

1 Mark A. Ozzello (SBN 116595)
Mark.Ozzello@capstonelawyers.com
2 Brandon K. Brouillette (SBN 273156)
Brandon.Brouillette@capstonelawyers.com
3 Joseph Hakakian (SBN 323011)
Joseph.Hakakian@capstonelawyers.com
4 Capstone Law APC
1875 Century Park East, Suite 1000
5 Los Angeles, California 90067
Telephone: (310) 556-4811
6 Facsimile: (310) 943-0396

7 Attorneys for Plaintiff Christian Plumeda

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Superior Court of California,
County of San Diego
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8
9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 FOR THE COUNTY OF SAN DIEGO

11
12 CHRISTIAN PLUMEDA, as an aggrieved
employee pursuant to the Private Attorneys
13 General Act ("PAGA"), on behalf of the
State of California and other aggrieved
14 employees,

15 Plaintiff,

16 vs.

17 SAN DIEGO COMPOSITES, INC., a
California corporation; APPLIED
18 COMPOSITE STRUCTURES, INC., a
Delaware corporation; ALLIANCE
19 SPACESYSTEMS, LLC, a California
limited liability company; APPLIED
20 COMPOSITES HOLDINGS, LLC, a
Delaware limited liability company and
21 DOES 1 through 10, inclusive,

22 Defendants.
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Case No.: 37-2021-00040002-CU-OE-CTL

**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 Christian Plumedra, as an aggrieved employee and on behalf of the State of
2 California and all other 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 sections 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 a non-exempt, hourly paid
8 employee and received at least one wage statement and against whom one or more violations
9 of any provision in Division 2 Part 2 Chapter 1 of the Labor Code or any provision regulating
10 hours and days of work in the applicable Industrial Welfare Commission (“IWC”) Wage
11 Order were committed, as set forth in this complaint, at any time between one year prior to the
12 filing of the pre-filing written notice to the Labor and Workforce Development Agency
13 (“LWDA”) in this case on July 15, 2021¹, until judgment (“non-party Aggrieved
14 Employees”). Plaintiff’s share of civil penalties sought in this action does not exceed
15 \$75,000.

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

19 3. This Court has jurisdiction over all Defendants because, on information and
20 belief, Defendants are either citizens of California, have sufficient minimum contacts in
21 California, or otherwise intentionally avail themselves of the California market so as to render
22 the exercise of jurisdiction over them by the California courts consistent with traditional
23 notions of fair play and substantial justice. There is no basis for federal diversity jurisdiction
24 in this action given that the State of California, as the real party in interest in this action, is not
25 a “citizen” for purposes of satisfying diversity jurisdiction. *Urbino v. Orkin Servs. of Cal.*,
26 726 F.3d 1118, 1123 (9th Cir. Cal. 2013). *Urbino* also holds that civil penalties cannot be

27
28 ¹ However, such time is without limitation to any and all applicable tolling as
permitted by California Rule of Court App. I. R.R. Emergency Rule 9.

1 aggregated to satisfy the amount in controversy requirement for federal diversity jurisdiction
2 in this action, and that diversity jurisdiction cannot be established when Plaintiff's share of the
3 civil penalties attributable to violations personally suffered are less than \$75,000. *Id.* at 1122.

4 4. Venue is proper in this Court, because Defendant SAN DIEGO COMPOSITES,
5 INC. filed a Statement of Information form with the California Secretary of State designating
6 a principal place of business in the County of San Diego, in accordance with California
7 Corporations Code section 2105(a)(3). Cal. Code Civ. P. § 395.5. Venue is also proper in
8 this Court, because Defendants employ persons in this county, and employed Plaintiff in this
9 county, and thus a substantial portion of the transactions and occurrences related to this action
10 occurred in this county.

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

15 **THE PARTIES**

16 6. Plaintiff Christian Plumed is a resident of city of El Cajon in San Diego
17 County, California. Defendants employed Plaintiff as an hourly paid, non-exempt Composite
18 Machine Operator from approximately May 2019 to January 2021. Plaintiff worked for
19 Defendants at their facility located in San Diego, California. Plaintiff typically nine (9) hours
20 or more per day, and six (6) days per week. At the time his employment ended, Plaintiff was
21 compensated approximately \$22.22 per hour. His job duties included, without limitation,
22 fabrication and assembly of carbon fiber composite products and compression molding
23 composites.

24 7. On information and belief, Defendants required some employees, including
25 Plaintiff, to execute a dispute resolution policy and/or arbitration agreement at the time of
26 their hire or during their employment. On further information and belief, Defendants' dispute
27 resolution policy and/or arbitration agreement was and is both procedurally and substantively
28 unconscionable. Specifically, Defendants presented new hires with a Mutual Agreement to

1 Arbitrate Claims with Employees (“Arbitration Agreement”), which had to be reviewed and
2 signed immediately. Also, employees did not have a meaningful opportunity to negotiate the
3 terms of the Arbitration Agreement. Rather, it was provided to Defendants’ employees for
4 them to sign on a take-it or leave-it basis.

5 8. SAN DIEGO COMPOSITES, INC. was and is, upon information and belief, a
6 California corporation, and at all times hereinafter mentioned, an employer whose employees
7 are engaged throughout this county and the State of California.

8 9. APPLIED COMPOSITE STRUCTURES, INC. was and is, upon information
9 and belief, a Delaware corporation, and at all times hereinafter mentioned, an employer whose
10 employees are engaged throughout this county and the State of California.

11 10. ALLIANCE SPACESYSTEMS, LLC, was and is, upon information and belief,
12 a California limited liability company, and at all times hereinafter mentioned, an employer
13 whose employees are engaged throughout this county and the State of California.

14 11. APPLIED COMPOSITES HOLDINGS, LLC, was and is, upon information
15 and belief, a Delaware limited liability company, and at all times hereinafter mentioned, an
16 employer whose employees are engaged throughout this county and the State of California.

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

21 13. Plaintiff is informed and believes, and thereon alleges, that DOES 1 through 10
22 were the partners, agents, owners, or managers of SAN DIEGO COMPOSITES, INC.;
23 APPLIED COMPOSITE STRUCTURES, INC.; ALLIANCE SPACESYSTEMS, LLC; and
24 APPLIED COMPOSITES HOLDINGS, LLC, (collectively, “APPLIED COMPOSITES”) at
25 all relevant times.

26 14. Plaintiff is informed and believes, and thereon alleges, that each and all of the
27 acts and omissions alleged herein was performed by, or is attributable to, SAN DIEGO
28 COMPOSITES, INC.; APPLIED COMPOSITE STRUCTURES, INC.; ALLIANCE

1 SPACESYSTEMS, LLC; APPLIED COMPOSITES HOLDINGS, LLC; and/or DOES 1
2 through 10, each acting as the agent, employee, alter ego, and/or joint venturer of, or working
3 in concert with, each of the other co-Defendants and was acting within the course and scope of
4 such agency, employment, joint venture, or concerted activity with legal authority to act on
5 the others' behalf. The acts of any and all Defendants were in accordance with, and represent,
6 the official policy of Defendants.

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

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

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

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

28 (a) jointly exercised meaningful control over the work performed by

1 Plaintiff and other non-party Aggrieved Employees;

2 (b) jointly exercised meaningful control over Plaintiff's and other non-party
3 Aggrieved Employees' wages, hours, and working conditions, including
4 the quantity, quality standards, speed, scheduling, and operative details
5 of the tasks performed by Plaintiff and other non-party Aggrieved
6 Employees;

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

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

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

20 20. Furthermore, Defendants are jointly and severally liable as employers for the
21 violations alleged herein because Defendants have acted as a single integrated enterprise.

22 Courts consider four factors in determining whether two or more entities may be treated as a
23 single employer for the purposes of determining liability for labor code violations.:

24 (1) centralized control of labor relations; (2) interrelation of operations; (3) common
25 management; and (4) common ownership or financial control. No factor is controlling and all
26 need not be present.

27 21. Plaintiff is informed and believes, and thereon alleges, that at all relevant times,
28 Defendants have acted as a single integrated enterprise because:

- 1 (a) Defendant APPLIED COMPOSITES HOLDINGS, LLC made final
2 decisions regarding employment matters related to Plaintiff and other
3 non-party Aggrieved Employees in the same manner and through the
4 same entity, regardless of which entity was acting as Plaintiff's and
5 other non-party Aggrieved Employees' immediate employer;
- 6 (b) Defendant APPLIED COMPOSITES HOLDINGS, LLC controlled day-
7 to-day employment decisions of Defendants SAN DIEGO
8 COMPOSITES, INC.; APPLIED COMPOSITE STRUCTURES, INC.;
9 and ALLIANCE SPACESYSTEMS, LLC;
- 10 (c) Defendants shared common officers, directors, and/or managers;
- 11 (d) Defendants utilized the same bank accounts, accounting records, lines of
12 credit, payroll preparation, telephone lines, company websites, office
13 space, facilities, employees and/or other facets of operation; and/or
- 14 (e) Defendants were subject to common ownership and financial control.

15 22. SAN DIEGO COMPOSITES, INC.; APPLIED COMPOSITE STRUCTURES,
16 INC.; ALLIANCE SPACESYSTEMS, LLC; APPLIED COMPOSITES HOLDINGS, LLC;
17 and DOES 1 through 10 are therefore alter egos of each other.

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

22 24. Plaintiff further alleges, upon information and belief, that Defendants SAN
23 DIEGO COMPOSITES, INC.; APPLIED COMPOSITE STRUCTURES, INC.; ALLIANCE
24 SPACESYSTEMS, LLC; and APPLIED COMPOSITES HOLDINGS, LLC are alter egos of
25 each other for the following reasons:

- 26 (a) On information and belief, SAN DIEGO COMPOSITES, INC.;
27 APPLIED COMPOSITE STRUCTURES, INC.; and ALLIANCE
28 SPACESYSTEMS, LLC are wholly owned subsidiaries of APPLIED

COMPOSITES HOLDINGS, LLC;

- (b) On the California Secretary of State’s website (<https://businesssearch.sos.ca.gov/>) and the Delaware Division of Corporations’ website (<https://icis.corp.delaware.gov/>), SAN DIEGO COMPOSITES, INC.; APPLIED COMPOSITE STRUCTURES, INC.; and APPLIED COMPOSITES HOLDINGS, LLC share the same agent for service of process, “CT – Corporation”; and
- (c) On information and belief, SAN DIEGO COMPOSITES, INC.; APPLIED COMPOSITE STRUCTURES, INC.; ALLIANCE SPACESYSTEMS, LLC; and APPLIED COMPOSITES HOLDINGS, LLC utilize the same standardized employment forms, including, but not limited to, employee scheduling and communication forms, and issue the same employment policies, including, but not limited to, the Employee Handbook.

