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Attorneys for Plaintiff JERRY VELYNES
on behalf of himself and all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF FRESNO

JERRY VELYNES, individually and on
behalf of himself and all others similarly
situated,

Plaintiff,

v.

VOLT MANAGEMENT CORP., a Delaware
corporation; GUSMER ENTERPRISES, INC.,
a New Jersey corporation; GXO LOGISTICS
SUPPLY CHAIN, INC., a North Carolina
Corporation; and DOES 1-50, inclusive,

Defendant.

Case No. 22CECG01885

Assigned for All Purposes To:
Hon. Kristi Culver Kapetan
Dept.: 502

**DECLARATION OF JAMES R. HAWKINS
IN SUPPORT OF MOTION TO APPROVE
PAGA SETTLEMENT**

Date: October 15, 2026
Time: 3:30p.m.
Dept: 501
Complaint Filed: November 2, 2021
Status Conf.: April 30, 2026
Trial Date: None Set

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1 County of Orange, commencing the case entitled *Velyines v. Volt Management Corp.*, Orange County
2 Case No. 30-2022-01239925-CU-OE-CXC alleging a single cause of action under PAGA against
3 Volt, GXO Logistics Supply Chain, Inc. and XPO Logistics Freight, Inc. for PAGA Penalties for the
4 alleged Labor Code violations (the “GXO Action”).

5 5. On February 11, 2022, Plaintiff submitted an amended PAGA letter to the LWDA to
6 further clarify the scope of the group that he would seek to represent.

7 **The Volt/Gusmer Action**

8 6. On August 26, 2021, Plaintiff also provided notice that he intended to commence an
9 action for PAGA Penalties under Cal. Labor Code § 2698 et seq. against Volt Management
10 Corporation and Gusmer Enterprises for violations he allegedly suffered while assigned to work at
11 Gusmer’s facilities, including (1) failure to pay minimum wages; (2) failure to pay overtime owed;
12 (3) failure to provide lawful meal periods; (4) failure to authorize and permit rest periods; (5) failure
13 to timely pay wages during employment; (6) failure to timely pay wages owed upon separation from
14 employment; (7) unlawful deductions; and (8) knowing and intentional failure to comply with
15 itemized wage statement provisions.

16 7. Collectively in the two actions (GXO Action and Gusmer Action), Plaintiff sought
17 PAGA penalties for Defendants’ alleged Labor Code violations including, (1) failure to pay minimum
18 wages; (2) failure to pay overtime owed; (3) failure to provide lawful meal periods; (4) failure to
19 authorize and permit rest periods; (5) failure to timely pay wages during employment; (6) failure to
20 timely pay wages owed upon separation from employment; (7) unlawful deductions; (8) knowing and
21 intentional failure to comply with itemized wage statement provisions, (9) failure to pay vacation/time
22 off, (10) sick leave violations, (11) failure to provide signed instrument upon request, (12) failure to
23 timely produce personnel records upon request, (13) failure to reimburse necessary business
24 expenses, and (14) failure to provide required information at the time of hiring.

25 8. On November 2, 2021, after sixty-five days without response from the LWDA,
26 Plaintiff filed a Complaint in the Superior Court of California, County of Orange, commencing the
27 case entitled *Velyines v. Volt Management Corp.*, Orange County Case No. 30-2021-01229245-CU-
28 OE-CXC alleging a single cause of action under PAGA against Volt and Gusmer for PAGA Penalties

1 for the alleged Labor Code violations (the “Gusmer Action”). The Gusmer Action was later
2 transferred to the Superior Court of California, County of Fresno as Fresno Superior Court Case No.
3 22CECG01885.

4 9. For the Court’s reference, attached hereto as **Exhibits 2-6** are true and correct copies
5 of the letters that were submitted to the LWDA. The LWDA did not intervene at any point, thereby
6 authorizing Plaintiff to proceed with this enforcement action on behalf of the State.

7 **Arbitration**

8 10. After the actions were initiated, Defendants sought to enforce an arbitration
9 agreement between the Parties based on the United States Supreme Court’s decision in *Viking River*
10 *Cruises, Inc. v. Moriana*, 596 U.S. 639 (June 15, 2022) (“*Viking River*”). The Parties entered into a
11 stipulation to submit Plaintiff’s individual claims and the individual portion of Plaintiff’s PAGA
12 claim to arbitration and adjudicated via binding individual arbitration under the terms of the
13 Agreement.

14 11. Plaintiff then initiated two separate arbitration proceedings against Volt—one relating
15 to the *Gusmer* Action (American Arbitration Association Case No. 01-23-0001-7110) and a second
16 relating to the *GXO* Action (American Arbitration Association Case No. 01-23-0001-2874). Both of
17 the Court actions were stayed pending arbitration. During the course of each of the arbitrations, the
18 Parties engaged in extensive investigation, formal and informal discovery, and disclosures before
19 electing to stay responses to formal discovery and deciding to devote their resources to preparing for
20 mediation.

21 12. On March 28, 2025, the Parties participated in an all-day arms-length mediation
22 presided over by Kristin Rizzo, Esq. which ultimately led to a global resolution of Plaintiff’s claims
23 and an agreement to settle the Actions and the pending arbitrations. Prior to mediation, Plaintiff’s
24 counsel investigated the claims, researched the legal issues, engaged in witness interviews and
25 reviewed extensive relevant documentation. Plaintiff obtained, through formal and informal
26 discovery, data regarding the aggrieved employees, pay periods, relevant policy documents,
27 communications, and time and pay data for Plaintiff and a 20% sampling of time and pay data for the
28 Aggrieved Group. The time and pay data was analyzed and a comprehensive damages model was

1 created. These documents and the analysis informed the negotiations between counsel aided by
2 Mediator Rizzo.

3 13. On November 10, 2025, Plaintiff submitted an amended PAGA letter to the LWDA
4 to further clarify the scope of the group that he would seek to represent. On November 17, 2025,
5 Plaintiff filed a consolidated PAGA complaint in the Gusmer Action which effectively consolidated
6 the Gusmer Action and GXO Action, added GXO as a named defendant in the Actions and added
7 additional facts and theories which were investigated in connection with mediation. The consolidated
8 Complaint is the operative complaint in the Actions (the “Operative Complaint.”).

9 **SETTLEMENT CONSIDERATIONS**

10 **Terms of Settlement and Claims Analysis**

11 14. Based upon my experience and after factoring in the risks explained in my co-counsels’
12 declarations, I believe that the proposed Settlement is fair and reasonable. As such and for the reasons
13 set forth below, I believe that the Settlement should be approved.

14 15. This experience helps assess the reasonableness of settlements such as the one at issue
15 here. I have performed substantial work and diligently investigated and prosecuted this case to a
16 successful conclusion. Based on my years of experience representing plaintiffs in wage and hour
17 cases, including PAGA representative and class actions, the Settlement herein is fair, adequate, and
18 reasonable under the facts and law applicable to this case.

19 16. The following chart reflects the estimated payments from the Settlement Agreement:

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	Amount
<i>Gross Settlement Amount</i>	\$170,000.00
PAGA Counsel Fees Payment	\$56,666.67
PAGA Counsel Litigation Expenses Payment	\$9,147.27 (request)
Administration Expenses Payment	\$6,850.00
Plaintiffs’ Service Awards	\$5,000.00
<i>PAGA Penalties</i>	\$92,336.06
75% to the LWDA	\$69,252.04
25% to Aggrieved Employees	\$23,084.02

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27 17. As such, the LWDA will receive approximately \$69,252.04 (75 percent of the PAGA
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1 Penalties) and the Aggrieved Employees will collectively receive approximately \$23,084.02 (25
2 percent of the PAGA Penalties), which will be paid on a pro-rata basis according to the number of
3 pay periods worked during the PAGA Period (“PAGA Pay Periods”).

4 18. Based on a review of its records to date, Defendants estimate there are 691 Aggrieved
5 Employees. Defendants estimate that the Volt/Gusmer PAGA Group worked a total of 1,280 PAGA
6 Pay Periods during the Volt/Gusmer PAGA Period and the Volt/GXO PAGA Group worked 4,832
7 PAGA Pay Periods during the Volt/GXO PAGA Period, for a total of 6,112 PAGA Pay Periods.
8 Defendants have represented that the escalator provision has not been triggered.

9 19. In evaluating the fairness and reasonableness of this proposed Settlement, I had to
10 consider both the potential maximum and Defendants’ various defenses. This is significant because
11 in a PAGA action, the Court has the same discretion “to assess a civil penalty” that the Labor
12 Commissioner would have, as well as complete discretion to “award a lesser amount than the
13 maximum civil penalty amount specified [by PAGA] if, based on the facts and circumstances of the
14 particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or
15 confiscatory.” Lab. Code § 2699(e)(2). Such considerations include Defendants’ defenses to the
16 alleged claims. In the end, Defendants urged that the trial court would exercise its discretion to
17 substantially reduce any PAGA Penalties if it were to find Defendants liable for any of Plaintiffs’
18 claims. As a result, PAGA Counsel made appropriate discounts for the associated risks.

19 20. Plaintiff alleged that Defendants engaged in a systematic pattern of wage and hour
20 violations, including: (1) failure to pay minimum wages and overtime, resulting from Defendants’
21 time-clock policy that required employees to wait in line to clock in at the start of shifts and after
22 meal breaks, causing off-the-clock work; (2) failure to properly calculate the regular rate of pay by
23 excluding non-discretionary bonuses when computing overtime and meal period premium pay; (3)
24 failure to provide compliant 30-minute meal periods, as employees were forced to shorten their
25 breaks in order to clock back in and report to their workstations on time; (4) failure to timely pay all
26 wages due upon separation from employment; (5) unlawful wage deductions arising from
27 Defendants’ practice of issuing wages via pay cards that subjected employees to unauthorized ATM
28 fees and charges, in violation of Labor Code sections 212 and 221; (6) failure to reimburse employees

1 for necessary business expenses, including personal protective equipment such as work gloves and
2 N95 masks; and (7) failure to provide accurate, itemized wage statements reflecting all hours worked,
3 applicable pay rates, deductions, and premium pay owed.

4 21. Plaintiff estimated that Defendants' maximum potential penalty exposure was
5 approximately \$4.278 million, based on approximately 6,112 PAGA Pay Periods and the statutory
6 \$100 per-pay-period penalty for any alleged violation (7 violations at 100% violation rate).

7 22. Plaintiff based this estimate on civil penalties available under Labor Code §
8 2699(f)(2), which generally provides \$100 for an initial violation and \$200 for each subsequent
9 violation, per aggrieved employee, per pay period. *Amaral v. Cintas Corp.* (2008) 163 Cal.App.4th
10 1157. While Plaintiff initially asserted that Defendants' notice of the alleged violations through the
11 PAGA Notice Letters justified applying the \$200 rate for each pay period after the notices were
12 served, Plaintiff acknowledges that some courts have held that the \$200 "subsequent violation" rate
13 applies only after an employer has been put on notice of a violation by a court or commission, not
14 merely by the PAGA letter. (See, e.g., *Amalgamated Transit Union Local 1309 v. Laidlaw Transit*
15 *Servs.*, 2009 U.S. Dist. LEXIS 69842, *26 (C.D. Cal.).) At all times, Defendants maintained that the
16 higher \$200 rate does not apply and that only the \$100 rate is available.

17 23. This maximum amount does not take into account the various risks and potential
18 defenses to the claims herein, and does not take into account differences in violation rates.
19 Defendants denied liability on every claim and asserted various defenses that created significant
20 litigation risks. Defendants argued that employees were properly compensated for all hours worked,
21 that any alleged violations resulted from employee voluntary choice rather than company policy, and
22 that employees were provided with multiple opportunities to advise the company of any issues with
23 their pay, meal periods, or rest periods. Defendants further contended that employees were trained
24 to record all hours worked and to take all lawful meal and rest breaks, and that their timekeeping
25 policies and wage payment practices were at all times fully compliant with California law.
26 Defendants also argued that individualized inquiries would be required to adjudicate each alleged
27 violation, rendering representative treatment improper. Additionally, Defendants contended that
28 courts have wide latitude to reduce civil penalties "based on the facts and circumstances of a
particular case" to avoid awards that are "unjust, arbitrary and oppressive, or confiscatory." (Cal.

1 Lab. Code § 2699(e)(2).) Plaintiff evaluated each claim as follows:

2 a. **Minimum Wage and Off-the-Clock Claims** (Labor Code §§ 204, 210, 216, 225.5, 1174,
3 1175, 1182.12, 1194, 1194.2, 1197, 1197.1, and 1198): Plaintiff alleged that Defendant
4 failed to properly pay least minimum wage for each hour worked, as there were limited
5 time clocks at the employee work site, and employees frequently had to wait in line for
6 other employees to clock in at the beginning of shifts and the end of meal breaks, before
7 they could themselves clock in. Employees were required to report to their workstations
8 on time so as to avoid reprimand, and therefore had to arrive to their shifts early and leave
9 their meal breaks early in order to report to their station on-time. As a result, employees
10 were not paid for all hours worked. Additionally, Defendant issued payment for wages
11 to its employees, like Plaintiff, in the form of a pay card. Plaintiff and the Aggrieved
12 Employees who were paid with a pay card incurred fees associated with its use and
13 withdrawal of the funds of around \$1.50 per transaction when using the pay card at ATMs.
14 As a result, Plaintiff and the Aggrieved Employees who were issued pay cards were paid
15 less than all wages earned. Defendants contended that their pay card policies were legally
16 compliant and that it was not necessary for employees to incur fees to access the funds.
17 To the extent fees were incurred, it was based upon personal choice. Defendants
18 contended that their policies expressly prohibit off-the-clock work, that employees were
19 trained to record all hours worked, and that employees were in fact compensated for all
20 hours worked. Defendants further argued that any alleged off-the-clock work would not
21 appear in time records, making it virtually impossible to identify such instances without
22 conducting individualized inquiries that are inappropriate for representative treatment.
23 Defendants also argued that, to establish a failure to pay all hours worked, Plaintiff would
24 need to prove that Defendants had actual or constructive knowledge that employees were
25 performing uncompensated work, and that any such instances were isolated rather than
26 the product of a systematic policy. Defendants further argued that the majority of the
27 code sections cited in connection with this claim were not violated per se and thus
28 triggered no PAGA penalty, and that stacking penalties for the same underlying conduct
would be improper and excessive. Based on the defenses raised, potential issues of proof,

1 anticipated violation rates, and the likelihood of prevailing, Plaintiff estimated realistic
2 exposure for penalties on the minimum wage and off-the-clocks claims was **\$305,600**
3 (6,112 pay periods × \$100 per pay period × .50 based on applicable discount factors).

