Code section
21 2699(g)(1), and any and all other relevant statutes, for Defendants' violations of California
22 Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 227.3, 510, 512(a), 516, 1174(d),
23 1182.12, 1194, 1197, 1198, 2802, and 2810.5;

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

25 //

26 //

27 //

28 //

1 6. For such other and further relief as the Court may deem equitable and
2 appropriate.

3
4 Dated: June 17, 2021

Respectfully submitted,

Capstone Law APC

5
6
7 By: 

8 Mark A. Ozzello
9 Brandon K. Brouillette
10 Joseph Hakakian

11 Attorneys fo\r Plaintiff Blake Chappell
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EXHIBIT 1



1875 Century Park East, Suite 1000
Los Angeles, California 90067
310.556.4811 Main | 310.943.0396 Fax

JULIAN QUATTLEBAUM
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Julian.Quattlebaum@capstonelawyers.com

April 12, 2021

VIA ONLINE SUBMISSION

California Labor & Workforce Development Agency
ATTN: PAGA Administrator
(<https://dir.tfaforms.net/308>)

Subject: *Blake Chappell v. Enersys Delaware Inc., et al.*

Dear PAGA Administrator:

This office represents Blake Chappell in connection with his claims under the California Labor Code. Mr. Chappell was an employee of ENERSYS DELAWARE INC. and/or ENERSYS ENERGY PRODUCTS INC. For the purpose of this letter, Mr. Chappell collectively refers to these entities as "ENERSYS").

The employers may be contacted directly at the addresses below:

ENERSYS DELAWARE INC.
2366 BERNVILLE ROAD
READING, PA 19605

ENERSYS ENERGY PRODUCTS INC.
617 NORTH RIDGEVIEW DRIVE
WARRENSBURG, MO 64093

Mr. Chappell 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. Chappell seeks relief on behalf of himself, the State of California, and other persons who are or were employed by ENERSYS 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.

ENERSYS employed Mr. Chappell as an hourly paid, non-exempt employee from approximately October 2019 to July 2020. Mr. Chappell worked for ENERSYS as a Field Service Technician out of its location in Santa Fe Springs, California. During his employment, Mr. Chappell typically worked eight (8) hours or more per day, and 5-6 days per week. At the time Mr. Chappell's employment with ENERSYS ended, he earned approximately \$21.50 per hour. His job duties

included, without limitation, performing on-site battery installations; loading and unloading equipment; transporting batteries; and mapping and traveling to job sites.

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

ENERSYS’s Company-Wide and Uniform Payroll and HR Practices

ENERSYS DELAWARE INC. and ENERSYS ENERGY PRODUCTS INC. are Delaware corporations and a global manufacturer and supplier of industrial batteries. Upon information and belief, ENERSYS maintains a single, centralized Human Resources (HR) department at its corporate headquarters in Reading, Pennsylvania, for all non-exempt, hourly paid employees working for ENERSYS in California, including Mr. Chappell and other aggrieved employees. At all relevant times, ENERSYS issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Mr. Chappell and other aggrieved employees, regardless of its location or position.

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

ENERSYS willfully failed to pay all overtime wages owed to Mr. Chappell and other aggrieved employees. During the relevant time period, Mr. Chappell and other aggrieved employees were not

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

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.

First, during the relevant period, ENERSYS had, and continues to have, a company-wide policy of discouraging and impeding Mr. Chappell 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 policy of limiting overtime, coupled with ENERSYS's assignment of heavy workloads and use of productivity quotas (*see infra*), led Mr. Chappell and other aggrieved employees to work off-the-clock before and after their scheduled shift times. For example, prior to every shift, Mr. Chappell was required to spend 1-2 hours speaking with clients to coordinate service times at each site he was traveling to that day. As a further example, after every shift, Mr. Chappell would spend an additional 1-2 hours off-the-clock performing work-related tasks, such as unloading and storing batteries, drafting work summary emails for each client site, speaking with clients to coordinate service times for the following day, and completing mandatory online trainings. When this occurred, Mr. Chappell was unable to record this off-the-clock work because ENERSYS's management prohibited him from recording these overtime hours. ENERSYS could have recorded this off-the-clock work, but refused to do so to avoid paying Mr. Chappell and other aggrieved employees overtime wages.

Moreover, on information and belief, when Mr. Chappell and other aggrieved employees worked on certain extended special assignments, they were subject to ENERSYS's supervisors falsifying their time records and moving the extra time worked to employees' off-days in order to reduce overtime accrual.