PAGA REPRESENTATIVE ALLEGATIONS

25. Defendants are a leading provider of complex composite components, assemblies, engineering, and tooling to the aerospace, defense, and space systems markets and operate four (4) facilities in California. Upon information and belief, Defendants maintain a centralized Human Resources (“HR”) department at their corporate headquarters in Lake Forest, California, which is responsible for the recruiting and hiring of new employees, and communicating and implementing Defendants’ company-wide policies, including timekeeping policies and meal and rest period policies, to employees throughout California.

26. In particular, Plaintiff and other non-party Aggrieved Employees, on information and belief, received the same standardized documents and/or written policies. Upon information and belief, the usage of standardized documents and/or written policies, including new-hire documents, indicate that Defendants dictated policies at the corporate level and implemented them company-wide, regardless of their employees’ assigned locations or positions. Upon information and belief, Defendants set forth uniform policies and procedures

1 in several documents provided at an employee's time of hire.

2 27. Upon information and belief, Defendants maintain a centralized Payroll
3 department at their corporate headquarters in Lake Forest, California, which processes payroll
4 for all non-exempt, hourly paid employees working for Defendants at their various locations
5 and jobsites in California, including Plaintiff and other non-party Aggrieved Employees.
6 Based upon information and belief, Defendants issue the same formatted wage statements to
7 all non-exempt, hourly paid employees in California, irrespective of their work locations.
8 Upon information and belief, Defendants process payroll for departing employees in the same
9 manner throughout the State of California, regardless of the manner in which each employee's
10 employment ends.

11 28. Defendants continue to employ non-exempt or hourly paid employees in
12 California.

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

17 30. Plaintiff is informed and believes, and thereon alleges, that Plaintiff and other
18 non-party Aggrieved Employees were not paid for all hours worked because all hours worked
19 were not recorded.

20 31. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
21 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
22 receive certain wages for overtime compensation and that they were not receiving certain
23 wages for overtime compensation.

24 32. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
25 should have known that other non-party Aggrieved Employees were entitled to be paid at a
26 regular rate of pay, and corresponding overtime rates of pay, that included as eligible income
27 all income derived from incentive pay, nondiscretionary bonuses, and/or other forms of
28 compensation, but failed to incorporate all forms of remuneration in calculating the regular

1 rate of pay for other non-party Aggrieved Employees.

2 33. 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 at least minimum wages for compensation and that they were not receiving at least
5 minimum wages for work that was required to be done off-the-clock. In violation of the
6 California Labor Code, Plaintiff and other non-party Aggrieved Employees were not paid at
7 least minimum wages for work done off-the-clock.

8 34. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
9 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
10 meal periods in accordance with the California Labor Code and applicable IWC Wage Order
11 or payment of one (1) additional hour of pay at their regular rates of pay when they were not
12 provided with timely, uninterrupted, thirty (30) minute meal periods and that Plaintiff and
13 other non-party Aggrieved Employees were not provided with all meal periods or payment of
14 one (1) additional hour of pay at their regular rates of pay when they did not receive a timely,
15 uninterrupted, thirty (30) minute meal period.

16 35. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
17 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
18 rest periods in accordance with the California Labor Code and applicable IWC Wage Order or
19 payment of one (1) additional hour of pay at their regular rates of pay when they were not
20 authorized and permitted to take a compliant rest period. In violation of the California Labor
21 Code, Plaintiff and other non-party Aggrieved Employees were not authorized and permitted
22 to take compliant rest periods, nor did Defendants provide Plaintiff and other non-party
23 Aggrieved Employees with payment of one (1) additional hour of pay at their regular rates of
24 pay when they were not authorized and permitted to take a compliant rest period.

25 36. 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 receive complete and accurate wage statements in accordance with California law. In
28 violation of the California Labor Code, Plaintiff and other non-party Aggrieved Employees

1 were not provided complete and accurate wage statements.

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

6 38. 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 timely payment of wages during their employment. In violation of the California Labor Code,
9 Plaintiff and other non-party Aggrieved Employees did not receive payment of all wages,
10 including, but not limited to, overtime wages, minimum wages, meal and rest period
11 premiums, and/or reporting time pay, within permissible time periods.

12 39. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
13 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
14 timely payment of all wages earned upon termination of employment. In violation of the
15 California Labor Code, Plaintiff and other non-party Aggrieved Employees did not receive
16 payment of all wages due, including, but not limited to, overtime wages, minimum wages,
17 meal and rest period premiums, and/or reporting time pay, within permissible time periods.

18 40. Plaintiff is informed and believes, and thereon alleges, that at all times herein
19 mentioned, that Defendants knew or should have known that they had a duty to cover the costs
20 and expenses other non-party Aggrieved Employees incurred obtaining mandatory physical
21 examinations and/or drug tests, but failed to do so.

22 41. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
23 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
24 one day's rest in seven. In violation of the California Labor Code, Defendants required
25 Plaintiff and other non-party Aggrieved Employees to work more than six consecutive days
26 without a day of rest, where the total hours worked exceeded 30 hours in any week or six
27 hours in any one day thereof.

28 20. 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 be
2 paid reporting time pay when they reported to work for their scheduled shift but were put to
3 work for less than half of the regular schedule. In violation of the California Labor Code and
4 applicable IWC Wage Order, Defendants did not pay Plaintiff and other non-party Aggrieved
5 Employees all reporting time pay due.

6 42. 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 reimbursement for all business-related expenses and costs they incurred during the
9 course and scope of their employment and that they did not receive reimbursement of
10 applicable business-related expenses and costs incurred.

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

16 44. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
17 should have known that Defendants had a duty to provide Plaintiff and other non-party
18 Aggrieved Employees with safety devices and safeguards, such as personal protective
19 equipment for the workplace, but failed to do so.

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

26 46. At all times herein set forth, PAGA provides that any provision of law under
27 the Labor Code and applicable IWC Wage Order that provides for a civil penalty to be
28 assessed and collected by the LWDA for violations of the California Labor Code and

1 applicable IWC Wage Order may, as an alternative, be recovered by aggrieved employees in a
2 civil action brought on behalf of themselves and other current or former employees pursuant
3 to procedures outlined in California Labor Code section 2699.3.

4 47. PAGA defines an “aggrieved employee” in Labor Code section 2699(c) as “any
5 person who was employed by the alleged violator and against whom one or more of the
6 alleged violations was committed.”

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

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

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

1 to any other penalties to which the employee may be entitled.

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

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

22 51. On July 15, 2021, Plaintiff provided written notice by online filing to the
23 LWDA and by certified mail to Defendants of the specific provisions of the California Labor
24 Code alleged to have been violated, including facts and theories to support the alleged
25 violations, in accordance with California Labor Code section 2699.3. Plaintiff's written
26 notice was accompanied with the applicable filing fee of seventy-five dollars (\$75). The
27 LWDA PAGA Administrator has confirmed receipt of Plaintiff's written notice and assigned
28 Plaintiff PAGA Case Number LWDA-CM-838086-21. A true and correct copy of Plaintiff's

1 written notice to the LWDA and Defendants dated July 15, 2021 is attached hereto as “Exhibit
2 1.”

3 52. As of the filing date of this complaint, over 65 days have passed since Plaintiff
4 sent the LWDA Notice described above, and the LWDA has not responded that it intends to
5 investigate Plaintiff’s claims, and Defendants have not cured the violations.

6 53. Thus, Plaintiff has satisfied the administrative prerequisites under California
7 Labor Code sections 2699.3(a) and 2699.3(c) to recover civil penalties against Defendants for
8 violations of California Labor Code sections 201, 202, 203, 204, 222.5, 226(a), 226.7, 510,
9 512(a), 516, 551, 552, 1174(d), 1182.12, 1194, 1197, 1198, 2802, 2810.5, 6401, and 6403.

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

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

1 above.

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

5 57. Pursuant to PAGA, and in particular, California Labor Code sections 2699(a),
6 2699.3(a), 2699.3(c), 2699.5, and section 558, Plaintiff, acting in the public interest as a
7 private attorney general, seeks assessment and collection of civil penalties for himself, all
8 other non-party Aggrieved Employees, and the State of California against Defendants for
9 violations of California Labor Code sections 201, 202, 203, 204, 222.5, 226(a), 226.7, 510,
10 512(a), 516, 551, 552, 1174(d), 1182.12, 1194, 1197, 1198, 2802, 2810.5, 6401, and 6403.

11 **FIRST CAUSE OF ACTION**

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

13 **(Against all Defendants)**

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

16 59. California Labor Code §§ 2698, *et seq.* (“PAGA”) permits Plaintiff to recover
17 civil penalties for the violation(s) of the Labor Code sections enumerated in Labor Code
18 section 2699.5. Section 2699.5 enumerates Labor Code sections 201, 202, 203, 204, 222.5,
19 226(a), 226.7, 510, 512(a), 551, 552, 1174(d), 1194, 1197, 1198, and 2802. Labor Code
20 section 2699.3(c) permits aggrieved employees, including Plaintiff, to recover civil penalties
21 for violations of those Labor Code sections not found in section 2699.5, including sections
22 516, 1182.12, 2810.5, 6401, and 6403.

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

- 25 (a) Violation of Labor Code sections 510 and 1198, and the applicable IWC
26 Wage Order for Defendants’ failure to compensate Plaintiff and other
27 non-party Aggrieved Employees with all required overtime pay and
28 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;
- (c) Violation of Labor Code sections 226.7, 512(a), 516, and 1198, and the applicable IWC Wage Order for Defendants' failure to provide Plaintiff and other non-party Aggrieved Employees with meal periods, as set forth below;
- (d) Violation of Labor Code sections 226.7, 516, and 1198, and the applicable IWC Wage Order for Defendants' failure to authorize and permit Plaintiff and other non-party Aggrieved Employees to take rest periods, as set forth below;
- (e) Violation of Labor Code sections 226(a) and 1198, and the applicable IWC Wage Order for failure to provide accurate and complete wage statements to Plaintiff and other non-party Aggrieved Employees, as set forth below;
- (f) Violation of Labor Code sections 1174(d) and 1198, and the applicable IWC Wage Order for failure to maintain payroll records, as set forth below;
- (g) Violation of Labor Code section 204 for failure to pay all earned wages during employment, as set forth below;
- (h) Violation of Labor Code sections 201, 202, and 203 for failure to pay all earned wages upon termination, as set forth below;
- (i) Violation of Labor Code section 222.5 for failure to compensate other non-party Aggrieved Employees for mandatory physical examinations and/or drug testing, as set forth below;
- (j) Violation of Labor Code sections 551 and 552 for failure to provide one

1 day's rest in seven to Plaintiff and other non-party Aggrieved
2 Employees, as set forth below;

3 (k) Violation of Labor Code section 1198 and the applicable IWC Wage
4 Order for failure to pay reporting time pay when Plaintiff and other non-
5 party Aggrieved Employees were put to work for less than half of their
6 regular scheduled shifts, as set forth below;

7 (l) Violation of Labor Code section 2802 for failure to reimburse other
8 Plaintiff and non-party Aggrieved Employees for all business expenses
9 necessarily incurred, as set forth below;

10 (m) Violation of Labor Code section 2810.5(a)(1)(A)-(C) for failure to
11 provide written notice of information material to Plaintiff's and other
12 non-party Aggrieved Employees' employment with Defendants, as set
13 forth below; and

14 (n) Violation of Labor Code sections 6401 and 6403 for failure to provide
15 Plaintiff and other non-party Aggrieved Employees with safety devices
16 and safeguards, such as personal protective equipment, as set forth
17 below.