- 4 b. **Overtime Claims—Failure to Properly Calculate the Regular Rate of Pay** (Labor
5 Code §§ 510, 558, 1194, and 1198): In addition to off-the-clock overtime theories,
6 Plaintiff alleged that Defendants systematically failed to include non-discretionary
7 bonuses when computing the regular rate of pay used to calculate overtime premiums and
8 meal period premium pay. As a result, Plaintiff contended that Defendants' overtime
9 payments were chronically understated whenever an Aggrieved Employee received a
10 bonus during a pay period that also included overtime hours. Defendants denied that any
11 non-discretionary bonuses were excluded from the regular rate, contending that all wages
12 were properly paid and that any bonus payments made were purely discretionary in nature
13 and therefore lawfully excluded from the regular rate calculation. See Cal. Lab. Code §
14 510; *Alvarado v. Dart Container Corp. of Cal.*, 4 Cal. 5th 542 (2018). Defendants further
15 argued that identifying which employees received qualifying bonuses during overtime
16 pay periods would require individualized analysis of each employee's compensation
17 history, rendering this theory unsuitable for representative adjudication. Defendants also
18 argued that many of the code sections cited in connection with this claim were not
19 independently violated so as to trigger a separate PAGA penalty, and that stacking
20 penalties for the same pay period on multiple overtime theories would be improper. An
21 analysis of the data produced by Defendants shows approximately 85% of pay periods
22 qualified for overtime hours and approximately 1.2% of pay periods worked by the
23 Aggrieved Employees have non-discretionary bonus payments that were not incorporated
24 into the regular rate for payment of overtime. Given the complexity of proving the regular
25 rate theory, the need for individualized analysis of bonus payment history, and
26 Defendants' substantial defenses, Plaintiff estimated the realistic exposure for the
27 overtime claim at **\$7,334.40** (6,112 pay periods × \$100 per pay period × .012).
28 c. **Meal Period Claims (Labor Code § 512):** Plaintiff alleged that Defendants failed to
provide compliant 30-minute meal periods because employees were forced to shorten

1 their breaks in order to wait in line to clock back in and report to their workstations on
2 time—a direct consequence of Defendants' time-clock policy. Analysis of the time and
3 pay records shows that approximately 11% of meal periods were recorded as exactly 30
4 minutes or were less than 30 minutes, with no corresponding meal period premium paid.
5 Plaintiff's pay records also reveal systematic underpayment of meal period premiums, as
6 a result of aforementioned off-the-clock work related to waiting in line to clock-in, and
7 also as a result of Defendants' failure to properly calculate the regular rate of pay by not
8 including non-discretionary compensation into the regular rate. Approximately 0.7% of
9 pay periods worked by the Aggrieved Employees have non-discretionary bonus payments
10 that were not incorporated into the regular rate for payment of meal period premiums, and
11 an additional 10% of recorded meal periods were missed or late with no corresponding
12 premium payment. Defendants challenged the alleged systematic nature of the violations,
13 arguing that any meal period issues were isolated incidents based on individual employee
14 circumstances rather than company-wide policy failures. Defendants argued that their
15 written meal period policies complied with the law, that employees were authorized and
16 permitted to take their full 30-minute meal periods, and that any failure to do so was the
17 product of individual choice rather than company compulsion. Defendants further argued
18 that proof of this claim would require declarations from Aggrieved Employees and that
19 such declarations would likely reveal that each employee had a different experience with
20 respect to meal periods, precluding representative adjudication. At trial, Defendants
21 would have asserted that they were not required to "guarantee" or "ensure" that employees
22 actually take their meal periods in every instance. *See Brinker Restaurant Corp. v.*
23 *Superior Court*, 53 Cal. 4th 1004, 1040 (2012) (employers are "not obligated to police
24 meal breaks and ensure no work thereafter is performed"). Defendants would have
25 maintained that their legal obligation is satisfied so long as they relieve employees of all
26 duties, relinquish control over employee activities, provide a reasonable opportunity to
27 take an uninterrupted 30-minute break, and do not impede or discourage employees from
28 taking such breaks. *Id.* They would also have argued that "to assert a meal break claim,
the employee must show that he was forced to forgo his meal breaks as opposed to merely

1 showing that he did not take them." *Nguyen v. Baxter Healthcare Corp.*, No. 8:10-CV-
2 01436-CJC, 2011 WL 6018284, at *5 (C.D. Cal. Nov. 28, 2011) (emphasis in original);
3 *see also Brinker*, 53 Cal. 4th at 1034. Based on the defenses raised, potential issues of
4 proof, and the likelihood of prevailing, Plaintiff estimated that the reasonable realistic
5 exposure for the meal period claim was **\$61,120** (6,112 pay periods × \$100 per pay period
6 × 20% violation rate × .50 based on applicable discount factors).

7 d. **Wage Statement Claims** (Labor Code §§ 226 and 226.3): Based on the foregoing
8 allegations, Plaintiff alleged that Defendants issued inaccurate itemized wage statements
9 because they failed to accurately reflect all hours worked (including uncompensated off-
10 the-clock time), failed to accurately state the total hours worked per pay period, failed to
11 identify all deductions (because of the pay card structure) and failed to include the correct
12 regular rates and premium pay owed. Defendants argued that the wage statement claims
13 require a showing of a "knowing and intentional" failure to comply with the itemization
14 requirements, and invoked the "good faith dispute" defense recognized in *Naranjo v.*
15 *Spectrum Security Services, Inc.*, 88 Cal. App. 5th 937 (2023), which held that an
16 employer cannot be held liable for wage statement penalties where there is a good faith
17 dispute over whether wages are owed. Defendants contended that they consistently acted
18 in good faith and believed that all employees were paid correctly and that all wage
19 statements accurately reflected the compensation due. Defendants also argued that this
20 claim is wholly derivative of the underlying wage claims and would fail along with them.
21 Defendants further argued that the increased penalty provisions in 226.3 were not
22 applicable under the circumstances because, among other things, Defendants did provide
23 wage statements to employees. Based on the defenses raised, the derivative nature of the
24 claim, potential issues of proof, and the likelihood of prevailing, Plaintiff estimated that
25 the reasonable realistic exposure for this claim was **\$61,120** (6,112 pay periods × \$100
per pay period × .10 based on applicable discount factors).

26 e. **Timeliness of Final Pay Claims** (Labor Code §§ 201-203): Plaintiff alleged that
27 Defendants are liable for statutory civil penalties under PAGA for violating Labor Code
28 sections 201 and 202 by failing to timely pay all earned wages upon separation from

1 employment, including wages for off-the-clock time, premiums, and regular rate
2 shortfalls that were not reflected in employees' final paychecks. Defendants argued that
3 Plaintiff's final pay claim would fail to the extent it was wholly derivative in nature,
4 depending entirely on the validity of the underlying wage claims—which Defendants
5 contended lacked merit. Plaintiff asserted that he did not receive his final pay on the day
6 of his termination from his assignments at GXO or Gusmer. Instead, he received those
7 payments approximately 3 days late via a pay card on his regularly scheduled pay dates.
8 He was not paid for the days he had to wait for his final pay. Defendants argued that
9 because his assignments had ended and he was not terminated from employment, there
10 was no violation of the law by not paying all wages at the end of the assignment.
11 Defendants further argued that waiting time penalties under Labor Code section 203
12 require a "willful" failure to pay final wages, and that to the extent there was any
13 discrepancy in any employee's final paycheck, it was the product of an honest dispute
14 over wages owed rather than willful misconduct. Defendants additionally argued that any
15 delay in final wages, to the extent it existed (which they denied), was an individualized
16 issue that varied by employee and was not indicative of any common practice or policy.
17 Based on the defenses raised, the derivative nature of the claim, potential issues of proof,
18 and the likelihood of prevailing, Plaintiff estimated that the reasonable realistic exposure
19 for this claim was **\$13,820** (691 aggrieved employees with 691 pay periods × \$100 per
20 pay period × .20 based on applicable discount factors).

- 21 f. **Unlawful Wage Deduction Claims** (Labor Code §§ 212 and 221): Plaintiff alleged that
22 Defendants' practice of issuing wages via pay cards subjected Aggrieved Employees to
23 unauthorized ATM withdrawal fees and account maintenance charges that constituted
24 unlawful deductions from earned wages in violation of Labor Code sections 212 and 221.
25 Plaintiff contended that Defendants bore responsibility for these charges because
26 employees were effectively compelled to incur fees to access their wages if they lacked a
27 personal bank account or access to a fee-free ATM. Defendants denied that the pay card
28 program constituted an unlawful deduction, asserting that employees had adequate access
to their wages without incurring fees through in-network ATMs and direct deposit

alternatives, and that the program was fully compliant with applicable law and applicable requirements for the payment of wages. Defendants further argued that determining which employees were affected by ATM fees, the specific amounts involved, and the circumstances under which those fees were incurred would require highly individualized inquiry inappropriate for representative treatment. Defendants also argued against stacking and the application of a penalty for both failure to pay wages and unlawful deductions based upon the same conduct. Based on the defenses raised, the derivative nature of the claim, potential issues of proof, and the likelihood of prevailing, Plaintiff estimated that the reasonable realistic exposure for this claim was **\$61,120** (6,112 pay periods $\times$ \$100 per pay period $\times$.1 based on applicable discount factors).

- g. **Business Expense Reimbursement Claims** (Labor Code § 2802): Plaintiff alleged that Defendants failed to reimburse Aggrieved Employees for necessary business expenses incurred in the discharge of their duties, including the cost of personal protective equipment such as work gloves and N95 masks that employees were required to purchase and use in connection with their work at Gusmer's facilities. Defendants denied that employees were required to supply their own PPE, contending that all equipment necessary for performance of job duties was provided by Defendants at no cost to employees. Defendants further argued that even if some employees purchased their own equipment on occasion, proof of this claim would require individualized inquiry into each employee's specific circumstances—including whether the purchase was required or voluntary, the specific items purchased, and the amount incurred—rendering the claim unsuitable for representative adjudication. Defendants also argued that the amounts at issue were de minimis and would not support meaningful PAGA penalties. Based on the defenses raised, the derivative nature of the claim, potential issues of proof, and the likelihood of prevailing, Plaintiff estimated that the reasonable realistic exposure for this claim was **\$76,400** (1,528 pay periods $\times$ \$100 per pay period $\times$.5 based on applicable discount factors).

24. Moreover, Defendants argued that, even if violations occurred, the Court has discretion under Labor Code § 2699(e)(2) to significantly reduce any penalties “based on the facts

1 and circumstances of the particular case,” including where an award might otherwise be “unjust,
2 arbitrary and oppressive, or confiscatory.” Defendants further assert that any violations were
3 unintentional, isolated, or de minimis and that any penalties should be mitigated due to the absence
4 of “willfulness” or based on their good-faith compliance efforts. They also argued that stacking
5 penalties for multiple derivative violations (e.g., wage statements and final pay) would be improper
6 and excessive.

7 25. Taking into account all of the foregoing factors, risks, and defenses on a claim-by-
8 claim basis, Plaintiff estimated that the realistic civil penalty exposure on the primary wage and hour
9 claims was approximately \$586,514.40. This figure reflects a conservative estimate assuming that at
10 least one qualifying violation could be proven for each of the 6,112 PAGA Pay Periods.

11 26. The gross settlement of \$170,000—which includes a PAGA penalty fund of
12 approximately \$92,336.06—represents approximately 29% of the estimated realistic maximum civil
13 penalty exposure. This result is reasonable given the disputed liability, the significant litigation risks,
14 the complexity of the representative claims, the discounts applied to each claim, and the certainty of
15 recovery provided by settlement. The settlement provides immediate benefits to the State of
16 California and the Aggrieved Employees while avoiding the substantial costs, delays, and risks
17 inherent in continued litigation through trial and potential appeal. Considering the foregoing issues,
18 defenses, and the risks inherent in this litigation, the \$170,000 settlement is a fair and just result that
19 advances PAGA's remedial objectives and is not "unjust, arbitrary, and oppressive." The settlement
20 rewards the Aggrieved Employees and the State for meritorious claims while appropriately
21 accounting for the litigation uncertainty that attended each disputed issue.

22 27. Based on my experience in employment litigation and PAGA representative actions,
23 and my review of the claims, defenses, and evidence developed in this case, it is my professional
24 opinion that the proposed settlement is fair, adequate, and reasonable. The settlement provides
25 meaningful benefits to the state enforcement agency and the aggrieved employees while resolving
26 complex, contested litigation that carried substantial risks on both sides. The settlement serves the
27 remedial purposes of PAGA by penalizing the Defendants for Labor Code violations and returning
28 meaningful funds to the State and Aggrieved Employees, while avoiding the uncertainty and expense
of continued litigation. Given the vigorously contested nature of the claims, the significant defenses

1 available to Defendants, the individualized proof problems inherent in several of the theories
2 advanced, and the uncertainty inherent in any representative litigation, the settlement represents a
3 fair and reasonable result for the State and the Aggrieved Employees. It advances the goals of PAGA
4 and is neither unjust, arbitrary, nor excessive. Accordingly, the Settlement is a fair and reasonable
5 resolution of the disputed claims and warrants the Court's approval.