Second, ENERSYS had, and continues to have, a company-wide policy and/or practice of requiring employees to use their company cellular phones to communicate with supervisors at all times, including during unpaid meal periods, before and after shifts, and on days off. ENERSYS expected that Mr. Chappell and other aggrieved employees promptly respond to calls, text messages, and emails at all times to discuss work-related matters. For example, Mr. Chappell's and other aggrieved employees' meal periods were interrupted by calls from management to discuss work-related matters. As a further example, other aggrieved employees were required to respond to work-related calls, text messages, and emails before and after their shifts to answer questions and receive instructions from management. However, ENERSYS did not compensate Mr. Chappell or other aggrieved employees for the time they spent communicating with supervisors regarding work-related issues while off-the-clock.

Third, as stated, ENERSYS has systematically, and on a company-wide basis, assigned heavy workloads and productivity targets or quotas, thereby failing to provide adequate meal period coverage to permit employees to take compliant meal periods. For example, Mr. Chappell and other aggrieved employees were expected to service between 2-8 client sites each day and 150 client sites each quarter. ENERSYS also had a practice of failing to schedule meal periods, which further caused Mr. Chappell and other aggrieved employees to not be relieved of their duties for compliant meal periods. As a result, Mr. Chappell and other aggrieved employees were not always afforded 30-minute meal periods during shifts when they were entitled to receive a meal period. For example, Mr. Chappell worked through his meal periods 4-5 times per week in order to meet ENERSYS's productivity expectations. In addition, when Mr. Chappell and other aggrieved employees were able to take their meal periods, ENERSYS pressured them to eat their meals while driving between client sites. Thus, ENERSYS effectively maintained control over Mr. Chappell and other aggrieved

employees during meal periods.

Fourth, because ENERSYS frowned upon employees accruing meal period penalties, ENERSYS pressured Mr. Chappell and other aggrieved employees to clock out for meal periods and/or adjusted employee time records to reflect compliant meal periods, regardless of whether they had received a compliant meal period, in order to strictly limit meal penalties that ENERSYS would otherwise owe. For example, Mr. Chappell was pressured by ENERSYS's management to clock out and record compliant meal periods on shifts when he had not, in fact, received a compliant meal period. Thus, ENERSYS did not all record hours worked during meal periods and Mr. Chappell and other aggrieved employees performed work during meal periods for which they were not paid.

ENERSYS knew or should have known that as a result of these company-wide practices and/or policies, Mr. Chappell and other aggrieved employees were working before and after their shifts and during their meal periods, and were suffered or permitted to perform work for which they were not paid. Because Mr. Chappell and other aggrieved employees 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.

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

ENERSYS's failure to pay Mr. Chappell and other aggrieved employees the balance of overtime compensation, as required by California law, violates the provisions of California Labor Code sections 510 and 1198. Mr. Chappell 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. 4-2001 as "the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so." Cal. Code. Regs. tit. 8, § 11040(2)(K) (defining "Hours Worked").

As stated, due to ENERSYS's policy of limiting the amount of overtime employees could accrue by not recording hours worked that were outside of employees' scheduled shifts, ENERSYS systematically failed to pay Mr. Chappell and other aggrieved employees for actual hours worked before and after scheduled shifts, because these hours were not accurately recorded. Additionally, as set forth above, due to ENERSYS's uniform practice of assigning heavy workloads and productivity

quotas, failing to schedule meal periods, and requiring employees to take their meal periods while driving, Mr. Chappell 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, as stated, in order to prevent employees from accruing meal period penalties, ENERSYS's management pressured employees to clock out for meal periods and/or adjusted employee time records to reflect compliant meal periods, but required them to continue working, time for which they were not paid.

Thus, ENERSYS did not pay at least minimum wages for all hours worked by Mr. Chappell and other aggrieved employees. To the extent that these off-the-clock hours did not qualify for overtime premium payment, ENERSYS 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, ENERSYS regularly failed to pay at least minimum wages to Mr. Chappell 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. Chappell 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.

First, as set forth above, during the relevant time period, ENERSYS had, and continues to have, company-wide policies and/or practices of assigning heavy workloads and productivity quotas, which resulted in Mr. Chappell and other aggrieved employees having missed, late, and/or interrupted meal periods. These company-wide practices, combined with the failure to schedule meal periods, prevented Mr. Chappell and other aggrieved employees from taking all timely, uninterrupted meal periods to which they were entitled. For example, as stated, Mr. Chappell did not receive meal periods 4-5 times per week in order to service all of the client sites ENERSYS expected him to visit each day. Furthermore, when Mr. Chappell and other aggrieved employees were able to take their meal periods, ENERSYS's management pressured them to eat their meals while driving between client sites.

Second, as stated, ENERSYS had a policy and/or practice of requiring that Mr. Chappell and other aggrieved employees respond to calls from supervisors and management on their cellular phones at all times, even during unpaid meal periods. ENERSYS's supervisors and management contacted Mr. Chappell and other aggrieved employees on their cellular during their meal periods. Thus, Mr. Chappell and other aggrieved employees had meal periods interrupted attending to work-related matters.