18 **FAILURE TO PAY OVERTIME**

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

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

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

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

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

11 65. California Labor Code section 510 codifies the right to overtime compensation
12 at one and one-half (1 ½) times the regular rate of pay for hours worked in excess of eight (8)
13 hours in a day or forty (40) hours in a week or for the first eight (8) hours worked on the
14 seventh (7th) day of work, and to overtime compensation at twice the employee's regular rate
15 of pay for hours worked in excess of twelve (12) hours in a day or in excess of eight (8) hours
16 in a day on the seventh (7th) day of work.

17 66. Defendants willfully failed to pay all overtime wages owed to Plaintiff and
18 other non-party Aggrieved Employees. During the relevant time period, Plaintiff and other
19 non-party Aggrieved Employees were not paid overtime premiums for all of the hours they
20 worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in
21 excess of forty (40) hours in a week, because all hours that they worked were not recorded.

22 67. First, during the relevant time period, Defendants had a company-wide policy
23 and/or practice of discouraging and impeding Plaintiff and other non-party Aggrieved
24 Employees from recording hours worked that were outside of their scheduled shifts, in order
25 to limit the amount of overtime employees could accrue. This policy of limiting overtime,
26 coupled with Defendants' understaffing policy and assignment of heavy workloads, led
27 Plaintiff and other non-party Aggrieved Employees to work off-the-clock before and after
28 their scheduled shift times in order to complete their assigned tasks. For example, about 2-3

1 times per month, Defendants' managers required Plaintiff to begin cleaning the work area and
2 organizing, packing, and bundling boxes of finished product for client pick-up for about 30
3 minutes before he was permitted to clock in at his scheduled shift start-time. Further, when
4 Plaintiff and other non-party Aggrieved Employees drove to work at Defendants' other
5 facilities to cover additional shifts, they were not compensated for their travel time. For
6 example, Plaintiff was assigned to work at the Lake Forest facility on approximately four (4)
7 occasions, requiring him to drive 75 miles (approximately 1 hour and 20 minutes) each way,
8 but was not paid for this travel time. Thus, Defendants failed to track the time spent working
9 before and after scheduled shifts, and Plaintiff and other non-party Aggrieved Employees
10 received no compensation for this time.

11 68. Second, as stated, Defendants had, and continue to have, a uniform practice
12 and/or policy of understaffing their facilities such that there were too few employees on duty
13 to handle the heavy workloads and provide meal period coverage. Moreover, Defendants had
14 a practice of failing to schedule meal periods, which further caused Plaintiff and other non-
15 party Aggrieved Employees to not be relieved of their duties for compliant meal periods. As a
16 result, Plaintiff was forced to forego meal periods once per week in order to complete the
17 tasks and duties Defendants assigned to him. In addition, Plaintiff would have his meal
18 periods interrupted and cut short 2-3 times per week by supervisors when machinery required
19 adjustments and/or repairs or to attend to a client or supervisor requesting the status of a
20 project. Consequently, Plaintiff and other non-party Aggrieved Employees were required to
21 work through and/or had their unpaid meal periods interrupted in order to complete their
22 assigned workloads.

23 69. Third, Defendants pressured Plaintiff and other non-party Aggrieved
24 Employees to clock out for meal periods and/or adjusted employee time records to reflect
25 compliant meal periods, regardless of whether they had received a compliant meal period, in
26 order to strictly limit meal penalties that Defendants would otherwise owe. For example,
27 Plaintiff was pressured by Defendants' management to clock out and record compliant meal
28 periods on shifts when he had not, in fact, received a compliant meal period. Thus, Plaintiff

1 and other non-party Aggrieved Employees performed work during meal periods and received
2 no compensation for this time.

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

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

21 72. For example, Defendants paid Plaintiff and other non-party Aggrieved
22 Employees incentive pay and/or nondiscretionary bonuses, which were listed on Plaintiff's
23 and other non-party Aggrieved Employees' wage statements as "INCENTIVE." During pay
24 periods that other non-party Aggrieved Employees were paid overtime wages, Defendants
25 failed to incorporate the incentive pay and/or nondiscretionary bonuses into other non-party
26 Aggrieved Employees' regular rate of pay and, as a result, paid them at incorrect and lower
27 rates of pay for overtime hours worked. Specifically, Defendants paid other non-party
28 Aggrieved Employees 1.5 times their hourly rate of pay instead of 1.5 times their regular rate

1 of pay. Defendants' failure to properly calculate the overtime rates of pay based on all
2 remuneration paid has resulted in an underpayment of overtime wages to other non-party
3 Aggrieved Employees on a company-wide basis.

4 73. Defendants' failure to pay Plaintiff and other non-party Aggrieved Employees
5 the balance of overtime compensation as required by California law, violates the provisions of
6 California Labor Code sections 510 and 1198. Plaintiff and other non-party Aggrieved
7 Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections
8 558 and/or 2699(a), (f), and (g).

9 **FAILURE TO PAY MINIMUM WAGES**

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

11 74. At all relevant times, California Labor Code sections 1182.12, 1194, 1197, and
12 1198 provide that the minimum wage for employees fixed by the IWC is the minimum wage
13 to be paid to employees, and the payment of a wage less than the minimum so fixed is
14 unlawful. Compensable work time is defined in IWC Wage Order No. 1-2001 order as "the
15 time during which an employee is subject to the control of an employer, and includes all the
16 time the employee is suffered or permitted to work, whether or not required to do so." Cal.
17 Code. Regs. tit. 8, § 11010(2)(G) (defining "Hours Worked").

18 75. As set forth above, during the relevant time period, as a result of Defendants'
19 policies and/or practices of limiting the amount of overtime employees could accrue,
20 understaffing their locations while assigning heavy workloads, failing to schedule meal
21 periods, and subsequent lack of meal period coverage, Plaintiff and other non-party Aggrieved
22 Employees were impeded from taking all uninterrupted meal periods to which they were
23 entitled and were required to work off-the-clock before and after their scheduled shifts.
24 Additionally, as stated, in order to prevent employees from accruing meal period penalties,
25 Defendants' management pressured employees to clock out for meal periods to reflect
26 compliant meal periods, but required them to continue working. Thus, Defendants
27 systematically failed to pay Plaintiff and other non-party Aggrieved Employees for actual
28 hours worked during unpaid meal periods because these hours were not always correctly

1 recorded.

2 76. Additionally, Defendants maintained and implemented a company-wide policy
3 of requiring employees to travel to a medical facility on their own time to undergo mandatory
4 drug testing and/or physical examinations. At all times, Defendants was in control of
5 scheduling the date and time for the testing and/or physical examinations, selecting the
6 provider or facility where the testing and/or physical examinations were to take place, and
7 determining the scope of the testing and/or physical examinations. Defendants gave other
8 non-party Aggrieved Employees strict instructions to undergo drug testing and/or physical
9 examinations, and other non-party Aggrieved Employees underwent the testing and/or
10 examinations for the sole benefit of Defendants. Other non-party Aggrieved Employees were
11 required to travel in their own personal vehicles or obtain alternate transportation and spend
12 time undergoing Defendants' mandatory drug tests and/or physical examinations. However,
13 Defendants did not compensate other non-party Aggrieved Employees for the time they spent
14 traveling to and from the medical facilities and undergoing the mandatory drug testing and/or
15 physical examinations.

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

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

25 **FAILURE TO PROVIDE AND RECORD MEAL PERIODS**

26 **VIOLATION OF LABOR CODE SECTIONS 226.7, 512(a), 516, AND 1198**

27 79. At all relevant times herein set forth, the applicable IWC Wage Order and
28 California Labor Code sections 226.7, 512(a), 516, and 1198 were applicable to Plaintiff's and

1 other non-party Aggrieved Employees' employment by Defendants.

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

9 81. At all relevant times herein set forth, California Labor Code sections 226.7,
10 512(a), 516, and 1198 provide that no employer shall require an employee to work during any
11 meal period mandated by an applicable order of the IWC.

12 82. At all relevant times herein set forth, Labor Code sections 226.7, 512(a), and
13 1198, and the applicable IWC Wage Order also require employers to provide a second meal
14 period of not less than thirty (30) minutes if an employee works over ten (10) hours per day or
15 to pay an employee one (1) additional hour of pay at the employee's regular rate, except that if
16 the total hours worked is no more than twelve (12) hours, the second meal period may be
17 waived by mutual consent of the employer and the employee only if the first meal period was
18 not waived.

19 83. First, during the relevant time period, as stated, Defendants had, and continue
20 to have, company-wide policies and/or practices of understaffing their facilities, which,
21 combined with assigning heavy workloads and failing to schedule meal periods, has resulted
22 in a lack of meal period coverage and prevented Plaintiff and other non-party Aggrieved
23 Employees from taking all compliant meal periods to which they were entitled. As a result,
24 Plaintiff and other non-party Aggrieved Employees would be forced to work in excess of five
25 (5) hours before taking a meal period and, at times, had their meal periods cut short and/or had
26 to forgo their meal periods altogether. For example, Plaintiff was forced to forego meal
27 periods at least once per week in order to complete the tasks and duties Defendants assigned
28 to him and/or due to lack of coverage by other Machine Operators. Additionally,

1 approximately six (6) times per week, Plaintiff was required to take his meal period late (after
2 having worked in excess of five (5) hours or more into his shift), in order to keep up with his
3 assigned duties. Furthermore, as stated, Plaintiff's meal periods were interrupted and cut short
4 2-3 times per week by supervisors when machinery required adjustments and/or repairs or to
5 attend to a client or supervisor requesting the status of a project.