6 **THE REQUEST SERVICE AWARD TO PLAINTIFF IS FAIR AND REASONABLE**

7 28. Plaintiff respectfully requests that the Court approve a \$5,000 Service Award to
8 named Plaintiff in recognition of his time, effort, and commitment in prosecuting this Action on
9 behalf of the State of California and Aggrieved Employees. The award is reasonable given Plaintiff's
10 active role in the case, including assisting counsel in preparing pleadings and declarations,
11 participating in discovery and arbitration-related proceedings, attending status conferences,
12 reviewing Defendants' policy documents and payroll data, assisting during mediation, and providing
13 input throughout the settlement negotiations.

14 29. Considering Plaintiff's meaningful contributions to this matter and the strong result
15 obtained on behalf of the State and Aggrieved Employees, the requested \$5,000 in total Service
16 Awards is fair, reasonable, and appropriate. Accordingly, Plaintiff respectfully requests that the
17 Court approve the award as part of the overall settlement.

18 **THE REQUESTED ATTORNEYS' FEES AND LITIGATION COSTS ARE FAIR AND**
19 **REASONABLE**

20 30. For their efforts and the risk they undertook in obtaining a common fund settlement
21 that benefits the LWDA and Aggrieved Employees, the Parties allocated \$56,666.67 to PAGA
22 Counsel for reasonable attorneys' fees, which is one-third of the Gross Settlement Amount.
23 Additionally, the Parties agreed to reimburse PAGA Counsel for their actual litigation costs. These
24 fees are warranted under the law and within the range of fees commonly awarded in similar cases.

25 **PAGA Counsel's Experience**

26 31. Our firm has a great deal of experience in wage and hour class action and
27 representative action litigation raising the same types of claims as those asserted here.
28

1 32. In 1993, I graduated from the University of California, Los Angeles with a Bachelor
2 of Arts Degree. Following graduation, I attended Whittier Law School. In 1996, while a full-time
3 law student, I was also a full-time Judicial Extern for the Honorable Consuelo B. Marshall, United
4 States District Court, Central District. After approximately five months of service for Judge
5 Marshall, I became a full-time extern for the United States Attorney's Office, Central District of
6 California. My externship lasted for approximately five months. Thereafter, in 1997, I graduated
7 from Whittier Law School. The same year, I was admitted to practice law in the State of California.

8 33. From 1997-2007, I was a named partner at Hawkins & Sofonio, a law firm based out
9 of Irvine, California. At Hawkins & Sofonio, I pioneered the employment department litigating
10 plaintiff related employment issues such as: Wrongful Termination, Age Discrimination, Disability,
11 Wage and Hour and Sexual Harassment claims. Through the success and experience I obtained
12 litigating employment related matters, I commenced the Wage and Hour division of our employment
13 department in 2002. Since then, I have spent the vast majority of my practice litigating wage and
14 hour class actions.

15 34. In 2007, I incorporated my wage and hour class action practice as James Hawkins
16 APLC. Since its inception, this law firm has been exclusively involved in class action and complex
17 litigation. In 2009, I opened an additional office in Miami, Florida, prosecuting wage and hour class
18 actions. I have been lead or co-lead counsel in all of the cases listed below.

19 35. I have a great deal of experience in wage and hour class action litigation. I have been
20 certified and approved as class and/or PAGA counsel in many other wage/hour actions, and I am
21 currently litigating numerous others before this Court and others. Although not an all-inclusive list,
22 over the years I have prosecuted the following class action/representative action matters as lead
23 and/or co-lead counsel, all of which implicated similar law and facts to those associated with this
24 Action:

- 25 ○ ***Mojica v. Compass Group, Inc., et. al.*** USDC Central District, Case No. 8:13-cv-
26 01754.
- 27 ○ ***Dao v. 3M Company, et al.*** USDC, CENTRAL DISTRICT, Case No. CV-08-
28 04554.

- **Ortiz v. Kmart**, USDC, CENTRAL DISTRICT, Case No. SACV 06-638 ODW.
- **Morgan v. Aramark Campus, LLC**, USDC, CENTRAL DISTRICT, Case No. SACV08-00412.
- **West v Iron Mountain Information Management, Inc, et. al.**; Los Angeles County Superior Court, Case No. BC393709.
- **Gonzalez v. Superior Industries International, Inc., et al.**, Los Angeles County Superior Court, Case No. BC 357912.
- **Acosta v. Fleetwood Travel Trailers of California, Inc., et al.**, Riverside County Superior Court, Case No. RIC 440630.
- **Walker v. Sharkeez, et al.**, Orange County Superior Court, Case No. 05CC00293.
- **Padron v. Universal Protection Service, et al**, Orange County Superior Court, Case No. 05CC00013.
- **Martinez v. Securitas Security Services USA, et al.**, Santa Clara Superior Court, Case No. 105-CV047499, et al. J.C.C.P. No. 4460.
- **Velasquez-Lopez v. Hotel Cleaning Services, Inc. et al.**, Riverside Superior Court, Case No. RIC 420909.
- **Ruiz, et al. v. Unisourse Worldwide, Inc., et al.**, USDC, CENTRAL DISTRICT, Case No. CV09-05848.
- **Herrador v. Culligan International Company, et al.**, USDC, CENTRAL DISTRICT, Case No. SACV 08-680.
- **Defries v. Domain Restaurants, et al.**, Orange County Superior Court, Case No. 05CC00128.
- **Denton v. BLB Enterprises, Inc., et al.**, Orange County Superior Court, Case No. 07CC01292.
- **Rios v. Sandberg Furniture Manufacturing Co., Inc, et al.**, Los Angeles Superior Court, Case No. BC411477.
- **McMurray v. Dave and Busters, Inc., et al.**, Orange County Superior Court, Case No. 06CC00099.

- ***Osuna v. DFG Restaurants, Inc., et al.***, Los Angeles Superior Court, Case No. BC 330145.
- ***Burns v. Gymboree Operations, Inc., et al.***, San Francisco Superior Court, Case No. CGC-07-461612.
- ***Willems v. Diedrich Coffee, Inc., et al.***, Orange County Superior Court, Case No. 07CC00015.
- ***Davila, et al. v. Beckman Coulter, Inc., et al.***, Orange County Superior Court, Case No. 07CC01347.
- ***Perez v. Naked Juice Company of Glendora, Inc.***, Los Angeles Superior Court, Case No. BC387088.
- ***Coordination Proceeding Special Title [Rule 1550(b)] Wackenhut Wage and Hour Cases***, Los Angeles Superior Court, Case No. JCCP 4545.
- ***Placencia v. Amcor Packaging Distribution, Inc.***, Orange County Superior Court, Case No. 30-2013-00694012-CU-OE-CXC.
- ***Trani v. Lisi Aerospace, et al.***, Los Angeles Superior Court, Case No. BC495527.
- ***Galvan v. Goodwin Co.***, Orange County Superior Court, Case No. 30-2013-00637062-CU-OE-CXC.
- ***Reyes v. Bristol Fiberlite***, Orange County Superior Court, Case No. 30-2013-00653425-CU-OE-CXC.
- ***Gutierrez v. HMT Tank, USDC Central Dist.***, Case No. CV14-1967-CAS(MAN)
- ***Williams v. Il Fornaio America Corp.***, Sacramento County, Case No. 34-2011-0009616.
- ***Aguilar v. 7-Eleven, Inc.***, Orange County, Case No. 30-2009-002687141-CU-OE-CXC.
- ***Madrigal v. Huntington Beach Market Broiler, Inc.***, Orange County, Case No. 30-2012-00611260.
- ***Vang v. Jazz Semiconductor, Inc.***, Orange County, Case no. 30-2011-00460278.
- ***Vigueras v. Red Robin International, Inc.***, USDC Central Dist. Case No. SACV 17-

1422 JVS (DFMx);

- **Smith v. Space Exploration Technologies Corp.**, Los Angeles Superior Court, Case No. BC55429;
- **Cano v. Financial Statement Services, Inc.**, Orange County Superior Court, Case No. 30-2013-00653349-CU-OE-CXC;
- **Mendez v. Liberty Glass Fabricators, Inc.**, Riverside County Superior Court Case No. RIC1800119;
- **Attia v. Neiman Marcus Group, Inc.**, United States District Court for the Central District of California Case No. 8:16-cv-001504-DOC-FFM;
- **O'Brien, et al. v. Cerida Investment Corp.**, Santa Clara Superior Court Case No. 21CV384527;
- **Gonzalez v. Quality Aluminum Forge, LLC**, Orange County Superior Court Case No. 30-2015-00817941;
- **Shay v. Apple, Inc.**, United States District Court for the Southern District of California Case No. 3:20-cv-1629-JO-BLM;
- **Milligan v. CWI, Inc.**, San Bernardino Superior Court Case No. CIVDS 2013999;
- **Aguilar v. LDI Mechanical, Inc.**, Riverside County Case No. RIC1610019;
- **Abron v. University Healthcare Alliance**, Alameda County Superior Court Case No. RG20066438;
- **Benson v. F21 Opco, LLC**, San Diego Superior Court Case No. 37-2021,00024619-CU-OE-CTL;
- **Allen v. Creative Stone Mfg., Inc.**, San Bernardino County Superior Court Case No. CIVSB2201498;
- **Santamaria v. Bright Horizons Children's Center**, San Bernardino County Superior Court Case No. CIVSB2210140;
- **Yniguez v. Airgas USA, LLC**, Los Angeles County Superior Court Case No. 20STCV18190;

- ***Cervantez v. Genuine Parts Company***, Los Angeles County Superior Court Case No. 22STCV00981;
- ***Robles v. Jetro Holdings, LLC***, San Diego Superior Court Case No. 37-2021-00015414-CU-OE-CTL;
- ***Hernandez v. Euromarket Designs, Inc.***, Santa Clara County Superior Court Case No. 20CV3770922;
- ***Ayala v. Veg-Land, et al.***, Orange County Superior Court Case No. 30-2014-00738775-CU-OE-CXC;
- ***Puente v. Sully-Miller Contracting Co.***, Orange County Superior Court Case No. 30-2015-00792088-CU-OE-CXC;
- ***Garcia v. Revolution Foods, Inc.***, Los Angeles Superior Court Case No. BC579142;
- ***Attaway, et al. v. Alliance Residential, LLC***, Santa Clara County Superior Court Case No. 20CV365134;
- ***Bowman v. Delta Dental of California***, Alameda County Superior Court Case No. RG21108230;
- ***Hernandez v. Burrtec Waste & Recycling Services, LLC***, United States District Court for the Central District of California Case No. 5:21-CV-001490-JWH-SP;
- ***Grant v. T-Mobile USA, Inc.***, United States District Court for the Central District of California Case No. 2:21-CV-02268;
- ***Dawson v. Wonderful Pistachios and Almonds, LLC***, Kern County Superior Court Case No. BCV-17-100848;
- ***Hamilton, et al. v. Michael Kors Stores (California), Inc.***, Los Angeles County Superior Court Case NO. 19STCV37061;
- ***Ross v. Stater Bros.***, San Bernardino Superior Court Case No. CIVDS1902518;
- ***Walker v. Barrett Business Services, Inc., et al.***, Los Angeles County Superior Court Case No. 20STCV39172;
- ***Benitez, et al. v. Medtronic, Inc., et al.***, Orange County Superior Court Case No. 30-2019-01069185-CU-OE-CXC;

- **Montgomery v. Copart, Inc.**, Sacramento County Superior Court Case No. 34-2020-00280733-CU-OE-GDS;
- **Vizcarra-McNamee v. Nordstrom, Inc.**, Orange County Superior Court Case No. 30-2020-01141916-CU-OE-CXC;
- **Ayers v. Cherry Hill Programs, Inc.**, Fresno County Superior Court Case No. 20CECG00821;
- **Sleeper v. Boot Barn, Inc.**, Sacramento County Superior Court Case No. 34-2019-00272000-CU-OE-GDS;
- **Pulido-Dias v. Dirt Cheap, Inc.**, San Bernardino County Superior Court Case No. CIVDS1719694;
- **Villanueva v. Nordstrom, Inc.**, San Bernardino County Superior Court Case No. CIVDS1918706;
- **Bryson v. Madame Tussauds, et al.**, Los Angeles County Superior Court Case No. 19STCV33514
- **Hightower v. Levy Premium, et al.**, Santa Clara County Superior Court Case No. 19CV359262;
- **Marquez v. Maxim Crane Works, L.P., et al**, Los Angeles County Superior Court Case No. 19STCV39548;
- **Rovira v. Silverado Senior Living Management, Inc.**, Orange County Superior Court Case No. 30-2020-01136565-CU-OE-CXC;
- **Hallum, et al. v. FCA US, LLC**, San Bernardino County Case No. CIVDS1936782;
- **Martinez v. Placer Title Co., et al.**, Kern County Case No. BCV-19-103486;
- **Torres v. Van Law Food Products, Inc.**, Orange County Case No. 37-2017-00946312-CU-OE-CXC;
- **Holmes v. Pet Food Express, LLC**, Alameda County Case No. 22CV014140;
- **Ventura v. Conduent Commercial Solutions, LLC**, Kern County Case No. BCV-22-102043;

- **Ramirez v. CSI Electrical Contractors, Inc.**, Fresno County Superior Court Case No. 18CECG04150;
- **Magana v. Eibach Springs, Inc.**, Riverside County Superior Court Case No. RIC1708917;
- **Knox v. Express Messenger Systems, Inc.**, San Bernardino County Superior Court Case No. CIVDS1932323;
- **Corona, et al. v. G&M Oil Company, Inc.**, Los Angeles County Superior Court Case No. BC640876
- **Aguilar v. Peach Home Services, Inc., et al.**, Riverside County Superior Court Case No. RIC1823057;
- **Wilson v. M.C. LLC**, Orange County Superior Court Case No. 30-2019-01103382-CU-OE-CXC.
- **Nunez v. Nevell Group, Inc.**, Orange County Superior Court Case No. 30-2015-00783269.
- **Bendorf, et al. v. Sea World LLC, et al.**, San Diego Superior Court Case No. 37-2021-00034922-CU-OE-CTL;
- **DeMartini, et al. v. Safelite Fulfillment, Inc.**, Marin County Case No. CIV20002076;
- **Ayala, et al., v. Macy's West Stores, Inc.**, Los Angeles County Case No. 20STCV34182;
- **Wallen, et al. v. United Rentals (North America), Inc., et al.**, Stanislaus County Case No. CV-22-000399;
- **Granados v. Hyatt Corporation**, United States District Court for the Southern District of California Case No. 3:23-cv-01001-H-VET;
- **Vigil v. Hyatt Corporation**, United States District Court for the Northern District of California Case No. 4:22-cv-00693;
- **Garcia v. U.S. Best Ingredients, Inc.**, Los Angeles Superior Court Case No. 21TRCV00813.