Third, because ENERSYS frowned upon employees accruing meal period penalties, ENERSYS's management pressured Mr. Chappell and other aggrieved employees to clock out for meal periods and/or would adjust their time records in order to reflect compliant meal periods, regardless of whether they had received a compliant meal period, in order to strictly limit meal penalties that would need to be paid by ENERSYS.

Fourth, during the relevant time period, Mr. Chappell and other aggrieved employees worked shifts in excess of ten (10) hours without receiving an uninterrupted second 30-minute meal period. For example, during his employment, Mr. Chappell worked shifts in excess of ten (10) or more hours per day, but was never provided a second 30-minute meal period. Mr. Chappell 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.

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

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

Accordingly, ENERSYS failed to provide all meal periods in violation of California Labor Code sections 226.7, 512(a), 516, and 1198. Mr. Chappell 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, 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, ENERSYS regularly failed to authorize and permit Mr. Chappell 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, ENERSYS’s company-wide practices, including assigning heavy workloads and productivity quotas, prevented Mr. Chappell and other aggrieved employees from being relieved of all duty in order to take compliant rest periods. ENERSYS also failed to schedule rest periods, which further led to Mr. Chappell and other aggrieved employees not being authorized and permitted to take rest periods. Moreover, Mr. Chappell and other aggrieved employees were expected to respond to their cellular phones at all times, including during rest periods.

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

As a result, Mr. Chappell 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, during his employment, Mr. Chappell missed all of his rest periods due to the heavy workload and productivity quotas ENERSYS assigned to him.

ENERSYS 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. Alternatively, to the extent that ENERSYS did pay other aggrieved employees one (1) additional hour of premium pay for missed rest periods, ENERSYS did not pay other aggrieved employees at the correct rate of pay for premiums because ENERSYS failed to include all forms of compensation, such as incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.

Accordingly, ENERSYS failed to authorize and permit all rest periods in violation of California Labor Code sections 226.7, 516, and 1198. Mr. Chappell 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. ENERSYS has not provided Mr. Chappell 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 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, ENERSYS has knowingly and intentionally provided Mr. Chappell and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, ENERSYS issued uniform wage statements to Mr. Chappell 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, ENERSYS violated sections 226(a)(1), 226(a)(2), 226(a)(5), and 226(a)(9).

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

Moreover, because ENERSYS did not calculate other aggrieved employees' regular rate of pay correctly for purposes of paying overtime, ENERSYS did not list the correct amount of gross wages in compliance with section 226(a)(1). For the same reason, ENERSYS also failed to list the correct amount of net wages in violation of section 226(a)(5). ENERSYS also failed to correctly list all applicable hourly rates in effect during the pay period, namely, correct overtime rates of pay, 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), ENERSYS willfully failed to maintain accurate payroll records for Mr. Chappell and other aggrieved employees showing the daily hours they worked and the wages paid thereto as a result of failing to record the off-the-clock hours that they worked.

California Labor Code section 1198 provides that the maximum hours of work and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set forth in the applicable IWC Wage 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, ENERSYS failed, on a company-wide basis, to keep accurate records of work and meal period start and stop times for Mr. Chappell and other aggrieved employees, in violation of section 1198. Also, as stated, ENERSYS engaged in a company-wide practice and/or policy of falsifying Mr. Chappell’s and other aggrieved employees’ time records by recording that compliant meal periods were taken regardless of if or when meal periods were actually taken, and thereby failed to keep accurate records of meal start and end times for Mr. Chappell and other aggrieved employees. Furthermore, in light of ENERSYS’s failure to provide Mr. Chappell and other aggrieved employees with second 30-minute meal periods to which they were entitled, ENERSYS kept no records of meal start and end times for second meal periods.

Because ENERSYS failed to provide the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on wage statements, Mr. Chappell 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. Chappell 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. Chappell 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, ENERSYS failed to pay Mr. Chappell and other aggrieved employees all wages due to them, including, but not limited to, overtime wages, minimum wages, and/or meal and rest period premiums, within any time period specified by California Labor Code section 204.

Mr. Chappell 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.

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

Mr. Chappell 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 § 227.3 – Failure to Pay Vested Vacation Wages

California Labor Code section 227.3 provides that if a contract of employment or employer policy provides for paid vacations and an employer terminates an employee, all vested vacation shall be paid to the employee at the employee's final rate of pay, in accordance with such contract of employment or employer policy respecting eligibility or time served. Vacation time vests on a pro-rata basis and, upon termination, an employee is entitled to a pro rata share of vested vacation pay. An employer may not require an employee to forfeit earned but unused vacation pay.