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

11 85. Third, during the relevant time period, Plaintiff and other non-party Aggrieved
12 Employees worked shifts in excess of ten (10) hours without receiving an uninterrupted
13 second 30-minute meal period. For example, Plaintiff would work shifts in excess of ten (10)
14 hours without receiving an uninterrupted second 30-minute meal period. Plaintiff and other
15 non-party Aggrieved Employees did not sign valid meal period waivers on days that they were
16 entitled to meal periods and were not relieved of all duties.

17 86. Moreover, Defendants had a company-wide policy of requiring employees to
18 sign blanket meal period waivers. Defendants took the position that non-exempt, hourly paid
19 employees had waived their rights to first and second meal periods for the entirety of their
20 employment and, on that basis, did not provide them with all first and second meal periods to
21 which they were entitled. Specifically, Defendants' "APPLIED COMPOSITES
22 VOLUNTARY MEAL PERIOD WAIVER" form provides that the waiver remains in effect
23 until the employee provides his or her manager with written notice of his or her decision to
24 revoke the waiver. Defendants' presumption that first meal periods would not be provided
25 for shifts in excess of five (5) hours but less than six (6) hours, and that second meal periods
26 would not be provided for shifts in excess of ten (10) hours but less than twelve (12) hours
27 due to blanket meal period waivers, and imposition on employees to revoke the waivers in
28 writing, discouraged and impeded Plaintiff and other non-party Aggrieved Employees from

1 taking all first and second meal periods to which they were entitled.

2 87. Furthermore, an employer's obligation to provide a meal period is only
3 "triggered" when the employer "employs an employee for a work period of more than five
4 hours per day." *Brinker*, 53 Cal. 4th at 1039 ("If an employer engages, suffers, or permits
5 anyone to work for a full five hours, its meal break obligation is triggered.").

6 [A]fter the meal break obligation is triggered . . . an employer is put to a
7 choice: it must (1) afford an off-duty meal period; (2) consent to a
8 mutually agreed-upon waiver if one hour or less will end the shift; or (3)
9 obtain written agreement to an on-duty meal period if circumstances
permit. Failure to do one of these will render the employer liable for
premium pay.

10 *Id.* (citing Cal. Labor Code § 226.7; Wage Order No. 5, subd. 11(A), (B)). That Defendants
11 requires employees to sign meal period waivers in advance (as opposed to on a specific work
12 day) renders them invalid and unenforceable, because Defendants' obligation to provide Ms.
13 White and other non-party Aggrieved Employees with meal periods did not arise until
14 Defendants had employed them for a full five (5) hours.

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

20 89. Furthermore, Defendants engaged in a company-wide practice and/or policy of
21 not paying all meal period premiums owed when compliant meal periods were not provided.
22 Because of this practice and/or policy, Plaintiff and other non-party Aggrieved Employees
23 have not received premium pay for all missed, late, and interrupted meal periods.
24 Alternatively, to the extent that Defendants did pay other non-party Aggrieved Employees
25 meal period premium pay for missed, late, and interrupted meal periods, Defendants did not
26 pay other non-party Aggrieved Employees at the correct rate of pay for premiums because
27 Defendants systematically failed to include all forms of compensation, such as, incentive pay,
28 nondiscretionary bonuses, and/or other forms of remuneration, into the calculation of the

1 regular rate of pay.

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

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

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

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

13 92. At all relevant times, the applicable IWC Wage Order provides that "[e]very
14 employer shall authorize and permit all employees to take rest periods, which insofar as
15 practicable shall be in the middle of each work period" and that the "rest period time shall be
16 based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4)
17 hours or major fraction thereof" unless the total daily work time is less than three and one-half
18 (3 ½) hours.

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

27 94. Pursuant to the applicable IWC Wage Order and California Labor Code section
28 226.7(c), Plaintiff and other non-party Aggrieved Employees are entitled to recover from

Defendants one (1) additional hour of pay at their regular rates of pay for each work day that a required rest period was not authorized and permitted.

95. During the relevant time period, Defendants regularly failed to authorize and permit Plaintiff and other non-party 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, Defendants' policies and/or practices of understaffing and assigning heavy workloads prevented Plaintiff and other non-party Aggrieved Employees from being relieved of all duty in order to take compliant rest periods. Defendants also failed to schedule rest periods, which, coupled with Defendants' failure to provide adequate rest period coverage, further led to Plaintiff and other non-party Aggrieved Employees not being authorized and permitted to take rest periods.

96. Furthermore, Defendants maintained and implemented a company-wide practice and/or policy requiring that Plaintiff and other non-party Aggrieved Employees remain on the work premises during their rest periods. Because Plaintiff and other non-party Aggrieved Employees were restricted from leaving the work premises during rest periods, they were denied the ability to use their rest periods freely for their own purposes, such as running personal errands. Thus, Defendants effectively maintained control over Plaintiff and other non-party Aggrieved Employees during rest periods, and, as a result of this rest period policy, Defendants did not relinquish control over Plaintiff and other non-party Aggrieved Employees during rest periods

97. As a result of Defendants' practices and policies, Plaintiff and other non-party Aggrieved Employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without receiving all uninterrupted 10-minute rest periods to which they were entitled. For example, Plaintiff would miss his rest periods at least nine (9) times per week or regularly had his rest periods interrupted or cut short in order to complete all of the work-related duties Defendants assigned to him.

98. Defendants also have engaged in a company-wide practice and/or policy of not paying all rest period premiums owed when compliant rest periods are not authorized or

permitted. Because of this practice and/or policy, Plaintiff and other non-party Aggrieved Employees have not received premium pay for all missed rest periods. Alternatively, to the extent that Defendants did pay other non-party Aggrieved Employees one (1) additional hour of premium pay for missed rest periods, Defendants did not pay other non-party Aggrieved Employees at the correct rate of pay for premiums because Defendants 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.

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

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

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

101. During the relevant time period, Defendants have knowingly and intentionally provided Plaintiff and other non-party Aggrieved Employees with uniform, incomplete, and inaccurate wage statements. For example, Defendants issued uniform wage statements to Plaintiff and other non-party Aggrieved Employees that fail to correctly list: gross wages earned; total hours worked; net wages earned; the name of the legal entity of the employer; and all applicable hourly rates in effect during the pay period, including rates of pay for overtime wages and/or meal and rest period premiums, and the corresponding number of hours worked at each hourly rate. Specifically, Defendants violated sections 226(a)(1), 226(a)(2), 226(a)(5), 226(a)(8), and 226(a)(9).

102. First, because Defendants did not record the time Plaintiff and other non-party

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

10 103. Second, because Defendants did not calculate other non-party Aggrieved
11 Employees' regular rate of pay correctly for purposes of paying overtime wages and/or meal
12 and rest period premiums, Defendants did not list the correct amount of gross wages in
13 compliance with section 226(a)(1) and did not list the correct amount of net wages in violation
14 of section 226(a)(5). Defendants also failed to correctly list all applicable hourly rates in
15 effect during the pay period, namely, correct rates of pay for overtime wages and/or meal and
16 rest period premiums, in violation of section 226(a)(9).

17 104. Third, and separate from these violations, Defendants issued uniform wage
18 statements to Plaintiff and other non-party Aggrieved Employees that failed to correctly list
19 the name of the legal entity of the actual employer in violation of 226(a)(8). The purpose of
20 section 226(a)(8) is to provide California employees with transparency as to the true identity
21 of their employer, to allow the employee to contact their employer during employment in the
22 future for various reasons, including filing an administrative claim, judicial claim, or other
23 action to seek relief against their employer, to obtain unemployment benefits, etc. Plaintiff's
24 and other non-party Aggrieved Employees' wage statements incorrectly list the employer as
25 "APPLIED COMPOSITES" but according to the California Secretary of State's website, there
26 is no such entity by that name.

27 105. The wage statement deficiencies also include, without limitation, failing to list
28 the number of piece-rate units earned and any applicable piece rate if the employee is paid on

1 a piece-rate basis; failing to list all deductions; failing to list the inclusive dates of the period
2 for which aggrieved employees were paid; failing to list the name of the employee and only
3 the last four digits of his or her social security number or an employee identification number
4 other than a social security number; failing to list the address of the legal entity that is the
5 employer; and/or failing to state all hours worked as a result of not recording or stating hours
6 worked off-the-clock.

7 106. California Labor Code section 1174(d) provides that “[e]very person employing
8 labor in this state shall . . . [k]eep a record showing the names and addresses of all employees
9 employed and the ages of all minors” and “[k]eep, at a central location in the state or at the
10 plants or establishments at which employees are employed, payroll records showing the hours
11 worked daily by and the wages paid to, and the number of piece-rate units earned by and any
12 applicable piece rate paid to, employees employed at the respective plants or
13 establishments. . . .” At all relevant times, and in violation of Labor Code section 1174(d),
14 Defendants willfully failed to maintain accurate payroll records for Plaintiff and other non-
15 party Aggrieved Employees showing the daily hours they worked and the wages paid thereto
16 as a result of failing to record the off-the-clock hours that they worked.

17 107. California Labor Code section 1198 provides that the maximum hours of work
18 and the standard conditions of labor shall be those fixed by the Labor Commissioner and as
19 set forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he
20 employment of any employees for longer hours than those fixed by the order or under
21 conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC
22 Wage Order, employers are required to keep accurate time records showing when the
23 employee begins and ends each work period and meal period. During the relevant time
24 period, Defendants engaged in company-wide practices and/or policies of failing to record
25 actual hours worked and thereby failed to keep accurate records of work period and meal
26 period start and end times for Plaintiff and other non-party Aggrieved Employees in violation
27 of section 1198. Also, as stated, Defendants engaged in a company-wide practice and/or
28 policy of falsifying Plaintiff’s and other non-party Aggrieved Employees’ time records by

1 recording that compliant meal periods were taken regardless of if or when meal periods were
2 actually taken, and thereby failed to keep accurate records of meal start and end times for
3 Plaintiff and other non-party Aggrieved Employees. Furthermore, in light of Defendants'
4 failure to provide Plaintiff and other non-party Aggrieved Employees with second 30-minute
5 meal periods to which they were entitled, Defendants kept no records of meal start and end
6 times for second meal periods.

7 108. Defendants' conduct violates California Labor Code sections 226(a), 1174(d),
8 and 1198. Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover
9 civil penalties pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f), and (g).