1 36. In sum, my firm has been the lead or co-lead counsel in hundreds of cases since its
2 inception. We have recovered hundreds of millions of dollars for employees in the State of California
3 and millions for the State as well through PAGA.

4 37. Our firm has served as class counsel in a number of significant wage and hour
5 settlements. Of particular note, in 2019, our firm was co-lead counsel in securing the largest wage
6 and hour class action settlement in California history at \$130,000,000. During that case, the
7 plaintiff's appealed a decertification order. This case involved several appeals. The appellate record
8 amassed an extensive appellate record comprising a 23-volume joint appendix, a three-volume
9 reporters' transcript, five briefs, four letter briefs, two motions for judicial notice, a motion to augment
10 the record, and several additional letters informing the appellate court of new legal authority issued
11 after *Dukes*. The matter was argued to and submitted by the Court of Appeal on September 15, 2016,
12 and on November 21, 2016, the decertification order was reversed, and the case was remanded for
13 further proceedings. (*Lubin v. The Wackenhut Corporation* ("Lubin"), 5 Cal. App. 5th 960 (2016)).
14 Wackenhut filed a petition for review of the Court of Appeal decision to the California Supreme
15 Court. The Supreme Court denied Wackenhut's petition for review of *Lubin*. The Court of Appeal
16 issued remittitur on April 10, 2017. Eventually through more litigation, the parties were able to secure
17 the \$130 million settlement that was approved on October 21, 2019, by Judge Highberger in the Los
18 Angeles Superior Court.

19 38. Additionally, in early 2020, our firm served as lead counsel in a class action jury trial
20 in the Central District of California involving the class and PAGA representative claims of over
21 23,000 employees which were successfully resolved in the midst of trial for \$8,500,000.

22 39. Even more recently, our office along with co-counsel filed an appeal in the 9th Circuit
23 in *Valiente, et. al. vs. Swift Transportation Co. of Arizona*, Case No. 21-55456, challenging the
24 retroactive application of The Motor Vehicle Safety Act, 49 U.S.C. § 31141 preemption of California
25 meal and rest periods laws as applied to commercial drivers.

26 40. As demonstrated by our track record, our firm will aggressively litigate when
27 necessary. We have also settled many high-stakes class and representative actions. Our settlements
28 have directly compensated hundreds of thousands of California workers and consumers. Our actions

1 have also forced employers to modify their policies for the benefit of employees including changing
2 the compensation structure for certain employees and changing practices to ensure that workers will
3 be able to take timely rest and meal breaks. A leader in prosecuting PAGA enforcement actions,
4 Hawkins has secured millions of dollars in civil penalties for the State of California.

5 41. Based on our experience, demonstrated competence, resources to prosecute the claims
6 at issue and reputation among our colleagues in the both the defense and plaintiffs' bar, I respectfully
7 submit our firm's experience in the field of wage and hour cases provides us the ability to prosecute
8 claims swiftly and often times without the need for protracted litigation. Although, as demonstrated
9 in the *Wackenhut* cases, we do not give up fighting for employees when challenged and necessary.

10 **PAGA Counsel's Fees and Costs Request**

11 42. The Settlement Agreement provides for attorneys' fees in the amount of up to one
12 third of the Gross Settlement Amount, which equals \$56,666.67. This fee award is fair and
13 reasonable under the circumstances of this case and is within the range commonly awarded in
14 California representative actions under the common fund doctrine.

15 43. Because most individuals cannot afford to pay for representation in litigation on an
16 hourly basis, James Hawkins APLC represents virtually all its employment law clients on a
17 contingency fee basis, including Plaintiff in this matter. Pursuant to this arrangement, we are not
18 compensated for our time unless we prevail at trial or successfully settle our clients' cases. Because
19 James Hawkins APLC is taking the risk that we will not be reimbursed for our time unless our client
20 settles or wins his or her case, we cannot afford to represent an individual employee on a contingency
21 basis if, at the end of our representation, all we are to receive is our regular hourly rate for services.
22 It is essential that we recover more than our regular hourly rate when we win if we are to remain in
23 practice so as to be able to continue representing other individuals in civil rights employment disputes.

24 44. My office invested significant time and resources into the case, with payment deferred
25 to the end of the case, and then, of course, contingent on the outcome. My office's efforts have
26 included, and will include following preliminary and final approval, without limitation, the following:

- 27 a. Numerous interviews with Plaintiff and reviews of documents provided by him;
- 28

- b. Legal research and investigation regarding Defendants' business and employment practices at numerous points in the litigation;
- c. Preparation and submission of Plaintiff's PAGA notice letter and subsequent amendments;
- d. Preparation, finalization, and filing of multiple drafts of the original PAGA action complaint and subsequent amended complaints;
- e. Extensive meet and confer correspondence and discussions with Defense Counsel regarding arbitration and dismissal of class claims;
- f. Drafting, finalization, and filing of demand for arbitration;
- g. Research and preparation of Plaintiffs' mediation brief;
- h. Analysis of the discovery production and preparation of a damages models;
- i. Attendance and active participation at mediation;
- j. Drafting, negotiating, and reviewing multiple drafts of the Settlement Agreement;
- k. Preparation of the motion for approval and the accompanying filings;
- l. Anticipated preparation for and attendance at the approval hearing;
- m. Anticipated conferring with Defense Counsel and the Administrator regarding the administration;
- n. Anticipated monitoring of the distribution of funds following approval.

45. I am the founding partner at James Hawkins, APLC and have devoted approximately 57.6 hours in prosecuting this case on behalf of Plaintiff, the State and the Aggrieved Group. In 1993, I graduated from the University of California, Los Angeles with a Bachelor of Arts Degree. Following graduation, I attended Whittier Law School. In 1996, while a full-time law student, I was also a full-time Judicial Extern for the Honorable Consuelo B. Marshall, United States District Court, Central District. After approximately five months of service for Judge Marshall, I became a full-time extern for the United States Attorney's Office, Central District of California. My externship lasted for approximately five months. Thereafter, in 1997, I graduated from Whittier Law School. The same year, I was admitted to practice law in the State of California. Since its inception, this law firm has been exclusively involved in class action and complex litigation. In 2009, I opened an additional office in Miami, Florida, prosecuting

1 wage and hour class actions. Since 2002, I have been lead counsel or co-lead counsel in hundreds
2 of wage and hour class actions. My hourly rate is \$1,050.00 per hour. I have expended 57.6 hours
3 in litigating this case. The following is a summary of my tasks and activities in prosecuting this
4 matter: initial emails regarding a potential new client, conducting a new client meeting and intake,
5 reviewing all client documents and conferring with the client regarding additional documents,
6 receiving and returning a call from a potential witness and drafting a memo regarding same,
7 conferring and discussing strategy with Ms. Lucio regarding the new case, corresponding
8 regarding the complaint and filing, reviewing and corresponding regarding the LWDA letter and
9 certification, engaging in strategy discussions regarding the transfer, reviewing and corresponding
10 regarding the joint case management statement and court orders, conferring and discussing
11 strategy regarding the case moving forward, corresponding with and conferring regarding data and
12 damages in connection with mediation, conducting extensive mediation preparation including
13 reviewing the case file, researching PAGA issues, analyzing damages, conferring with regarding
14 the damages model, and preparing for and participating in the mediation, corresponding regarding
15 the PAGA complaint and filing, conferring with Ms. Lucio regarding case status and data,
16 corresponding regarding the arbitration association submission, reviewing and conferring
17 regarding declarations and redlines, reviewing and conferring with Ms. Whitson regarding updated
18 reports and costs, and estimating the time needed for case closure through final accounting and
19 storage. The number of hours I have expended for work performed and the corresponding
20 attorney's fees of approximately \$60,480.00 are reasonable and necessary.

21 46. Christina Lucio is Of Counsel to James Hawkins, APLC and has been the lead day
22 to day attorney on this case. She has devoted in excess of 112.9 hours in prosecuting the Actions.
23 Such hours were reasonable and necessary. Ms. Lucio has 18 years of experience and primarily
24 handled the day-to-day litigation of this matter during the action. Ms. Lucio graduated from the
25 University of California, Riverside in 2003 and received her law degree from the University of
26 Southern California in 2007. She has been a member of the State Bar of California since 2007. Her
27 practice focuses primarily on employment law including wrongful termination, discrimination,
28 retaliation, wage and hour violations (individual and class action), and sexual harassment claims.
In recent years, a substantial part of her practice has been focused on class actions, including wage

1 and hour litigation. Ms. Lucio's hourly rate is currently \$800 per hour. The following is a
2 summary of Ms. Lucio's tasks and activities in prosecuting this matter: day to day case
3 management, reviewing and revising the PAGA complaint and LWDA letter, corresponding with
4 defense counsel regarding service, transfer, and case status, conferring on and revising joint case
5 management statements, reviewing arbitration agreements and stipulations, finalizing arbitration
6 demands, researching and selecting arbitrators, reviewing arbitrator disclosures and conflicts,
7 revising joint scheduling orders, reviewing court and minute orders, corresponding with defense
8 counsel regarding mediation scheduling and production, reviewing informal discovery requests,
9 reviewing and revising the CMC statement, conferring on settlement strategy, preparing for and
10 attending mediation, reviewing and revising the MOU, corresponding regarding settlement terms,
11 reviewing and revising the amended complaint and settlement agreement, drafting and revising the
12 LWDA submission, reviewing administrator bids, corresponding with defense counsel regarding
13 execution and outstanding settlement items, preparing for status conferences, and finalizing
14 settlement agreements and related filings through the conclusion of the matter. The number of
15 hours Ms. Lucio expended for work performed and the corresponding attorney's fees of \$90,320
16 reasonable and necessary.

17 47. Mitchell Murray is Of Counsel to James Hawkins, APLC. Mr. Murray is a 2007
18 graduate of the University of California, San Diego and 2012 graduate of California Western
19 School of Law. He was admitted to the State Bar of California in 2012. He is a member of the
20 Consumers Attorneys of San Diego. He was selected as a "Rising Star" in 2019 by Super Lawyers
21 Magazine. Mr. Murray's legal experience has focused primarily on all areas of employment law.
22 Since 2016, he has focused his practice in the area of wage and hour class action. Mr. Murray has
23 dedicated 17.4 hours in prosecuting this action on behalf of Plaintiff, the State and the Aggrieved
24 Group. Such hours are reasonable and necessary. The following is a summary of Mr. Murray's
25 tasks and activities in prosecuting this matter: conferring regarding mediation preparation,
26 reviewing the mediation brief and damages model, researching settlements in comparable cases,
27 reviewing the case file, conducting mediation preparation conferences regarding claims and
28 strategy, participating in a pre-mediation call with the mediator, attending the full-day mediation
with Kristin Rizzo, reviewing and revising the MOU following the mediation, corresponding

1 regarding the MOU, and reviewing and revising tracked changes to the MOU with further
2 correspondence regarding the same. Mr. Murray's hourly rate is \$725.00 per hour. The number of
3 hours expended by Mr. Murray for work performed and the corresponding attorney's fees of
4 \$12,615.00 are reasonable and necessary.

5 48. Our associate attorneys (Paul Brown and Danielle Piskor) have dedicated in
6 excess of 78.7 hours in prosecuting this action on behalf of Plaintiff, the State and the Aggrieved
7 Group. Our associates' hourly rates are \$450.00 per hour. Mr. Brown was admitted to the bar in
8 November 2021 and Ms. Piskor was admitted to the bar in August of 2021. The following is a
9 summary of our associates' tasks and activities in prosecuting this matter: conferring on case
10 status and deadlines, calling opposing counsel regarding the case management conference,
11 preparing for and appearing at court hearings, drafting and revising joint scheduling orders,
12 reviewing redlined drafts from opposing counsel, preparing for and attending arbitration
13 scheduling hearings, creating and revising damages models, corresponding with opposing counsel
14 regarding settlement demands and strategy, conferring regarding case status and strategy, drafting
15 discovery requests, calling opposing counsel regarding mediation, reviewing the case file and
16 discovery, corresponding regarding the addition of new defendants, drafting informal discovery
17 requests, drafting joint status reports, corresponding with the arbitration association regarding
18 mediation scheduling, attending an arbitration conference, corresponding with and conferring
19 regarding mediation dates and production, reviewing case status and updating notes, conferring
20 with client regarding case status and settlement, conducting data analysis for mediation, drafting
21 and revising the mediation brief, participating in the pre-mediation call with the mediator,
22 attending the full-day mediation with Kristin Rizzo, calling the client regarding settlement,
23 corresponding with opposing counsel regarding the MOU, conferring regarding the MOU, and
24 reviewing the finalized MOU. The number of hours expended by our associates for work
performed and the corresponding attorney's fees of \$35,415.00 are reasonable and necessary.

25 49. Our paralegals (Melissa Whitson, Michael Cipriano, Camille Baylis and Darlene
26 McLellan, and Brandon Sumrow) have dedicated over 54 hours in assisting with the prosecution
27 of this case. Their hourly rate is \$200.00 per hour. The number of hours expended for work
28 performed and the corresponding fees of \$10,800.00 are reasonable and necessary.