ENERSYS had a company-wide policy and practice of failing to pay Mr. Chappell and other aggrieved employees vested vacation wages that were owed to them at the end of their employment, in violation of California Labor Code section 227.3. For example, ENERSYS provided Mr. Chappell and other aggrieved employees with at least 80 hours of vacation per year. When his employment with ENERSYS ended, Mr. Chappell had used 64 hours of vacation for the year and had 16 hours of unused accrued vacation remaining. However, on information and belief, ENERSYS did not pay Mr. Chappell the balance of his accrued and unused vacation wages. ENERSYS's failure to pay Mr. Chappell and other aggrieved employees all vested vacation wages at the end of their employment has caused a forfeiture of vested vacation wages in violation of California Labor Code section 227.3.

Mr. Chappell 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 § 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."

During the relevant time period, ENERSYS had a company-wide policy of requiring Mr. Chappell and other aggrieved employees to travel to client sites for work purposes, but failed to reimburse them for all costs of travel, including parking. For example, over the course of his employment, Mr. Chappell was forced to spend around \$100 for parking at various job sites that he serviced, but ENERSYS failed to reimburse him for these expenses.

ENERSYS could have provided Mr. Chappell and other aggrieved employees with a parking stipend or could have reimbursed employees for their travel costs. Instead, ENERSYS passed these operating costs off onto Mr. Chappell and other aggrieved employees.

Thus, ENERSYS 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. Chappell and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code section 2699(a), (f)-(g).

Violation of California Labor Code § 2810.5(a)(1)(A)-(C) – Failure to Provide Notice of Material Terms of Employment

California's Wage Theft Prevention Act was enacted to ensure that employers provide employees with basic information material to their employment relationship at the time of hiring, and to ensure that employees are given written and timely notice of any changes to basic information material to their employment. Codified at California Labor Code section 2810.5, the Wage Theft Prevention Act provides that at the time of hiring, an employer must provide written notice to employees of the rate(s) of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, the regular payday designated by the employer, and any allowances claims as part of the minimum wage, including meal or lodging allowances. Effective January 1, 2015, an employer's written notice pursuant to section 2810.5 must also include a statement that the employee may accrue and use sick leave; has a right to request and use accrued paid sick leave; may not be terminated or retaliated against for using or requesting the use of accrued paid sick leave; and has the right to file a complaint against an employer who retaliates.

ENERSYS failed to provide Mr. Chappell and other aggrieved employees written notice that lists all the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C). ENERSYS's failure to provide Mr. Chappell and other aggrieved employees with written notice of basic information regarding their employment with ENERSYS is in violation of Labor Code section 2810.5.

Mr. Chappell and other aggrieved employees are therefore entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code section 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." ENERSYS, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Mr. Chappell's and other aggrieved employees' rights by violating various sections of the California Labor Code.

Accordingly, Mr. Chappell 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. Chappell, 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 ENERSYS for violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 227.3, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5.

Therefore, on behalf of all aggrieved employees, Mr. Chappell 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. Chappell's reasonable attempt to settle his dispute with ENERSYS prior to litigation. Pursuant to *Graham v. DaimlerChrysler Corp.*, 34 Cal. 4th 553 (2004), this notice serves to inform ENERSYS of Mr. Chappell's aforementioned grievances and the proposed remedies as detailed below, while affording ENERSYS a reasonable opportunity to satisfy Mr. Chappell's demands.

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

1. ENERSYS shall pay Mr. Chappell and all other aggrieved employees employed by ENERSYS at any time during the past three years from the date of this notice unpaid wages and compensation for the above-referenced violations.

2. ENERSYS 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 and provided lawful meal and rest periods.
3. ENERSYS shall conduct a survey or interview all current and former aggrieved employees in California who worked for ENERSYS 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 travel expenses or other expenditures in the discharge of their duties, with the investigation to be completed within 60 days.
4. ENERSYS 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(a), 516, and 1198. ENERSYS 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. ENERSYS shall reimburse those aggrieved employees who were required to pay for any business expenses incurred for ENERSYS's benefit, including, but not limited to, costs of travel expenses, as required by Labor Code section 2802.
6. ENERSYS shall pay accrued legal interest to all aggrieved employees at the rate of 10% per annum for said unpaid wages.
7. ENERSYS shall provide Mr. Chappell and all aggrieved employees employed by ENERSYS 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. ENERSYS shall pay former aggrieved employees their vested vacation wages at their final rate of pay, in accordance with such contract of employment or employer policy respecting eligibility or time served, as required by Labor Code section 227.3.
9. ENERSYS shall provide all aggrieved employees written notice of basic information regarding their employment that includes the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C).
10. ENERSYS 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.
11. ENERSYS 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,

A handwritten signature in black ink, appearing to read 'Julian Quattlebaum', with a stylized flourish at the end.

Julian Quattlebaum

Copy: ENERSYS DELAWARE INC. (via U.S. Certified Mail); ENERSYS ENERGY PRODUCTS INC. (via U.S. Certified Mail)