10 **FAILURE TO PAY WAGES DURING EMPLOYMENT**

11 **VIOLATION OF LABOR CODE SECTION 204**

12 109. At all relevant times herein set forth, California Labor Code section 204
13 requires that all wages earned by any person in any employment between the 1st and the 15th
14 days, inclusive, of any calendar month, other than those wages due upon termination of an
15 employee, are due and payable between the 16th and the 26th day of the month during which
16 the labor was performed. Labor Code section 204 further provides that all wages earned by
17 any person in any employment between the 16th and the last day, inclusive, of any calendar
18 month, other than those wages due upon termination of an employee, are due and payable
19 between the 1st and the 10th day of the following month.

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

26 111. During the relevant time period, Defendants willfully failed to pay Plaintiff and
27 other non-party Aggrieved Employees all wages due to them within any time period specified
28 by California Labor Code section 204 including, but not limited to, overtime wages, minimum

1 wages, meal and rest period premiums, and/or reporting time pay, within the time periods
2 specified by California Labor Code section 204.

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

5 **FAILURE TO PAY WAGES UPON TERMINATION**

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

7 113. At all times relevant herein set forth, Labor Code sections 201 and 202 provide
8 that if an employer discharges an employee, the wages earned and unpaid at the time of
9 discharge are due and payable immediately, and that if an employee voluntarily leaves his or
10 her employment, his or her wages shall become due and payable not later than seventy-two
11 (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of
12 his or her intention to quit, in which case the employee is entitled to his or her wages at the
13 time of quitting.

14 114. Defendants willfully failed to pay Plaintiff and other non-party Aggrieved
15 Employees who are no longer employed by Defendants their earned and unpaid wages set
16 forth above, including but not limited to, overtime wages, minimum wages, meal and rest
17 period premiums, and/or reporting time pay, either at the time of discharge or within seventy-
18 two (72) hours of their leaving Defendants' employ.

19 115. Defendants' failure to pay Plaintiff and those non-party Aggrieved Employees
20 who are no longer employed by Defendants their wages earned and unpaid at the time of
21 discharge, or within seventy-two (72) hours of their leaving Defendants' employ, violates
22 California Labor Code sections 201 and 202. Plaintiff and other non-party Aggrieved
23 Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections
24 256 and/or 2699(a), (f), and (g).

25 **FAILURE TO PAY COSTS OF MEDICAL OR PHYSICAL EXAMINATIONS**

26 **VIOLATION OF LABOR CODE SECTION 222.5**

27 116. At all relevant times herein, California Labor Code section 222.5 requires
28 employers to pay for the costs an employee incurs for obtaining any required medical or

1 physical examination.

2 117. During the relevant time period, Defendants implemented, on a company-wide
3 basis, an employer-imposed requirement that other non-party Aggrieved Employees undergo
4 mandatory drug testing and/or physical examinations, but required them to do so at their own
5 expense. As stated, Defendants had a company-wide policy requiring that other non-party
6 Aggrieved Employees travel to a specified medical facility on their own time and use their
7 own means of transportation to undergo drug testing and/or physical examinations. At all
8 times, Defendants was in control of scheduling the date and time for the testing and/or
9 examinations, selecting the provider/facility where the testing and/or examinations were to
10 take place, and determining the scope of the testing and/or examinations. However,
11 Defendants did not compensate other non-party Aggrieved Employees for the time they spent
12 traveling to and from the medical facilities, for the time they spent undergoing the drug testing
13 and/or physical examinations, or reimburse them for the travel expenses they incurred getting
14 to and from the medical facilities.

15 118. Defendants' policy and/or practice of not paying for all costs other non-party
16 Aggrieved Employees incurred obtaining mandatory drug testing and/or physical
17 examinations is in violation of California Labor Code section 222.5. Other non-party
18 Aggrieved Employees are therefore entitled to recover civil penalties pursuant to Labor Code
19 sections 2699(a), (f), and (g).

20 **FAILURE TO PROVIDE ONE DAY'S REST IN SEVEN**

21 **VIOLATION OF LABOR CODE SECTIONS 551 AND 552**

22 119. At all relevant times herein, California Labor Code section 551 provides that
23 every person employed in any occupation of labor is entitled to one day's rest in seven.
24 Additionally, California Labor Code section 552 prohibits employers from requiring
25 employees to work more than six consecutive days without a day of rest.

26 120. Further, at all times relevant herein set forth, California Labor Code section 556
27 exempts an employer from the day-of-rest requirement when the total hours worked by an
28 employee do not exceed 30 hours in any week or six hours in any one day thereof.

121. During the relevant time period, on information and belief, Defendants scheduled Plaintiff and other non-party Aggrieved Employees to work eight (8) or more hours per day and more than seven (7) consecutive days in a workweek. Because Plaintiff and other non-party Aggrieved Employees worked over thirty (30) hours per week and over six (6) hours per day in a workweek, they were not exempt from the day-of-rest requirement. To the extent that Plaintiff and other non-party Aggrieved Employees signed purported waivers of their right to a day's rest in seven, such waivers are invalid.

122. Thus, Defendants caused Plaintiff and other non-party Aggrieved Employees to work more than six days in seven, in violation of Labor Code sections 551 and 552. Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections 558 and/or 2699(a), (f), and (g).

FAILURE TO PAY REPORTING TIME PAY

VIOLATION OF LABOR CODE SECTION 1198

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

124. California Code of Regulations, Title 8, section 11110(5)(A) provides that “[e]ach workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee’s usual or scheduled day’s work, the employee shall be paid for half the usual or scheduled day’s work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee’s regular rate of pay, which shall not be less than the minimum wage.” The “primary purpose of the reporting time regulation” is “to guarantee at least partial compensation for employees who report to work expecting to work a specified number of hours, and who are deprived of that amount because of inadequate scheduling or lack of proper notice by the employer.” *Aleman v. AirTouch Cellular*, 209 Cal. App. 4th 556 (2012).

1 125. Upon information and belief, Defendants violated California Labor Code
2 section 1198 and California Code of Regulations, Title 8, section 11110(5), because
3 Defendants failed to pay Plaintiff and other non-party Aggrieved Employees reporting time
4 pay when they reported to work for their scheduled shift but were put to work for less than
5 half of the regular schedule.

6 126. Defendants had a company-wide practice of sending Plaintiff and other non-
7 party Aggrieved Employees home early from their shifts, including before they had worked at
8 least half of their regular shift, but would not pay Plaintiff and other non-party Aggrieved
9 Employees for half of their scheduled shift. Although Plaintiff and other non-party Aggrieved
10 Employees would report to work based on the schedule that Defendants provided to them,
11 Defendants would send them home before they had worked at least half of their scheduled
12 shifts without giving them reporting time pay. For example, Plaintiff reported to work for his
13 scheduled shift, but was told to go home because he was no longer needed. When this
14 occurred, Defendants did not pay Plaintiff for at least half of his scheduled standby time or the
15 required minimum reporting time pay.

16 127. Accordingly, Plaintiff and other non-party Aggrieved Employees were not
17 properly compensated with reporting time pay in violation of California Labor Code section
18 1198 and California Code of Regulations, Title 8, section 11110(5). Plaintiff and other non-
19 party Aggrieved Employees are therefore entitled to recover civil penalties pursuant to Labor
20 Code sections 2699(a), (f), and (g).

21 **FAILURE TO REIMBURSE NECESSARY BUSINESS EXPENSES**

22 **VIOLATION OF LABOR CODE SECTION 2802**

23 128. At all times herein set forth, California Labor Code section 2802 provides that
24 an employer must reimburse employees for all necessary expenditures and losses incurred by
25 the employee in the performance of his or her job. The purpose of Labor Code section 2802 is
26 to prevent employers from passing off their cost of doing business and operating expenses on
27 to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144
28 (2014). The applicable wage order, IWC Wage Order No. 1-2001, provides that: "[w]hen the

1 employer requires the use of tools or equipment or they are necessary to the performance of a
2 job, such tools and equipment shall be provided and maintained by the employer, except that
3 an employee whose wages are at least two (2) times the minimum wage may provide and
4 maintain hand tools and equipment customarily required by the particular trade or craft.”

5 129. First, during the relevant time period, Defendants had a company-wide policy
6 of requiring Plaintiff and other non-party Aggrieved Employees to utilize their own personal
7 cellular phones to carry out their job duties, but Defendants failed to reimburse them for the
8 costs of their work-related cellular phone expenses. Plaintiff and other non-party Aggrieved
9 Employees were required to use their personal cellular phones for work-related tasks,
10 including responding to calls from Defendants’ managers during the early hours of their shifts
11 before office staff had arrived to provide access to company telephones. For example,
12 Plaintiff spent 25 minutes per month using his personal cellular phone to discuss work-related
13 matters with his supervisor. Although Defendants required Plaintiff and other non-party
14 Aggrieved Employees to utilize their personal cellular phones to carry out their work-related
15 duties, Defendants failed to reimburse them for this cost.

16 130. Second, during the relevant time period, Defendants, on a company-wide basis,
17 forced Plaintiff and other non-party Aggrieved Employees to purchase supplies, tools, and/or
18 equipment that were necessary for the completion of their work related-duties. For example,
19 Plaintiff was required to spend approximately \$25 on a molding spatula and \$30 on kneepads
20 in order to carry out his work-related duties. As a further example, Plaintiff was required to
21 spend approximately \$20 on face masks to wear at work, because Defendants required face
22 masks to be worn on its premises but did not provide them to employees. Although
23 Defendants required Plaintiff and other non-party Aggrieved Employees to purchase their own
24 supplies, tools, and/or equipment for use on the job, Defendants did not reimburse them for
25 these expenses.

26 131. Third, during the relevant time period, as stated, Defendants had a company-
27 wide policy of requiring other non-party Aggrieved Employees to travel to medical facilities
28 on their own time and using their personal vehicles to obtain mandatory drug testing and/or

1 physical examinations, but did not reimburse them for their travel expenses, including
2 mileage. At all times, Defendants was in control of scheduling the date and time for the
3 testing and/or physical examinations, selecting the provider or facility where the testing and/or
4 physical examinations were to take place, and determining the scope of the testing and/or
5 physical examinations. Defendants gave other non-party Aggrieved Employees strict
6 instructions to obtain drug testing and/or physical examinations, and other non-party
7 Aggrieved Employees underwent the testing and/or physical examinations for the sole benefit
8 of Defendants. Although Defendants required other non-party Aggrieved Employees to use
9 their own vehicles or obtain alternate transportation to undergo drug testing and/or physical
10 examinations, Defendants never reimbursed them for their travel expenses.