50. The lodestar for James Hawkins APLC is approximately \$209,630. I submit that the requested attorneys' fees of one-third the Gross Settlement Amount that PAGA Counsel has obtained on behalf of the State and the Aggrieved Employees is fair and reasonable, as are the hourly rates at which our attorneys bill.

51. The lodestar for James Hawkins APLC is summarized in the following table:

Lodestar Summary

	Experience	Hourly Rate	Total Hours	Lodestar
James Hawkins	29 years	\$1,050	57.6	\$60,480.00
Christina Lucio	18 years	\$800	112.9	\$90,320.00
Mitchell Murray	14 years	\$725	17.4	\$12,615.00
Associate Attorneys	3-4 years	\$450	78.7	\$35,415.00
Paralegal Staff		\$200	54.0	\$10,800.00
TOTAL			320.6	\$209,630

52. The billed hours represent time spent on tasks essential to the litigation and settlement. The standard hourly rates for PAGA Counsel - ranging from \$450 to \$1050 for attorneys - are reasonable. PAGA Counsel's rates align with those charged by experienced wage and hour lawyers practicing on a national scale and fall within the range approved by courts in similar circumstances. The 2024-2025 Adjusted Laffey Matrix sets forth hourly rates from \$437 to \$1057 for attorneys with similar experience levels. (<http://www.laffeymatrix.com/see.html>); see also *Laffitte v. Robert Half International, Inc.*, 1 Cal. 5th 480, 504-05 (2016) (holding that the court may consider various factors in determining the reasonableness of the fees); *PLCM Group v. Drexler*, 22 Cal. 4th 1084, 1096-97 (2000) (using prevailing hourly rate in community for comparable legal services even though party used in-house counsel). We respectfully submit that our hourly rates are reasonable in light of the hourly rates charged in the marketplace for comparable skill, years of experience and services.

53. The amount of hours PAGA Counsel has spent working on this litigation was necessary and reasonable in pursuit of the Settlement.

1 54. In addition, PAGA Counsel anticipates spending several additional hours preparing
2 for and appearing at the PAGA approval hearing and communicating with the Settlement
3 Administrator.

4 55. We respectfully submit that our hourly rates are reasonable in light of the hourly
5 rates charged in the marketplace for comparable skill, years of experience and services. A true and
6 correct copy of the 2024 Wolters Kluwer Real Rate Report, attached as **Exhibit 7**, and the 2026
7 Laffey Matrix, attached as **Exhibit 8**.

8 56. The hourly rates for PAGA Counsel are reasonable and align with those charged by
9 experienced wage and hour lawyers practicing in California and fall within the range approved by
10 courts in similar circumstances.

11 57. PAGA Counsel's fees request is reasonable considering: (a) the work involved in
12 achieving an excellent result for the State and PAGA Group and bringing the action to an efficient
13 resolution, (b) the associated risks to PAGA Counsel in taking a matter on a contingency basis,
14 and (c) the substantial benefits conferred on the State and PAGA Group.

15 58. Given the extensive efforts of counsel, we respectfully submit that one-third of the
16 Gross Settlement Amount is respectfully believed to be a reasonable award. Our firm has borne
17 the entire risk and cost of this litigation on a pure contingency basis. The legal issues raised in this
18 case were complex and drew significantly upon the experience of PAGA Counsel. The proposed
19 attorneys' fees accurately reflect the legal marketplace and are within the range of customarily
20 approved fees by California courts.

21 59. Despite the complexity of the case, PAGA Counsel has, through our investment of
22 substantial effort and resources, secured an outstanding settlement on behalf of the Plaintiff, State
23 and PAGA Group. The issues and arguments PAGA Counsel has encountered and overcome in
24 arriving at the parties' negotiated settlement terms were complex and required skillful advocacy
25 that can arise only out of experience, professional perspective, and prior success. Defendants have
26 vigorously challenged the claims pled in the operative complaint, contested liability, the amount of
27 claimed damages, threatened to bring a summary judgment motion, and would have continued to
28 vigorously attack the viability of the action through trial. Despite these challenges, PAGA

1 Counsel negotiated a substantial settlement on behalf of the State for such claims. Accordingly,
2 PAGA Counsel believes the Settlement to be fair, reasonable, and adequate and that it is in the
3 best interest of the Plaintiff, State, and PAGA Group. The fairness and adequacy of the Settlement
4 is confirmed by all known facts and circumstances, including the risk of significant delay and
5 uncertainty associated with litigation, the various defenses asserted by Defendant, and numerous
6 potential appellate issues. Notably, the LWDA received notice of the settlement and its terms,
7 including the fee request, and raised no objection.

8 60. Plaintiff and PAGA Counsel respectfully submit the fees and costs provision of the
9 Settlement is fair and reasonable both when cross-checked under the lodestar and common fund
10 method. The total billable hours that counsel have invested and will invest in prosecuting this
11 action, should this honorable Court approve the settlement, is substantial. I respectfully submit
12 that our fees and costs request is fair and reasonable because we have personally expended
13 substantial time and effort in achieving the proposed Settlement.

14 61. In serving as Plaintiff's counsel and PAGA Counsel in this matter, PAGA Counsel
15 incurred or will incur (with the filing of this motion) actual litigation costs of \$9,147.27. PAGA
16 Counsel respectfully requests reimbursement of these sums which were reasonably necessary for
17 the effective prosecution of the Actions and securing the Gross Settlement Amount on behalf of
18 the Aggrieved Employees and the State. These costs are reasonable and necessarily incurred in
19 litigating this matter and in pursuit of the settlement. Here, the Settlement Agreement authorizes
20 recovery of litigation costs of up to \$12,000. (Settlement ¶ 3.2.1.) The cost request is below this
21 agreed allocation. Attached hereto as **Exhibit 9** is a true and correct itemization of the costs
22 incurred by PAGA Counsel.

23 NOTICE TO THE AGGRIEVED EMPLOYEES

24 62. A proposed Notice to the Aggrieved Employees is attached to the Settlement
25 Agreement as **Exhibit A** to **Exhibit 1**. The Notice provides the Aggrieved Employees with details
26 of the Settlement, including monetary allocations, the terms of the claims released, the Aggrieved
27 Employee definition, and how they may obtain additional information about the Settlement.
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NOTICE TO LWDA

63. On May 20, 2026, a copy of the proposed Settlement Agreement was submitted to the Labor Workforce and Development Agency. A true and correct copy of the submission confirmation is attached hereto as **Exhibit 10**.

I declare under the penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 21th day of May 2026 at Irvine, California.

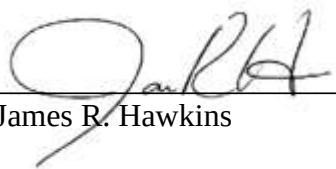

James R. Hawkins

EXHIBIT 1

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Jerry Velyines (“Plaintiff”), on the one hand, and defendants Volt Management Corporation (“Volt”), GXO Logistics Supply Chain, Inc. (“GXO”), and Gusmer Enterprises, Inc. (“Gusmer”) (collectively “Defendants”), on the other hand. Defendants and Plaintiff together are collectively referred to as the “Parties” hereinbelow.

1. DEFINITIONS.

- 1.1. “Actions” means the Plaintiff’s PAGA lawsuits alleging wage and hour violations against Defendants captioned *Jerry Velyines v. Volt Management Corp.*, Orange County Superior Court Case No. 30-2022-01239925-CU-OE-CXC (the “*Volt/GXO* Action”) and *Jerry Velyines v. Volt Management Corp., et al.*, Fresno County Superior Court Case No. 22CECG01885 (the “*Volt/Gusmer* Action”).
- 1.2. “Administrator” means ILYM Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of this Settlement.
- 1.4. “Aggrieved Employee” means and refers to all individuals that are members of the Volt/Gusmer PAGA Group and/or the Volt/GXO PAGA Group.
- 1.5. “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendants’ possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
- 1.6. “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.
- 1.7. “Court” means the Superior Court of California, County of Fresno.
- 1.8. “Defense Counsel” means Shaun Voigt and Areen Babajanian of Fisher & Phillips LLP, Charles Hamamjian and Ian Wieland of Sagaser, Watkins & Wieland PC, and Jesse Ferrantella and Tim Johnson of Ogletree Deakins.
- 1.9. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Approving the Agreement and (b) the Judgment is final. The Judgment is final as of the day the Court enters Judgment.

- 1.10. “Gross Settlement Amount” means \$170,000 which is the total amount Defendants agree to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administrator’s Expenses Payment. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment.
- 1.11. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the Volt/Gusmer PAGA Period and Volt/GXO PAGA Period.
- 1.12. “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.13. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.14. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.15. “PAGA Payment” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, Plaintiff’s Service Award, and the Administration Expenses Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.
- 1.16. “PAGA Counsel” means James Hawkins and Christina Lucio of James Hawkins APLC, the attorneys representing the Plaintiff in the Action.
- 1.17. “PAGA Counsel Fees Payment” and “PAGA Counsel Litigation Expenses Payment” mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.18. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.
- 1.19. “Volt/Gusmer PAGA Period” means the period from August 26, 2020 to March 28, 2025, or a date prior to March 28, 2025, as set forth in Paragraph 9 below.
- 1.20. “Volt/GXO PAGA Period” means the period from November 2, 2020 to March 28, 2025, or a date prior to March 28, 2025, as set forth in Paragraph 9 below.
- 1.21. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.22. “PAGA Notice” means Plaintiff’s August 1, 2021, November 2, 2021, February 11,

2022, and November 10, 2025 letters to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a) (LWDA Case Nos. LWDA-CM-842673-21)

- 1.23. "PAGA Penalties" or "PAGA Payment" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$ 22,370.83) and the 75% to LWDA (\$ 67,112.50) in settlement of PAGA claims. The PAGA Penalties include both Individual PAGA Payments and the LWDA PAGA Payment.
- 1.24. "Plaintiff" means Jerry Velyines, the named plaintiff in the Action.
- 1.25. "Approval Order" means the proposed Court Order Granting Approval of PAGA Settlement.
- 1.26. "Released PAGA Claims" means the claims being released by the Plaintiff and PAGA Counsel and as described in Paragraph 5 below.
- 1.27. "Released Parties" means: Defendants and each of their insurers, affiliates, subsidiaries, parent companies, predecessors, successors, assigns, employees, officers, directors, agents, attorneys, administrators, representatives, heirs, estates, powers-of-attorney, and any individual or entity which could be jointly liable with Defendants.
- 1.28. "Settlement" means the disposition of the Actions effected by this Agreement and the Judgment.
- 1.29. "Defendants" means named Defendants Volt Management Corporation, GXO Logistics Supply Chain, Inc., and Gusmer Enterprises, Inc.
- 1.30. Volt/Gusmer PAGA Group means and refers to all individuals who are or previously were employed by Volt as a nonexempt hourly employee and placed with Gusmer at its M St. Fresno site at any time between August 26, 2020 and March 28, 2025.
- 1.31. Volt/GXO PAGA Group means and refers to all individuals who are or previously were employed by Volt as non-exempt hourly employees and placed with GXO at its E. Central Ave. Fresno site at any time between November 2, 2020 and March 28, 2025.

2. RECITALS.

- 2.1. On August 26, 2021, Plaintiff submitted a letter to the LWDA providing notice that he intended to commence an action for PAGA Penalties under Cal. Labor Code § 2698 *et seq.* against Volt Management Corporation, XPO Logistics Freight, Inc., and XPO Logistics Supply Chain, Inc. for (1) failure to pay minimum wages; (2) failure to pay overtime owed; (3) failure to provide lawful meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay wages during employment; (6) failure to timely pay wages owed upon separation from employment; (7) unlawful deductions; and

- (8) knowing and intentional failure to comply with itemized wage statement provisions.
- 2.2. On the same date, Plaintiff submitted an amended PAGA letter to the LWDA alleging the same violations against Volt Management Corporation and Gusmer Enterprises, Inc.
- 2.3. On November 2, 2021, Plaintiff filed a Complaint in the Superior Court of California, County of Orange, commencing the case entitled *Velyines v. Volt Management Corp.*, Orange County Case No. 30-2021-01229245-CU-OE-CXC alleging a single cause of action under PAGA against Volt and Gusmer for PAGA Penalties for the alleged Labor Code violations (the “Gusmer Action”). The Gusmer Action was later transferred to the Superior Court of California, County of Fresno as Fresno Superior Court Case No. 22CECG01885.
- 2.4. On January 7, 2022, Plaintiff filed a Complaint in the Superior Court of California, County of Orange, commencing the case entitled *Velyines v. Volt Management Corp.*, Orange County Case No. 30-2022-01239925-CU-OE-CXC alleging a single cause of action under PAGA against Volt, GXO Logistics Supply Chain, Inc. and XPO Logistics Freight, Inc. for PAGA Penalties for the alleged Labor Code violations (the “GXO Action”).
- 2.5. On or about February 11, 2022, Plaintiff submitted an amended PAGA letter to the LWDA to clarify the scope of the group that he would seek to represent and to ensure that it was clear that the claims alleged in the GXO Action were alleged against GXO Logistics Supply Chain, Inc.
- 2.6. As the result of an arbitration agreement between the Parties, Plaintiff was required to submit his individual claims, including his individual PAGA claim, to arbitration. Plaintiff initiated two separate arbitration proceedings against Volt—one relating to the Gusmer Action (American Arbitration Association Case No. 01-23-0001-7110) and a second relating to the GXO Action (American Arbitration Association Case No. 01-23-0001-2874).
- 2.7. The Parties engaged in extensive investigation and disclosures during the arbitrations before electing to stay responding to formal discovery and deciding to devote their resources to preparing for mediation.
- 2.8. On March 28, 2025, the Parties participated in an all-day mediation presided over by Kristin Rizzo which ultimately led to a global resolution of Plaintiff’s claims and an agreement to settle the Actions and the pending arbitrations. Prior to mediation, Plaintiff obtained, through formal and informal discovery, data regarding the aggrieved employees, relevant policy documents, and time and pay data for Plaintiff.
- 2.9. On November 10, 2025, Plaintiff submitted an amended PAGA letter to the LWDA.
- 2.10. On November 17, 2025, Plaintiff filed a consolidated PAGA complaint in the Gusmer Action adding GXO as a named defendant in the Actions and adding additional facts and theories which were investigated in connection with mediation. The consolidated Complaint is the operative complaint in the Actions (the “Operative Complaint.”)

Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in the Operative Complaint and deny any and all liability for the causes of action alleged.

- 2.11. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendants and the LWDA by sending the PAGA Notice, and the amended PAGA Notice.
- 2.12. The Parties, PAGA Counsel and Defense Counsel represent that given the scope of the Aggrieved Employees, they are not aware of any other pending matter or action asserting claims that will be extinguished by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendants promise to pay \$170,000 and no more as the Gross Settlement Amount. Of the total Gross Settlement Amount, \$110,000 shall be contributed by Volt, \$40,000 by GXO, and \$20,000 by Gusmer. Defendants have no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 6.1 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Order granting approval of this Settlement:
 - 3.2.1. To PAGA Counsel: A PAGA Counsel Fees Payment of not more than one third of the Gross Settlement Amount which is currently estimated to be \$56,666.67 and PAGA Counsel Litigation Expenses Payment of not more than \$12,000. Defendants will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the PAGA Payment. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.
 - 3.2.2. To Plaintiff: A Service Award of not more than \$5,000.00 to be deducted from the Gross Settlement Amount to be paid to Plaintiff for his service to the LWDA and Aggrieved Employees and risks undertaken in bringing these Actions ("Plaintiff's

Service Award”). The Administrator will pay this amount using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on this Payment.

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$6,850.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$6,850.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$89,483.33 to be paid from the Gross Settlement Amount, with 75% (\$67,112.50) allocated to the LWDA PAGA Payment and 25% (\$22,370.83) allocated to the Individual PAGA Payments.

3.2.4.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees’ 25% share of PAGA Penalties (\$22,370.83) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee’s PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. Consistent with California law, there shall be no right to opt out of the Settlement by Aggrieved Employees.

3.2.4.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms..

3.2.4.3. If the Court believes the PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, Administrator Expenses Payment, or Service Award should be reduced, the other terms of the settlement will remain in effect and any such reduction will not affect the remaining terms, other than adjusting the Net Settlement Amount. A reduction to the fees, costs, or incentive award is not a ground for rescinding the settlement.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendants estimate there are 691 Aggrieved Employees. Defendants estimate that the Volt/Gusmer PAGA Group worked a total of 1,280 PAGA Pay Periods during the Volt/Gusmer PAGA Period and the Volt/GXO PAGA Group worked 4,832 PAGA Pay Periods during the Volt/GXO PAGA Period, for a total of 6,112 PAGA Pay Periods.

4.2. Aggrieved Employee Data. Within 21 days after the Effective Date, Defendants will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employee’ privacy rights, the Administrator

must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

- 4.3. Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 30 days after the Effective Date.
- 4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, Plaintiff's Service Award, the Administration Expenses Payment, the PAGA Counsel Fees and Expenses Payment. Disbursement of the PAGA Counsel Fees and Expenses Payment shall not precede disbursement of Individual PAGA Payments.
 - 4.4.1. The Settlement Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
 - 4.4.2. The Administrator will also mail the Cover Letter to Aggrieved Employees in both English and Spanish along with these checks, in substantially the same form as **Exhibit A**.
 - 4.4.3. The Settlement Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Settlement Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Settlement Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Settlement Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

4.4.4. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to cy pres recipient, St. Jude Children's Research Hospital.

4.4.5. The payment of Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to the Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendants fully fund the entire Gross Settlement Amount, Plaintiff and PAGA Counsel will release claims against all Released Parties as follows:

5.1 Release by Plaintiff and Aggrieved Employees:

The claims released by the LWDA, State of California, Plaintiff, and Aggrieved Employees are all claims for PAGA civil penalties that are alleged or which reasonably could have been alleged based on the facts alleged in the Operative Complaint and the August 26, 2021, November 2, 2021 and February 11, 2022 PAGA Notices to the LWDA. The Released PAGA Claims are those that accrued during the Volt/Gusmer PAGA Period for the Volt/Gusmer PAGA Group, and during the Volt/GXO PAGA Period for the Volt/GXO PAGA Group. The Released PAGA Claims shall include the release of claims for civil penalties under California Labor Code Sections 201, 202, 203, 204, 210, 212, 216, 218, 221, 222, 223, 225.5, 226, 226.3, 226.7, 227.3, 233, 234, 246, 246.5, 432, 510, 512, 516, 551, 552, 558, 558.1, 1174, 1174.5, 1175, 1182.12, 1193, 1193.6, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2802, 2804, and 2810.5.

5.2 Release by PAGA Counsel:

PAGA Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for PAGA Fees and Litigation Expenses incurred in connection with the litigation of the claims in the Operative Complaint and the PAGA Period facts stated in the Operative Complaint and the PAGA Notices.

6. COVENANTS AND REPRESENTATIONS BY PLAINTIFF. Plaintiff represents and warrants that he has not assigned or transferred or purported to assign or transfer to any person or entity, any claim or portion thereof, or interest therein, which is or may be subject to this Settlement Agreement.

Plaintiff acknowledges that he has read this Agreement, that he fully understands his rights, privileges, and duties under the Agreement, and enters into this Settlement Agreement freely and voluntarily. Plaintiff further acknowledges that he has had the opportunity to consult with his attorneys to explain the terms of this Agreement and the consequences of signing this Agreement.

7. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT. The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.

- 6.1 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2)) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (iv) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiff and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished by the Settlement.
- 6.2 Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than 30 days after the full execution of this Agreement and obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Approval Order to the Administrator.
- 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

8. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected ILYM Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for

payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

9. AGGRIEVED EMPLOYEE SIZE ESTIMATES and ESCALATOR CLAUSE

Based on their records, Defendants estimate that the Volt/Gusmer PAGA Group worked a total of 1,280 PAGA Pay Periods during the Volt/Gusmer PAGA Period and the Volt/GXO PAGA Group worked 4,832 PAGA Pay Periods during the Volt/GXO PAGA Period, for a total of 6,112 PAGA Pay Periods at the time of mediation. If the total number of PAGA Pay Periods is more than 10% higher as measured from the date of mediation (e.g. exceeds 6,723 pay periods), then Defendants shall have the option to either: (1) de-escalate the Settlement so that the applicable PAGA Period ends on the date that the pay period count totals no more than 6,723; or (2) permit the Gross Settlement Amount to be increased proportionally by the pay periods worked in excess of 10% (i.e. if the total pay periods increases by 11%, the GSA will increase by 1%). Defendants shall confer and agree on which option to choose, and all Defendants must agree to option (2), if option (2) is selected. Defendants will allocate any increase to the Gross Settlement Amount proportionately to their respective percentage of the current GSA allocations. Defendants shall determine whether they intend to exercise option (1) or option (2), if applicable, prior to the filing of the Motion for Approval of PAGA Settlement.

10. CONTINUING JURISDICTION OF THE COURT.

The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

9.1 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, the Parties and their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the

Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final.

11. ADDITIONAL PROVISIONS.

- 10.1 No impact on Employee Benefit Plans. Neither the Agreement nor any amounts paid to Plaintiff, any Aggrieved Employee, or the LWDA under it will modify any previously credited hours or service under any employee benefit plan, policy, or bonus program sponsored by Defendants. Such amounts will not form the basis for additional contributions to, benefits under, or any other monetary entitlement under, Defendants' sponsored benefit plans, policies, or bonus programs. The payments made under the terms of this Agreement shall not be applied retroactively, currently, or on a going-forward basis, as salary, earnings, wages, or any other form of compensation for the purposes of any Defendant's benefit plan, policy, or bonus program. Defendants retain the right, if necessary, to modify the language of their benefit plans, policies, and bonus programs to effect this intent, and to make clear that any amounts paid pursuant to this Agreement are not for "hours worked," "hours paid," "hours of service," or any similar measuring term as defined by applicable plans, policies, and bonus programs for purposes of eligibility, vesting, benefit accrual, or any other purpose, and that additional contributions or benefits are not required by this Agreement.
- 10.2 No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Actions have merit. Defendants further deny a joint employment, agency or alter ego relationship exists between them. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, Defendants reserve all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Actions will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 10.3 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 10.4 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

- 10.5 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 10.6 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 10.7 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendants nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 10.8 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 10.9 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.10 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.
- 10.11 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 10.12 Severability. If any term or provision of this Agreement is held to be invalid or unenforceable, the remaining portions of this Agreement will continue to be valid and will be performed, construed, and enforced to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Agreement, to the extent necessary to permit the maximum enforceability or validation of the term or provision.
- 10.13 No Waiver. No waiver of any condition or covenant contained in this Agreement or failure to exercise a right or remedy by any of the Parties hereto will be

considered to imply or constitute a further waiver by such Party of the same or any other condition, covenant, right, or remedy.

- 10.14 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during the Actions and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 10.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 10.16 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 10.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

James R. Hawkins
Christina M. Lucio
JAMES HAWKINS APLC
9880 Research Drive, Suite 200
Irvine, California 92618
james@jameshawkinsaplc.com
christina@jameshawkinsaplc.com

To Defendant Volt:

Shaun J. Voigt
svoigt@fisherphillips.com
Areen Babajanian
ababajanian@fisherphillips.com
FISHER & PHILLIPS LLP
444 South Flower Street, Suite 1500
Los Angeles, California 90071

To Defendant Gusmer:

Ian B. Wieland
Ian@sw2law.com
Charles P. Hamamjian
Charles@sw2law.com

SAGASER, WATKINS & WIELAND, PC
5260 North Palm Avenue, Suite 400
Fresno, California 93704

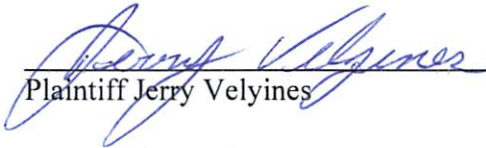
To Defendant GXO:

Tim Johnson
Tim.johnson@ogletree.com
Jesse C. Ferrantella
Jesse.ferrantella@ogletree.com
OGLETREE DEAKINS, P.C.
4660 La Jolla Village Drive, Suite 900
San Diego, CA 92122

- 10.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties exchange among themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 10.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the Actions shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement to extend the date pursuant to CCP section 583.330 to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

WHEREFORE, Plaintiff, as representative of himself and Aggrieved Employees, and Defendants, have executed this Agreement as of the dates set forth below.

Dated: 3/30/26


Plaintiff Jerry Velyines

Dated: April 6, 2026


James R. Hawkins, Esq.
Christina M. Lucio, Esq.
Counsel For Plaintiff

Dated: _____, 2026

SAGASER, WATKINS & WIELAND, PC
5260 North Palm Avenue, Suite 400
Fresno, California 93704

To Defendant GXO:

Tim Johnson
Tim.johnson@ogletree.com
Jesse C. Ferrantella
Jesse.ferrantella@ogletree.com
OGLETREE DEAKINS, P.C.
4660 La Jolla Village Drive, Suite 900
San Diego, CA 92122

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WHEREFORE, Plaintiff, as representative of himself and Aggrieved Employees, and Defendants, have executed this Agreement as of the dates set forth below.

Dated: _____, 2026

Plaintiff Jerry Velyines

Dated: _____, 2026

James R. Hawkins, Esq.
Christina M. Lucio, Esq.
Counsel For Plaintiff

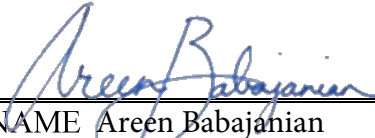
Dated: Mar 20, 2026, 2026



Andre Frieden

NAME/TITLE
For Defendant Volt Management Corporation

Dated: April 9, 2026



NAME Areen Babajanian
Counsel For Defendant Volt Management
Corporation

Dated: _____, 2026

NAME/TITLE
For Defendant Gusmer Enterprises, Inc.

Dated: _____, 2026

NAME
Counsel For Defendant Gusmer Enterprises, Inc.

Dated: _____, 2026

NAME
For Defendant GXO Logistics Supply Chain,
Inc.

Dated: _____, 2026

Tim L. Johnson
Jesse C. Ferrantella
Counsel for Defendant GXO Logistics Supply
Chain, Inc.

NAME/TITLE
For Defendant Volt Management Corporation

Dated: _____, 2026

NAME
Counsel For Defendant Volt Management
Corporation

Dated: _____, 2026

NAME/TITLE
For Defendant Gusmer Enterprises, Inc.

Dated: _____, 2026

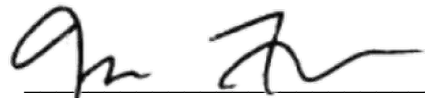
NAME
Counsel For Defendant Gusmer Enterprises, Inc.

Dated: March 19,
_____, 2026

DocuSigned by:

0321ED1D1A734B0...
NAME Margo Eberlein
For Defendant GXO Logistics Supply Chain,
Inc.

Dated: April 20, 2026



Tim L. Johnson
Jesse C. Ferrantella
Counsel for Defendant GXO Logistics Supply
Chain, Inc.

SAGASER, WATKINS & WIELAND, PC
5260 North Palm Avenue, Suite 400
Fresno, California 93704

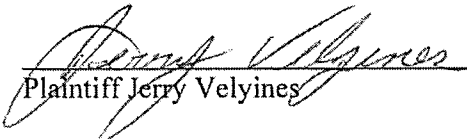
To Defendant GXO:

Tim Johnson
Tim.johnson@ogletree.com
Jesse C. Ferrantella
Jesse.ferrantella@ogletree.com
OGLETREE DEAKINS, P.C.
4660 La Jolla Village Drive, Suite 900
San Diego, CA 92122

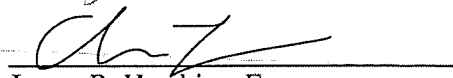
- 10.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties exchange among themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 10.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the Actions shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement to extend the date pursuant to CCP section 583.330 to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

WHEREFORE, Plaintiff, as representative of himself and Aggrieved Employees, and Defendants, have executed this Agreement as of the dates set forth below.