11 132. Defendants could have provided Plaintiff and other non-party Aggrieved
12 Employees with the actual tools for use on the job, such as company vehicles, company
13 phones, face masks, and supplies and tools. Or, Defendants could have reimbursed employees
14 for their mileage; travel expenses; cellular phone usage; tool, supply and/or equipment
15 expenses. Instead, Defendants passed these operating costs off onto Plaintiff and other non-
16 party Aggrieved Employees. At all relevant times, Plaintiff did not earn at least two (2) times
17 the minimum wage

18 133. Defendants' company-wide policy and/or practice of passing on their operating
19 costs to Plaintiff and other non-party Aggrieved Employees violates California Labor Code
20 section 2802. Plaintiff and other non-party Aggrieved Employees are therefore entitled to
21 recover civil penalties pursuant to Labor Code sections 2699(a), (f), and (g).

22 **FAILURE TO PROVIDE WRITTEN NOTICE OF MATERIAL TERMS OF**
23 **EMPLOYMENT**

24 **VIOLATION OF LABOR CODE SECTION 2810.5**

25 134. California's Wage Theft Prevention Act was enacted to ensure that employers
26 provide employees with basic information material to their employment relationship at the
27 time of hiring, and to ensure that employees are given written and timely notice of any
28 changes to basic information material to their employment. Codified at California Labor

1 Code section 2810.5, the Wage Theft Prevention Act provides that at the time of hiring, an
2 employer must provide written notice to employees containing basic and material payroll
3 information, including, among other things, the rate(s) of pay and basis thereof, whether paid
4 by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for
5 overtime, the regular payday designated by the employer, and any allowances claims as part
6 of the minimum wage, including meal or lodging allowances. Labor Code § 2810.5(a)(1)(A)-
7 (C).

8 135. During the relevant time period, Defendants failed to provide Plaintiff and
9 other non-party Aggrieved Employees with written notice that lists all the requisite
10 information set forth in Labor Code section 2810.5(a)(1)(A)-(C).

11 136. Defendants' failure to provide Plaintiff and other non-party Aggrieved
12 Employees with written notice of basic information regarding their employment with
13 Defendants is in violation of Labor Code section 2810.5. Plaintiff and other non-party
14 Aggrieved Employees are therefore entitled to recover civil penalties pursuant to Labor Code
15 section 2699(a), (f), and (g).

16 **FAILURE TO PROVIDE SAFETY DEVICES AND SAFEGUARDS**

17 **VIOLATION OF LABOR CODE SECTIONS 6401 AND 6403**

18 137. At all times herein set forth, California Labor Code section 6401 provides that
19 employers must furnish and use safety devices and safeguards, and adopt and use practices,
20 means, methods, operations, and processes which are reasonably adequate to render the
21 employment and place of employment safe and healthy. California Labor Code Section 6401
22 further provides that an employer must do everything reasonably necessary to protect the life,
23 safety and health of its employees. California Labor Code section 6403(a) requires that
24 employers provide and use safety devices and safeguards reasonably adequate to render the
25 employment and place of employment safe.

26 138. Defendants, on a company-wide basis, failed to provide Plaintiff and other non-
27 party Aggrieved Employees with personal protective equipment, such as face coverings or
28 masks, to keep them safe in the workplace. Despite the fact that Defendants required

1 employees to wear certain personal protective equipment, including face coverings or masks,
2 Defendants failed to provide such reasonably necessary equipment to Plaintiff and other non-
3 party Aggrieved Employees to keep them safe.

4 139. Defendants' failure to provide Plaintiff and other non-party Aggrieved
5 Employees with safety devices and safeguards for the workplace violates Labor Code sections
6 6401 and 6403. Plaintiff and other non-party Aggrieved Employees are therefore entitled to
7 recover civil penalties pursuant to Labor Code sections 2699(a), (f), and (g).

8 **REQUEST FOR JURY TRIAL**

9 Plaintiff requests a trial by jury.

10 **PRAYER FOR RELIEF**

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

13 1. For civil penalties and attorneys' fees in excess of twenty-five thousand dollars
14 (\$25,000). Plaintiff reserves the right to amend his prayer for relief to seek a different amount.

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

16 2. That the Court declare, adjudge and decree that Defendants violated the
17 following California Labor Code provisions as to Plaintiff and/or other non-party Aggrieved
18 Employees: 510 and 1198 (by failing to pay all overtime compensation); 1182.12, 1194, 1197,
19 and 1198 (by failing to pay at least minimum wages for all hours worked); 226.7, 512(a), 516,
20 and 1198 (by failing to provide all meal periods); 226.7, 516, and 1198 (by failing to authorize
21 and permit all rest periods); 226(a), 1174(d), and 1198 (by failing to provide accurate wage
22 statements and maintain accurate payroll records); 201 and 202 (by failing timely to pay all
23 earned wages upon termination); 204 (by failing timely to pay all earned wages during
24 employment); 222.5 (by failing to pay the costs of mandatory physical examinations and/or
25 drug testing); 551 and 552 (by failing to provide one day's rest in seven); 1198 and the
26 applicable IWC Wage Order (by failing to provide reporting time pay); 2802 (by failing to
27 reimburse business expenses); 2810.5 (by failing to provide written notice of information
28 material to employment); and 6401 and 6403 (by failing to provide safety devices and

1 safeguards);

2 3. For civil penalties, pursuant to California Labor Code sections 210, 226.3, 256,
3 558, 1174.5, 2699(a), (f), and (g), for violations of California Labor Code sections 201, 202,
4 203, 204, 222.5, 226(a), 226.7, 510, 512(a), 516, 551, 552, 1174(d), 1182.12, 1194, 1197,
5 1198, 2802, 2810.5, 6401, and 6403;

6 4. For attorneys' fees and costs pursuant to California Labor Code section
7 2699(g)(1), and any and all other relevant statutes, for Defendants' violations of California
8 Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 516, 551, 552, 1174(d),
9 1182.12, 1194, 1197, 1198, 2802, 2810.5, 6401, and 6403;

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

11 6. For such other and further relief as the Court may deem equitable and
12 appropriate.

13
14 Dated: September 20, 2021

Respectfully submitted,

15 Capstone Law APC

16
17 By: 

18 Mark A. Ozzello
19 Brandon K. Brouillette
20 Joseph Hakakian

21 Attorneys for Plaintiff Christian Plumeda
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23
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27
28

EXHIBIT 1

ALEXANDER LIMA
310.712.8142 Direct
Alexander.Lima@capstonelawyers.com

July 15, 2021

VIA ONLINE SUBMISSION

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

Subject: *Christian Plumeda v. San Diego Composites, Inc., et al.*

Dear PAGA Administrator:

This office represents Christian Plumeda in connection with his claims under the California Labor Code. Mr. Plumeda was an employee of SAN DIEGO COMPOSITES, INC.; ALLIANCE SPACESYSTEMS, LLC; APPLIED COMPOSITE STRUCTURES, INC.; and/or APPLIED COMPOSITES HOLDINGS, LLC. For the purposes of this letter, Mr. Christian Plumeda collectively refers to these entities as (“AC”).

The employers may be contacted directly at the addresses below:

SAN DIEGO COMPOSITES, INC.
9220 ACTIVITY RD
SAN DIEGO CA 92616

APPLIED COMPOSITE STRUCTURES, INC.
1195 COLUMBIA STREET
BREA CA 92821

ALLIANCE SPACESYSTEMS, LLC
4398 CORPORATE CENTER DR.
LOS ALAMITOS CA 90720

APPLIED COMPOSITES HOLDINGS, LLC
25671 COMMERCENTRE DR.
LAKE FOREST, CA 92630

Mr. Plumeda 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. Plumeda seeks relief on behalf of himself, the State of California, and other persons who are or were employed by AC in California as a non-exempt, hourly paid employee 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.

AC employed Mr. Plumeda as a non-exempt, hourly paid Composite Machine Operator from approximately May 2019 to January 2021. Mr. Plumeda worked for AC at its facility located in, San Diego, California. During his employment, he typically worked nine (9) hours or more per day, and six (6) days per week. At the time his employment ended, Mr. Plumeda was compensated

approximately \$22.22 per hour. His job duties included, without limitation, fabrication and assembly of carbon fiber composite products and compression molding composites.

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

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

SAN DIEGO COMPOSITES, INC. and APPLIED COMPOSITE STRUCTURES, INC. are California and Delaware corporations, respectively, while ALLIANCE SPACESYSTEMS, LLC and APPLIED COMPOSITES HOLDINGS, LLC are California and Delaware limited liability companies, respectively. AC is a leading provider of complex composite components, assemblies, engineering, and tooling to the aerospace, defense, and space systems markets and operates four (4) facilities in California. Upon information and belief, AC maintains a single, centralized Human Resources (HR) department at its corporate headquarters in Lake Forest, California, for all non-exempt, hourly paid employees working for AC in California, including Mr. Plumedá and other aggrieved employees. At all relevant times, AC issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Mr. Plumedá and other aggrieved employees, regardless of their location or position.

Upon information and belief, AC maintains a centralized Payroll department at its corporate headquarters in Lake Forest, California, which processes payroll for all non-exempt, hourly paid employees working for AC in California, including Mr. Plumedá and other aggrieved employees. Further, AC issues the same formatted wage statements in the same manner for all non-exempt, hourly paid employees working in California, including Mr. Plumedá and other aggrieved employees, irrespective of their location, position, or manner in which each employee’s employment ended. In other words, AC utilized the same methods and formulas when calculating wages due to Mr. Plumedá 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 (1 ½) times the regular rate of pay for all hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a workweek. The applicable IWC Wage Order further provides that employers are required to pay employees working more than twelve (12) hours in a day overtime compensation at a rate of two (2) times their regular rate of pay. An employee’s regular rate of pay includes all remuneration

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

for employment paid to, or on behalf of, the employee, including nondiscretionary bonuses and incentive pay.

AC willfully failed to pay all overtime wages owed to Mr. Plumeda and other aggrieved employees. During the relevant time period, Mr. Plumeda and other aggrieved employees were not paid overtime premiums for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty (40) hours in a week, because all hours that they worked were not recorded.