Dated: 3/30/26


Plaintiff Jerry Velyines

Dated: April 6, 2026


James R. Hawkins, Esq.
Christina M. Lucio, Esq.
Counsel For Plaintiff

Dated: _____, 2026

NAME/TITLE
For Defendant Volt Management Corporation

Dated: _____, 2026

NAME
Counsel For Defendant Volt Management
Corporation

Laura Barnett Laura Barnett
4/9/26 03:34 PM

Dated: April 9, 2026

Laura Barnett, HR Director
For Defendant Gusmer Enterprises, Inc.

Dated: April 28, 2026



NAME Charles P. Hamamjian
Counsel For Defendant Gusmer Enterprises, Inc.

Dated: _____, 2026

NAME
For Defendant GXO Logistics Supply Chain,
Inc.

Dated: _____, 2026

Tim L. Johnson
Jesse C. Ferrantella
Counsel for Defendant GXO Logistics Supply
Chain, Inc.

EXHIBIT A

NOTICE OF PAGA SETTLEMENT

Jerry Velyines v. Volt Management Corp.,

Superior Court of the State of California, County of Fresno, Case No. 22CECG01885

Administrator

«Barcode» «BarcodeString»
SIMID «SIMID»
«FirstName» «LastName»
«Address1» «Address2»
«City» «State» «Zip»

You are receiving this notice as a result of a lawsuit brought on a representative basis under the California Private Attorneys General Act, Labor Code § 2698 *et seq.* (“PAGA”) by Plaintiff Jerry Velyines (“Plaintiff”) acting in a private attorney general capacity against Defendants Volt Management Corporation (“Volt”), GXO Logistics Supply Chain, Inc. (“GXO”) and Gusmer Enterprises, Inc. (“Gusmer”) (collectively “Defendants” (the “Action”). Through the Action, Plaintiff sought to recover civil penalties for purported violations of the California Labor Code on behalf of two groups: (a) all individuals who are or previously were employed by Volt as a nonexempt hourly employee and placed with Gusmer at its M St. Fresno site at any time between August 26, 2020 and March 28, 2025 and (b) all individuals who are or previously were employed by Volt as non-exempt hourly employees and placed with GXO at its E. Central Ave. Fresno site at any time between November 2, 2020 and March 28, 2025 (collectively, the “Aggrieved Employees”).

Defendants deny all claims and allegations in the Action, deny that they owe any penalties to Plaintiff and/or the Aggrieved Employees, and assert that they have fully complied with all applicable Labor Code and all other provisions of law noted below. Nevertheless, to avoid further costs and time in defending the Action, Defendants have settled the Action, and the Court has approved the settlement and release of all “Released PAGA Claims.” “Released PAGA Claims” are all claims for PAGA civil penalties that are alleged or which reasonably could have been alleged based on the facts alleged in the Operative Complaint and the August 26, 2021, November 2, 2021, February 11, 2022, and November 10, 2025 PAGA Notices to the LWDA. The Released PAGA Claims include a release of claims for PAGA civil penalties under California Labor Code Sections 201, 202, 203, 204, 210, 212, 216, 218, 221, 222, 223, 225.5, 226, 226.3, 226.7, 227.3, 233, 234, 246, 246.5, 432, 510, 512, 516, 551, 552, 558, 558.1, 1174, 1174.5, 1175, 1182.12, 1193, 1193.6, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2802, 2804, and 2810.5. By Judgment dated _____, 2026, the Court approved the settlement of the Actions and the Released PAGA Claims.

According to the Defendants’ records, you are an Aggrieved Employee and are therefore eligible to receive an Individual PAGA Payment under the Court-approved allocation which is based upon the pay periods you worked during the PAGA Period. The enclosed settlement check shall remain valid for 180 days after mailing. After the void date, the Administrator shall transmit the funds represented by such checks to St. Jude Children’s Research Hospital consistent with Code of Civil Procedure Section 384(b).

Please Note: One hundred percent (100%) of your payment will be considered civil penalties; may be subject to local, state, and/or federal tax withholdings; and will be reported to the IRS and applicable state tax authorities. You should rely on your own tax advisors as to the tax consequences of your

Individual PAGA Payment. Neither Plaintiff nor Defendants have made or will make any representations or warranties regarding the taxation of your Individual PAGA Payment. Nothing within this notice or any other communication shall constitute or be construed or relied upon as tax advice within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended).

Do not call or write the Court or Office of the Clerk to ask questions about the settlement or your Individual PAGA Payment. If you have any questions, you may call or write to Administrator using the contact information at the top of this correspondence.

EXHIBIT 2

JAMES *JH* HAWKINS

A PROFESSIONAL LAW CORPORATION

9880 RESEARCH DRIVE, SUITE 200, IRVINE, CALIFORNIA 92618
TELEPHONE (949) 387-7200; FACSIMILE (949) 387-6676

August 26, 2021

Via Online Filing (LWDA) and Certified Mail (Employers)

California Labor and Workforce Development Agency
Attn: PAGA Administrator

Volt Management Corp.
2401 N. Glassell St.
Orange, CA 92865
Certified Mail Receipt: 7020 0640 0001 0089 8298

XPO Logistics Freight, Inc. and
XPO Logistics Supply Chain, Inc.
2055 NW Savier St.
Portland, OR 97209
Certified Mail Receipt: 7020 0640 0001 0089 8250

Registered Agent Solutions, Inc.
Ricardo Orozco
Agent for Service of Process for XPO
Logistics Freight, Inc. and
XPO Logistics Supply Chain, Inc.
1220 S St., Suite 150
Sacramento, CA 95811
Certified Mail Receipt: 7020 0640 0001 0089 8243

Agent for Service of Process for Volt
Management Corp.:
CT Corporation System
330 N. Brand Blvd.
Glendale, CA 91203
Certified Mail Receipt: 7020 0640 0001 0089 8267

Re: NOTICE PURSUANT TO LABOR CODE SECTIONS 2698 et seq.

To Whom It May Concern:

PLEASE TAKE NOTICE that Plaintiff JERRY VEYLINES, on behalf of himself and all others similarly situated, hereby submits this notice to the LWDA of his Complaint against his former employers Defendants VOLT MANAGEMENT CORP., a Delaware Corporation, and XPO LOGISTICS SUPPLY CHAIN, INC., a North Carolina Corporation, XPO LOGISTICS FREIGHT, INC., and DOES 1 through 50, inclusive, pursuant to Labor Code sections 2698 *et seq.*

This notice is timely as it is provided within one year of the violations. In addition, the statute of limitation for the claim under the Private Attorney Generals Act, is tolled by operation of law under Emergency Rule 9 due to the COVID-19 pandemic.

Plaintiff alleges that Defendants committed the violations set forth herein against both himself and the group of aggrieved employees that he will seek to represent: Any and all persons who are or were employed by Defendants, either directly or indirectly, in the State of California as non-exempt employees during the relevant time period as tolled by Emergency Rule 9.

During the relevant time period as defined by the statute (as tolled by Emergency Rule 9), Plaintiff was indirectly employed by Defendants as a non-exempt, hourly employee at an XPO Logistics site through temporary staffing agency Defendant Volt Management Corp. Plaintiff alleges that Defendants were joint employers that jointly controlled the terms and conditions of Plaintiff's employment.

Pursuant to *Huff v. Securitas Security Services*, 23 Cal. App. 5th 745, 751 (2018), an employee who brings a representative action and was affected by at least one of the violations alleged in the complaint has standing to pursue penalties on behalf of the state not only for that violation, but for violations affecting other employees as well. Accordingly, Plaintiff has standing to pursue penalties on behalf of the state for violations affecting all the aggrieved employees working for Defendants in California regardless of their classification, job title, locations, or whether they were hired directly or through a labor contractor or staffing agency.

Failure to Pay Minimum Wages

During all relevant periods, the California Labor Code sections 204, 1194, 1197, 1198, and wage orders required that Defendants fully and timely pay its non-exempt, hourly employees all wages earned and due for all hours worked. Employers are required to pay at least minimum wage for each hour worked. Labor Code section 1194(a) provides that notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees, and costs of suit. The IWC Wage Orders define "hours worked" 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." At all times relevant, Plaintiff and Aggrieved Employees consistently worked hours for which they were not paid because Defendants frequently required Plaintiff and Aggrieved Employees to work off the clock. Plaintiff and the Aggrieved Employees were not paid for all hours worked because of Defendants use of pay cards.

Defendants failed to properly pay all earned wages, including at least minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee's pay card (wages earned), such that the employee was paid less than all wages owed for hours worked.

Failure to Pay Overtime Owed

During the relevant periods, Defendant required Plaintiff and the Aggrieved Employees to work shifts in excess of eight (8) hours per workday and/or to work in excess of forty (40) hours per workweek. Both the California Labor Code section 1194, 1197, 510, 1198, and the pertinent wage order 1-2001, 4-2001, and 9-2001 required that all work performed by an employee in excess of eight (8) hours in any workday, on the seventh day of work in any workweek, or in excess of forty (40) hours in any workweek be compensated at one and one-half (1.5) times that employee's regular rate of pay. Any work in excess of twelve (12) hours in one (1) day is required to be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight (8) hours on any seventh (7th) day of a workweek is required to be compensated at the rate of no less than twice the regular rate of pay

of an employee.

Defendants had a uniform policy of requiring Plaintiff and the Aggrieved Employees to work overtime without compensating them at a rate of one and one-half (1.5) times their regular rate of pay. Defendants failed to incorporate all forms of compensation, including without limitation bonuses, differentials, and incentives, into the regular rate for overtime purposes.

Failure to Provide Lawful Meal Periods

Pursuant to Labor Code §512, no employer shall employ an employee for a work period of more than five (5) hours without providing a meal break of not less than thirty (30) minutes in which the employee is relieved of all his or her duties, except that when a work period of not more than six (6) hours will complete the day's work the meal period may be waived by mutual consent of the employer and employee. Defendants failed to provide Plaintiff and Aggrieved Employees timely and uninterrupted first meal periods of not less than thirty (30) minutes within the first five hours of a shift. As a consequence of Defendants' policies and practices, labor budgets, requirements, demands, coverage, and staffing, Plaintiff and Aggrieved Employees were often required to forego such meal periods, take shortened or interrupted meal periods, and/or commence their meal periods into and beyond the fifth hour of their shifts.

Plaintiff and the Aggrieved Employees were not paid one hour of pay at their regular rate for each day that a meal period was not lawfully provided in violation of Labor Code section 226.7. Moreover, when paid, Defendants failed to pay meal period premiums at the correct regular rate for the Plaintiff and Aggrieved Employees as Defendants did not incorporate non-discretionary bonuses and incentives. "If an employer does not provide an employee with a compliant meal, rest, or recovery period, section 226.7, subdivision (c) (section 226.7(c)) requires the employer to "pay the employee one additional hour of pay at the employee's regular rate of compensation"" (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858). Because Defendants failed to calculate the regular rate properly, they are also in violation Labor Code section 226.7 and 512.

Failure to Authorize and Permit Lawful Rest Periods

Pursuant to Labor Code section 1198, IWC wage orders 1-2001, 4-2001, and 9-2001 applicable to Plaintiff's and Aggrieved Employees' employment by Defendants, "Every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period....[The] authorized 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 worked or major fraction thereof....Authorized rest period time shall be counted as hours worked, for which there shall be no deduction from wages." Despite said requirement of the IWC wage orders applicable to Plaintiff's and Aggrieved Employees' employment with Defendants, Defendants failed and refused to authorize and permit lawful, net ten (10) minutes rest periods for every four (4) hours worked, or major fraction thereof.

Defendants failed to pay rest period premiums at the correct regular rate for the Plaintiff and Aggrieved Employees as Defendants did not incorporate non-discretionary bonuses and incentives. "If an employer does not provide an employee with a compliant meal, rest, or recovery period, section 226.7, subdivision (c) (section 226.7(c)) requires the employer to "pay the employee one additional hour of pay at the employee's regular rate of compensation"" (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858). Because Defendants failed to calculate the regular rate properly, they are also in violation Labor Code section 226.7.

Failure to Timely Pay Wages During Employment

Labor Code section 204 requires that all wages are due and payable twice in each calendar month. The wages required by Labor Code §§ 226.7, 510, 1194 and other sections became due and payable to each employee in each month that he or she was not provided with a meal period or rest period or paid minimum wage, straight or overtime wages to which he or she was entitled. Defendants violated Labor Code § 204 by systematically refusing to pay wages due under the Labor Code.

Defendants failed to properly pay all earned wages, including minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee's pay card (wages earned), such that the employee was paid less than all wages owed for hours worked. As a result of Defendants use of pay cards, Defendants failed to pay all wages due and payable during employment.

Labor Code section 210 (a) provides that "In addition to, and entirely independent and apart from, any other penalty provided in this article, every person who fails to pay the wages of each employee as provided in Sections 201.3, 204, 204b, 204.1, 204.2, 204.11, 205, 205.5, and 1197.5, shall be subject to a penalty as follow:

- (1) For any initial violation, one hundred dollars (\$100) for each failure to pay each employee.
- (2) For each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld.

Failure to Timely Pay Wages Owed at Separation

Labor Code §§ 201 and 202 require Defendants to pay their employees all wages due, including without limitation vacation, within seventy-two (72) hours of separation of employment. Section 203 of the Labor Code provides that if an employer willfully fails to timely pay such wages the employer must, as a penalty, continue to pay the subject employee's wages until the back wages are paid in full or an action is commenced. In addition, irrespective of any derivative violations for the above-specified issues, Defendants failed to timely pay Plaintiff and, upon information and belief, other Aggrieved Employees earned compensation at the time of termination despite their obligations under Labor Code 201 and 202. More than thirty (30) days have passed since some Aggrieved Employees left Defendants' employ, and on information and belief, they have not received payment pursuant to Labor Code §203.