First, during the relevant time period, AC had a company-wide policy and/or practice of discouraging and impeding Mr. Plumeda 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. This policy of limiting overtime, coupled with AC's understaffing policy and assignment of heavy workloads, led Mr. Plumeda and other aggrieved employees to work off-the-clock before and after their scheduled shift times in order to complete their assigned tasks. For example, about 2-3 times per month, AC's managers required Mr. Plumeda to begin cleaning the work area and organizing, packing, and bundling boxes of finished product for client pick-up for about 30 minutes before he was permitted to clock in at his scheduled shift start-time. Further, when Mr. Plumeda and other aggrieved employees drove to work at other AC facilities to cover additional shifts, they were not compensated for their travel time. For example, Mr. Plumeda was assigned to work at the Lake Forest facility on approximately four (4) occasions, requiring him to drive 75 miles (approximately 1 hour and 20 minutes) each way, but was not paid for this travel time. Thus, AC failed to track the time spent working before and after scheduled shifts, and Ms. Plumeda and other aggrieved employees received no compensation for this time.

Second, as stated, AC had, and continues to have, a uniform practice and/or policy of understaffing its facilities such that there were too few employees on duty to handle the heavy workloads and provide meal period coverage. Moreover, AC had a practice of failing to schedule meal periods, which further caused Mr. Plumeda and other aggrieved employees to not be relieved of their duties for compliant meal periods. As a result, Mr. Plumeda was forced to forego meal periods once per week in order to complete the tasks and duties AC assigned to him. In addition, Mr. Plumeda would have his meal periods interrupted and cut short 2-3 times per week by supervisors when machinery required adjustments and/or repairs or to attend to a client or supervisor requesting the status of a project. Consequently, Mr. Plumeda and other aggrieved employees were required to work through and/or had their unpaid meal periods interrupted in order to complete their assigned workloads.

Third, AC pressured Mr. Plumeda 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 AC would otherwise owe. For example, Mr. Plumeda was pressured by AC's management to clock out and record compliant meal periods on shifts when he had not, in fact, received a compliant meal period. Thus, Mr. Plumeda and other aggrieved employees performed work during meal periods and received no compensation for this time.

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

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

For example, AC paid other aggrieved employees incentive pay and/or nondiscretionary bonuses, which were listed on other aggrieved employees' wage statements as "INCENTIVE." During pay periods that other aggrieved employees were paid overtime wages, AC failed to incorporate the incentive pay and/or nondiscretionary bonuses into other aggrieved employees' regular rate of pay and, as a result, paid them at incorrect and lower rates of pay for overtime hours worked. Specifically, AC paid other aggrieved employees 1.5 times their hourly rate of pay instead of 1.5 times their regular rate of pay. AC's failure to properly calculate the overtime rates of pay based on all remuneration paid has resulted in an underpayment of overtime wages to other aggrieved employees on a company-wide basis.

AC's failure to pay Mr. Plumeda 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. Plumeda 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 IWC Wage Order No. 1-2001 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, § 11010(2)(G) (defining "Hours Worked").

As set forth above, during the relevant time period, as a result of AC's policies and/or practices of limiting the amount of overtime employees could accrue, understaffing its locations while assigning heavy workloads, failing to schedule meal periods, and subsequent lack of meal period coverage, Mr. Plumeda 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 before and after their scheduled shifts. Additionally, as stated, in order to prevent employees from accruing meal period penalties, AC's management pressured employees to clock out for meal periods to reflect compliant meal periods, but required them to continue working. Thus, AC systematically failed to pay Mr. Plumeda and other aggrieved employees for actual hours worked during unpaid meal periods because these hours were not always correctly recorded.

Additionally, AC maintained and implemented a company-wide policy of requiring employees to travel to a medical facility on their own time to undergo mandatory drug testing and/or physical examinations. At all times, AC was in control of scheduling the date and time for the testing and/or

physical examinations, selecting the provider or facility where the testing and/or physical examinations were to take place, and determining the scope of the testing and/or physical examinations. AC gave other aggrieved employees strict instructions to undergo drug testing and/or physical examinations, and other aggrieved employees underwent the testing and/or examinations for the sole benefit of AC. Other aggrieved employees were required to travel in their own personal vehicles or obtain alternate transportation and spend time undergoing AC's mandatory drug tests and/or physical examinations. However, AC did not compensate other aggrieved employees for the time they spent traveling to and from the medical facilities and undergoing the mandatory drug testing and/or physical examinations.

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

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

First, during the relevant time period, as stated, AC had, and continues to have, company-wide policies and/or practices of understaffing its facilities, which, combined with assigning heavy workloads and failing to schedule meal periods, has resulted in a lack of meal period coverage and prevented Mr. Plumeda and other aggrieved employees from taking all compliant meal periods to which they were entitled. As a result, Mr. Plumeda and other aggrieved employees would be forced to work in excess of five (5) hours before taking a meal period and, at times, had their meal periods cut short and/or had to forgo their meal periods altogether. For example, Mr. Plumeda was forced to forego meal periods at least once per week in order to complete the tasks and duties AC assigned to him and/or due to lack of coverage by other Machine Operators. Additionally, approximately six (6)

times per week, Mr. Plumedá was required to take his meal period late (after having worked in excess of five (5) hours or more into his shift), in order to keep up with his assigned duties. Furthermore, as stated, Mr. Plumedá's meal periods were interrupted and cut short 2-3 times per week by supervisors when machinery required adjustments and/or repairs or to attend to a client or supervisor requesting the status of a project.

Second, as stated, because AC frowned upon employees accruing meal period penalties, AC's management pressured employees to clock out for meal periods and/or would adjust Mr. Plumedá's and other aggrieved employees' 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 would need to be paid by AC.

Third, during the relevant time period, Mr. Plumedá and other aggrieved employees worked shifts in excess of ten (10) hours without receiving an uninterrupted second 30-minute meal period. For example, Mr. Plumedá would work shifts in excess of ten (10) hours without receiving an uninterrupted second 30-minute meal period. Mr. Plumedá and other aggrieved employees did not sign valid meal period waivers on days that they were entitled to meal periods and were not relieved of all duties.

Moreover, AC had a company-wide policy of requiring employees to sign blanket meal period waivers. AC took the position that non-exempt, hourly paid employees had waived their rights to first and second meal periods for the entirety of their employment and, on that basis, did not provide them with all first and second meal periods to which they were entitled. Specifically, AC's "APPLIED COMPOSITES VOLUNTARY MEAL PERIOD WAIVER" form provides that the waiver remains in effect until the employee provides his or her manager with written notice of his or her decision to revoke the waiver. AC's presumption that first meal periods would not be provided for shifts in excess of five (5) hours but less than six (6) hours, and that second meal periods would not be provided for shifts in excess of ten (10) hours but less than twelve (12) hours due to blanket meal period waivers, and imposition on employees to revoke the waivers in writing, discouraged and impeded Mr. Plumedá and other aggrieved employees from taking all first and second meal periods to which they were entitled.

Furthermore, an employer's obligation to provide a meal period is only "triggered" when the employer "employs an employee for a work period of more than five hours per day." *Brinker*, 53 Cal. 4th at 1039 ("If an employer engages, suffers, or permits anyone to work for a full five hours, its meal break obligation is triggered.").

[A]fter the meal break obligation is triggered . . . an employer is put to a choice: it must (1) afford an off-duty meal period; (2) consent to a mutually agreed-upon waiver if one hour or less will end the shift; or (3) obtain written agreement to an on-duty meal period if circumstances permit. Failure to do one of these will render the employer liable for premium pay.

Id. (citing Cal. Labor Code § 226.7; Wage Order No. 5, subd. 11(A), (B)). That AC requires employees to sign meal period waivers in advance (as opposed to on a specific work day) renders them invalid and unenforceable, because AC's obligation to provide Ms. White and other aggrieved employees with meal periods did not arise until AC had employed them for a full five (5) hours.

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

Furthermore, AC 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. Plumeda and other aggrieved employees have not received premium pay for missed, late, and interrupted meal periods. Alternatively, to the extent that AC did pay other aggrieved employees for missed, late, and interrupted meal periods, AC did not pay other aggrieved employees at the correct rate of pay for premiums because AC 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, AC failed to provide all meal periods in violation of California Labor Code sections 226.7, 512(a), 516, and 1198. Mr. Plumeda 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, and 1198, and the applicable IWC Wage Order require employers to provide rest periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. California Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC. The applicable IWC Wage Order provides that "[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period" and that the "rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof" unless the total daily work time is less than three and one-half (3 ½) hours.

To comply with its obligation to authorize and permit rest periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an employer must "relinquish any control over how employees spend their break time, and relieve their employees of all duties—including the obligation that an employee remain on call. A rest period, in short, must be a period of rest." *Augustus, et al. v. ABM Security Services, Inc.*, 2 Cal. 5th 257, 269-270 (2016).

During the relevant time period, AC regularly failed to authorize and permit Mr. Plumeda 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, AC's policies and/or practices of understaffing and assigning heavy workloads prevented Mr. Plumeda and other aggrieved employees from being relieved of all duty in order to take compliant rest periods. AC also failed to schedule rest periods, which, coupled with AC's failure to provide adequate rest period coverage, further led to Mr. Plumeda and other aggrieved employees not being authorized and permitted to take rest periods.

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

As a result of AC's practices and policies, Mr. Plumedra and other aggrieved employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without receiving all uninterrupted 10-minute rest periods to which they were entitled. For example, Mr. Plumedra would miss his rest periods at least nine (9) times per week or regularly had his rest periods interrupted or cut short in order to complete all of the work-related duties AC assigned to him.

AC also has engaged in a company-wide practice and/or policy of not paying rest period premiums owed when compliant rest periods are not authorized and permitted. Because of this practice and/or policy, Mr. Plumedra and other aggrieved employees have not received premium pay for all missed rest periods. Alternatively, to the extent that AC did pay other aggrieved employees one (1) additional hour of premium pay for missed rest periods, AC did not pay other aggrieved employees at the correct rate of pay for premiums because AC 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, AC failed to authorize and permit all rest periods in violation of California Labor Code sections 226.7, 516, and 1198. Mr. Plumedra 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. AC has not provided Mr. Plumedra 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, AC has knowingly and intentionally provided Mr. Plumedra and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, AC issued uniform wage statements to Mr. Plumedra and other aggrieved employees that fail to correctly list: gross wages earned; total hours worked; net wages earned; the name of the legal entity of the employer; 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, AC violated sections 226(a)(1), 226(a)(2), 226(a)(5), 226(a)(8), and 226(a)(9).

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

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

Third, and separate from these violations, AC issued uniform wage statements to Mr. Plumeda and other aggrieved employees that failed to correctly list the name of the legal entity of the actual employer in violation of 226(a)(8). The purpose of section 226(a)(8) is to provide California employees with transparency as to the true identity of their employer, to allow the employee to contact their employer during employment in the future for various reasons, including filing an administrative claim, judicial claim, or other action to seek relief against their employer, to obtain unemployment benefits, etc. Mr. Plumeda's and other aggrieved employees' wage statements incorrectly list the employer as "APPLIED COMPOSITES" but according to the California Secretary of State's website, there is no such entity by that name. *See example paystub below.*

APPLIED COMPOSITES
9220 ACTIVITY ROAD
SAN DIEGO CA 92126

Period Beginning: 09/21/2020
Period Ending: 10/04/2020
Pay Date: 10/09/2020

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 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), AC willfully failed to maintain accurate payroll records for Mr. Plumedá and other aggrieved employees showing the daily hours they worked and the wages paid thereto as a result of failing to record the off-the-clock hours that they worked.

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

Because AC failed to provide the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on wage statements, Mr. Plumedá 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. Plumedá 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. Plumedá 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, AC willfully failed to pay Mr. Plumedá and other aggrieved employees all wages due including, but not limited to, overtime wages, minimum wages, meal and

rest period premiums, and/or reporting time pay, within the time periods specified by California Labor Code section 204.

Mr. Plumedá 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.

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

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

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

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

During the relevant time period, AC implemented, on a company-wide basis, an employer-imposed requirement that other aggrieved employees undergo mandatory drug testing and/or physical examinations, but required them to do so at their own expense. As stated, AC had a company-wide policy requiring that other aggrieved employees travel to a specified medical facility on their own time and use their own means of transportation to undergo drug testing and/or physical examinations. At all times, AC was in control of scheduling the date and time for the testing and/or examinations, selecting the provider/facility where the testing and/or examinations were to take place, and determining the scope of the testing and/or examinations.

However, AC did not compensate other aggrieved employees for the time they spent traveling to and from the medical facilities, for the time they spent undergoing the drug testing and/or physical examinations, or reimburse them for the travel expenses they incurred getting to and from the medical facilities. AC's policy and/or practice of not paying for all costs other aggrieved employees incurred obtaining mandatory drug testing and/or physical examinations is in violation of California Labor Code section 222.5.

Other aggrieved employees are 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 §§ 551 and 552 – Failure to Provide One Day’s Rest in Seven

California Labor Code section 551 provides that every person employed in any occupation of labor is entitled to one day’s rest in seven. California Labor Code section 552 prohibits employers from requiring employees to work more than six consecutive days without a day of rest. California Labor Code section 556 exempts an employer from the day-of-rest requirement when the total hours worked by an employee do not exceed 30 hours in any week or six hours in any one day thereof.

During the relevant time period, on information and belief, AC scheduled Mr. Plumedá and other aggrieved employees to work eight (8) or more hours per day and more than seven (7) consecutive days in a workweek. Because Mr. Plumedá and other aggrieved employees worked over thirty (30) hours per week and over six (6) hours per day in a workweek, they were not exempt from the day-of-rest requirement. To the extent that Mr. Plumedá and other aggrieved employees signed purported waivers of their right to a day’s rest in seven, such waivers are invalid.

Thus, AC caused Mr. Plumedá and other aggrieved employees to work more than six days in seven, in violation of Labor Code sections 551 and 552. Mr. Plumedá 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 § 1198 and California Code of Regulations Title 8, Section 11010 Subdivision 5(A) – Failure to Pay Reporting Time Pay

California Labor Code section 1198 dictates that no employer may employ an employee under conditions of labor that are prohibited by the applicable IWC wage order. California Labor Code section 1198 further requires that “. . . the standard conditions of labor fixed by the commission shall be the . . . standard conditions of labor for employees. The employment of any employee . . . under conditions of labor prohibited by the order is unlawful.”

California Code of Regulations, Title 8, section 11010(5)(A) provides that “[e]ach workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee’s usual or scheduled day’s work, the employee shall be paid for half the usual or scheduled day’s work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee’s regular rate of pay, which shall not be less than the minimum wage.” The “primary purpose of the reporting time regulation” is “to guarantee at least partial compensation for employees who report to work expecting to work a specified number of hours, and who are deprived of that amount because of inadequate scheduling or lack of proper notice by the employer.” *Aleman v. AirTouch Cellular*, 209 Cal. App. 4th 556 (2012)

Upon information and belief, AC violated California Labor Code section 1198 and California Code of Regulations, Title 8, section 11010(5), because AC failed to pay Mr. Plumedá and other aggrieved employees reporting time pay when they reported to work for their scheduled shift but were put to work for less than half of the regular schedule.

AC had a company-wide practice of sending Mr. Plumedá and other aggrieved employees home early from their shifts, including before they had worked at least half of their regular shift, but would not pay Mr. Plumedá and other aggrieved employees for half of their scheduled shift. Although Mr. Plumedá and other aggrieved employees would report to work based on the schedule that AC

provided to them, AC would send them home before they had worked at least half of their scheduled shifts without giving them reporting time pay. For example, Mr. Plumedra reported to work for his scheduled shift, but was told to go home because he was no longer needed. When this occurred, AC did not pay Mr. Plumedra for at least half of his scheduled standby time or the required minimum reporting time pay.

Accordingly, Mr. Plumedra and other aggrieved employees were not properly compensated with reporting time pay in violation of California Labor Code section 1198 and California Code of Regulations, Title 8, section 11010(5). Mr. Plumedra and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

Violation of California Labor Code § 2802 – Unreimbursed Business Expenses

California Labor Code section 2802 requires employers to pay for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144 (2014). The applicable wage order, IWC Wage Order No. 1-2001, provides that: "[w]hen tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft."

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

Second, during the relevant time period, AC had a company-wide policy of requiring Mr. Plumedra and other aggrieved employees to utilize their own personal cellular phones to carry out their job duties, but AC failed to reimburse them for the costs of their work-related cellular phone expenses. Mr. Plumedra and other aggrieved employees were required to use their personal cellular phones for work-related tasks, including responding to calls from AC's managers during the early hours of their shifts before office staff had arrived to provide access to company telephones. For example, Mr. Plumedra spent 25 minutes per month using his personal cellular phone to discuss work-related matters with his supervisor. Although AC required Mr. Plumedra and other aggrieved employees to utilize their personal cellular phones to carry out their work-related duties, AC failed to reimburse them for this cost.

Third, during the relevant time period, AC, on a company-wide basis, forced Mr. Plumedra and other aggrieved employees to purchase supplies, tools, and/or equipment that were necessary for the

completion of their work related-duties. For example, Mr. Plumedá was required to spend approximately \$25.00 on a molding spatula and \$30.00 on kneepads in order to carry out his work-related duties. As a further example, Mr. Plumedá was required to spend approximately \$20 on face masks to wear at work, because AC required face masks to be worn on its premises but did not provide them to employees. Although AC required Mr. Plumedá and other aggrieved employees to purchase their own supplies, tools, and/or equipment for use on the job, AC did not reimburse them for these expenses.

AC could have provided Mr. Plumedá and other aggrieved employees with the actual tools for use on the job, such as company vehicles, company phones, face masks, and supplies and tools. Or, AC could have reimbursed employees for their mileage; travel expenses; cellular phone usage; tool, supply and/or equipment expenses. Instead, AC passed these operating costs off onto Mr. Plumedá and other aggrieved employees. At all relevant times, Mr. Plumedá did not earn at least two (2) times the minimum wage.

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

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.

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

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

Violation of California Labor Code §§ 6401 and 6403 – Failure to Provide Safety Devices and Safeguards

California Labor Code section 6401 provides that employers must furnish and use safety devices and safeguards, and adopt and use practices, means, methods, operations, and processes which are reasonably adequate to render the employment and place of employment safe and healthy. California Labor Code Section 6401 further provides that an employer must do everything reasonably necessary to protect the life, safety and health of its employees. California Labor Code section 6403(a) requires that employers provide and use safety devices and safeguards reasonably adequate to render the employment and place of employment safe.

AC, on a company-wide basis, failed to provide Mr. Plumedra and other aggrieved employees with personal protective equipment, such as face coverings or masks, to keep them safe in the workplace. Despite the fact that AC required employees to wear certain personal protective equipment, including face coverings or masks, AC failed to provide such reasonably necessary equipment to Mr. Plumedra and other aggrieved employees to keep them safe.

AC's failure to provide Mr. Plumedra and other aggrieved employees with safety devices and safeguards for the workplace violates Labor Code sections 6401 and 6403. Mr. Plumedra and other aggrieved employees are entitled to recover 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." AC, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Mr. Plumedra's and other aggrieved employees' rights by violating various sections of the California Labor Code.

Accordingly, Mr. Plumedra 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. Plumedra, 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 AC for violations of California Labor Code sections 201, 202, 203, 204, 226(a), 222.5, 226.7, 510, 512(a), 516, 551, 552, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, 2810.5, 6401, and 6403.

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

Pre-Litigation Demand

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

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

1. AC shall pay Mr. Plumeda and all other aggrieved employees employed by AC at any time during the past three years from the date of this notice unpaid wages and compensation for the above-referenced violations.
2. AC 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. AC shall conduct a survey or interview all current and former aggrieved employees in California who worked for AC 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 costs of cellular phone expenses; mandatory medical examinations; travel expenses; mileage; tools, supplies, and/or equipment or other expenditures in the discharge of their duties, with the investigation to be completed within 60 days.
4. AC 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. AC 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. AC shall reimburse those aggrieved employees who were required to pay for any business expenses incurred for AC's benefit, including, but not limited to, costs of cellular phone expenses; mandatory medical examinations; travel expenses; mileage; tools, supplies, and/or equipment, as required by Labor Code sections 222.5 and 2802.
6. AC shall pay accrued legal interest to all aggrieved employees at the rate of 10% per annum for said unpaid wages.
7. AC shall provide Mr. Plumeda and all aggrieved employees employed by AC 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. AC shall provide all aggrieved employees who worked over thirty (30) hours per week and over six (6) hours per day in a workweek with one day's rest in seven, as required by Labor Code sections 551 and 552.

9. AC shall provide aggrieved employees who are required to report for work and do report but are not put to work or are furnished less than half their usual or scheduled day's work, with pay for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the aggrieved employee's regular rate of pay.
10. AC shall provide all aggrieved employees with safety devices and safeguards reasonably adequate to render the employment and place of employment safe, pursuant to Labor Code sections 6401 and 6403.
11. AC 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.
12. AC 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. 1-2001, 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:

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

Best Regards,



Alexander Lima

Copy: SAN DIEGO COMPOSITES, INC. (via U.S. Certified Mail); ALLIANCE SPACESYSTEMS, LLC (via U.S. Certified Mail); APPLIED COMPOSITE STRUCTURES, INC. (via U.S. Certified Mail); APPLIED COMPOSITES HOLDINGS, LLC (via U.S. Certified Mail)