Defendants failed to properly pay all earned wages, including at least minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee's pay card (wages earned), such that the employee was paid less than all wages owed for hours worked.

Unlawful Deductions

Labor Code section 212(a) provides “No person, or agent or officer thereof, shall issue in payment of wages due, or to become due, or as an advance on wages to be earned:

(1) Any order, check, draft, note, memorandum, or other acknowledgment of indebtedness, unless it is negotiable and payable in cash, on demand, without discount, at some established place of business in the state, the name and address of which must appear on the instrument, and at the time of its issuance and for a reasonable time thereafter, which must be at least 30 days, the maker or drawer has sufficient funds in, or credit, arrangement, or understanding with the drawee for its payment.

Labor Code section 221 provides “It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee.” Labor Code section 223 provides “It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee.” Defendants have willfully violated the above provisions by tendering payment for wages to its employees, like Plaintiff and the Aggrieved Employees, in the form of pay card from which certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee’s pay card. As a consequence of such practice, Plaintiff and the Aggrieved Employees were paid less than all wages owed for hours worked.

Failure to Provide Accurate Itemized Employee Wage Statement Provisions

Labor Code section 226(a) reads in pertinent part: “Every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees, either as a detachable part of the check, draft, or voucher paying the employee’s wages, or separately when wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee... (4) all deductions... (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) 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, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during each the pay period and the corresponding number of hours worked at each hourly rate by the employee....”.

Further, the IWC Wage Orders require in pertinent part: Every employer shall keep accurate information with respect to each employee including the following: (3) Time records showing when the employee begins and ends each work period. Meal periods, split shift intervals, and total daily hours worked shall also be recorded...(5) Total hours worked in the payroll period and applicable rates of pay....” Labor Code section 1174 of the California also requires Defendants to maintain and preserve, in a centralized location, among other items, records showing the names and addresses of all employees employed and payroll records showing the hours worked daily by, and the wages paid to, its employees. On information and belief and based thereon, Defendants have knowingly and intentionally failed to comply with Labor Code section 1174, including by implementing the policies and procedures and committing the violations alleged in the preceding causes of action and herein. Defendants’ failure to comply with Labor Code section 1174 is unlawful pursuant to Labor Code section 1175.

Defendants have failed to record many of the items delineated in applicable Industrial Wage Orders and Labor Code section 226, and required under Labor Code section 1174, including by virtue of the fact that each wage statement which failed to accurately compensate Plaintiff and

Aggrieved Employees for all hours worked and for missed and non-provided meal and rest periods, or which failed to include compensation for all minimum wages earned or overtime hours worked, was an inaccurate wage statement. In addition, the wage statements inaccurately stated totals hours worked and hours worked at each hourly wage rate.

All Labor Code allegations pertain to all entities or individuals named herein, even if not so specified.

Please advise by certified mail within sixty-five (65) days of the post mark on this letter if the LWDA intends to investigate these claims.

Thank you, and please contact me if you have any questions or require additional information.

Very Truly Yours,

/s/ Christina M. Lucio

Christina M. Lucio, Esq.

EXHIBIT 3

JAMES *JH* HAWKINS

A PROFESSIONAL LAW CORPORATION

9880 RESEARCH DRIVE, SUITE 200, IRVINE, CALIFORNIA 92618
TELEPHONE (949) 387-7200; FACSIMILE (949) 387-6676

August 26, 2021

Via Online Filing (LWDA) and Certified Mail (Employers)

California Labor and Workforce Development Agency
Attn: PAGA Administrator

Volt Management Corp.
2401 N. Glassell St.
Orange, CA 92865
Certified Mail Receipt: 7020 0640 0001 0089 8298

Gusmer Enterprises, Inc.
1165 Globe Avenue
Mountainside, NJ 07092
Certified Mail: 7020 0640 0001 0089 8281

Agent for Service of Process for Gusmer
Enterprises: Marla Jeffrey
81 M. Street
Fresno, CA 93721
Certified Mail: 7020 0640 0001 0089 8274
Agent for Service of Process for Volt
Management Corp.:
CT Corporation System
330 N. Brand Blvd.
Glendale, CA 91203
Certified Mail Receipt: 7020 0640 0001 0089 8267

Re: NOTICE PURSUANT TO LABOR CODE SECTIONS 2698 et seq.

To Whom It May Concern:

PLEASE TAKE NOTICE that Plaintiff JERRY VEYLINES, on behalf of himself and all others similarly situated, hereby submits this notice to the LWDA of his Complaint against his former employers Defendants VOLT MANAGEMENT CORP., an Delaware Corporation, and GUSMER ENTERPRISES, INC., a New Jersey Corporation, and DOES 1 through 50, inclusive, (collectively "Defendants") pursuant to Labor Code sections 2698 *et seq.* The purpose of this notice is to supplement the prior notice submitted as LWDA Case No. LWDA-CM-842673-21, and to add allegations regarding the time that Plaintiff worked for Gusmer Enterprises indirectly through Volt Management Corp.

This notice is timely as it is provided within one year of the violations. In addition, the statute of limitation for the claim under the Private Attorney Generals Act, is tolled by operation of law under Emergency Rule 9 due to the COVID-19 pandemic.

Plaintiff alleges that Defendants committed the violations set forth herein against both himself and the group of aggrieved employees that he will seek to represent: Any and all persons who are or were employed by Defendant Gusmer Enterprises, directly or indirectly, in the State of California as non-exempt employees during the relevant time period as tolled by Emergency Rule 9.

During the relevant time period as defined by the statute (as tolled by Emergency Rule 9), Plaintiff was indirectly employed by Defendant Gusmer Enterprises as a non-exempt, hourly employee through temporary staffing agency Defendant Volt Management Corp. Plaintiff alleges that Defendants were joint employers that jointly controlled the terms and conditions of Plaintiff's employment.

Pursuant to *Huff v. Securitas Security Services*, 23 Cal. App. 5th 745, 751 (2018), an employee who brings a representative action and was affected by at least one of the violations alleged in the complaint has standing to pursue penalties on behalf of the state not only for that violation, but for violations affecting other employees as well. Accordingly, Plaintiff has standing to pursue penalties on behalf of the state for violations affecting all the aggrieved employees working for Gusmer Enterprises in California regardless of their classification, job title, locations, or whether they were hired directly or through a labor contractor or staffing agency.

Failure to Pay Minimum Wages

During all relevant periods, the California Labor Code sections 204, 1194, 1197, 1198, and wage orders required that Defendants fully and timely pay its non-exempt, hourly employees all wages earned and due for all hours worked. Employers are required to pay at least minimum wage for each hour worked. Labor Code section 1194(a) provides that notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees, and costs of suit. The IWC Wage Orders define "hours worked" 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." At all times relevant, Plaintiff and Aggrieved Employees consistently worked hours for which they were not paid because Defendants frequently required Plaintiff and Aggrieved Employees to work off the clock. Plaintiff and the Aggrieved Employees were not paid for all hours worked because of Defendants use of pay cards.

Defendants failed to properly pay all earned wages, including at least minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee's pay card (wages earned), such that the employee was paid less than all wages owed for hours worked.

Failure to Pay Overtime Owed

During the relevant periods, Defendant required Plaintiff and the Aggrieved Employees to work shifts in excess of eight (8) hours per workday and/or to work in excess of forty (40) hours per workweek. Both the California Labor Code section 1194, 1197, 510, 1198, and the pertinent wage order 1-2001, 4-2001, and 9-2001 required that all work performed by an employee in excess of eight (8) hours in any workday, on the seventh day of work in any workweek, or in excess of forty (40) hours in any workweek be compensated at one and one-half (1.5) times that employee's regular rate of pay. Any work in excess of twelve (12) hours in one (1) day is required to be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight (8) hours on any seventh (7th) day of a

workweek is required to be compensated at the rate of no less than twice the regular rate of pay of an employee.

Defendants had a uniform policy of requiring Plaintiff and the Aggrieved Employees to work overtime without compensating them at a rate of one and one-half (1.5) times their regular rate of pay. Defendants failed to incorporate all forms of compensation, including without limitation bonuses, differentials, and incentives, into the regular rate for overtime purposes.

Failure to Provide Lawful Meal Periods

Pursuant to Labor Code §512, no employer shall employ an employee for a work period of more than five (5) hours without providing a meal break of not less than thirty (30) minutes in which the employee is relieved of all his or her duties, except that when a work period of not more than six (6) hours will complete the day's work the meal period may be waived by mutual consent of the employer and employee. Defendants failed to provide Plaintiff and Aggrieved Employees timely and uninterrupted first meal periods of not less than thirty (30) minutes within the first five hours of a shift. As a consequence of Defendants' policies and practices, labor budgets, requirements, demands, coverage, and staffing, Plaintiff and Aggrieved Employees were often required to forego such meal periods, take shortened or interrupted meal periods, and/or commence their meal periods into and beyond the fifth hour of their shifts.

Plaintiff and the Aggrieved Employees were not paid one hour of pay at their regular rate for each day that a meal period was not lawfully provided in violation of Labor Code section 226.7. Moreover, when paid, Defendants failed to pay meal period premiums at the correct regular rate for the Plaintiff and Aggrieved Employees as Defendants did not incorporate non-discretionary bonuses and incentives. "If an employer does not provide an employee with a compliant meal, rest, or recovery period, section 226.7, subdivision (c) (section 226.7(c)) requires the employer to "pay the employee one additional hour of pay at the employee's regular rate of compensation"" (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858). Because Defendants failed to calculate the regular rate properly, they are also in violation Labor Code section 226.7 and 512.

Failure to Authorize and Permit Lawful Rest Periods

Pursuant to Labor Code section 1198, IWC wage orders 1-2001, 4-2001, and 9-2001 applicable to Plaintiff's and Aggrieved Employees' employment by Defendants, "Every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period....[The] authorized 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 worked or major fraction thereof....Authorized rest period time shall be counted as hours worked, for which there shall be no deduction from wages." Despite said requirement of the IWC wage orders applicable to Plaintiff's and Aggrieved Employees' employment with Defendants, Defendants failed and refused to authorize and permit lawful, net ten (10) minutes rest periods for every four (4) hours worked, or major fraction thereof.

Defendants failed to pay rest period premiums at the correct regular rate for the Plaintiff and Aggrieved Employees as Defendants did not incorporate non-discretionary bonuses and incentives. "If an employer does not provide an employee with a compliant meal, rest, or recovery period, section 226.7, subdivision (c) (section 226.7(c)) requires the employer to "pay the employee one additional hour of pay at the employee's regular rate of compensation"" (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858). Because Defendants failed to calculate

the regular rate properly, they are also in violation Labor Code section 226.7.

Failure to Timely Pay Wages During Employment

Labor Code section 204 requires that all wages are due and payable twice in each calendar month. The wages required by Labor Code §§ 226.7, 510, 1194 and other sections became due and payable to each employee in each month that he or she was not provided with a meal period or rest period or paid minimum wage, straight or overtime wages to which he or she was entitled. Defendants violated Labor Code § 204 by systematically refusing to pay wages due under the Labor Code.

Defendants failed to properly pay all earned wages, including minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee's pay card (wages earned), such that the employee was paid less than all wages owed for hours worked. As a result of Defendants use of pay cards, Defendants failed to pay all wages due and payable during employment.

Labor Code section 210 (a) provides that "In addition to, and entirely independent and apart from, any other penalty provided in this article, every person who fails to pay the wages of each employee as provided in Sections 201.3, 204, 204b, 204.1, 204.2, 204.11, 205, 205.5, and 1197.5, shall be subject to a penalty as follow:

- (1) For any initial violation, one hundred dollars (\$100) for each failure to pay each employee.
- (2) For each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld.

Failure to Timely Pay Wages Owed at Separation

Labor Code §§ 201 and 202 require Defendants to pay their employees all wages due, including without limitation vacation, within seventy-two (72) hours of separation of employment. Section 203 of the Labor Code provides that if an employer willfully fails to timely pay such wages the employer must, as a penalty, continue to pay the subject employee's wages until the back wages are paid in full or an action is commenced. In addition, irrespective of any derivative violations for the above-specified issues, Defendants failed to timely pay Plaintiff and, upon information and belief, other Aggrieved Employees earned compensation at the time of termination despite their obligations under Labor Code 201 and 202. More than thirty (30) days have passed since some Aggrieved Employees left Defendants' employ, and on information and belief, they have not received payment pursuant to Labor Code §203.

Defendants failed to properly pay all earned wages, including at least minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee's pay card (wages earned), such that the employee was paid less than all wages owed for hours worked.

Unlawful Deductions

Labor Code section 212(a) provides “No person, or agent or officer thereof, shall issue in payment of wages due, or to become due, or as an advance on wages to be earned:

(1) Any order, check, draft, note, memorandum, or other acknowledgment of indebtedness, unless it is negotiable and payable in cash, on demand, without discount, at some established place of business in the state, the name and address of which must appear on the instrument, and at the time of its issuance and for a reasonable time thereafter, which must be at least 30 days, the maker or drawer has sufficient funds in, or credit, arrangement, or understanding with the drawee for its payment.

Labor Code section 221 provides “It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee.” Labor Code section 223 provides “It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee.” Defendants have willfully violated the above provisions by tendering payment for wages to its employees, like Plaintiff and the Aggrieved Employees, in the form of pay card from which certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee’s pay card. As a consequence of such practice, Plaintiff and the Aggrieved Employees were paid less than all wages owed for hours worked.

Failure to Provide Accurate Itemized Employee Wage Statement Provisions

Labor Code section 226(a) reads in pertinent part: “Every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees, either as a detachable part of the check, draft, or voucher paying the employee’s wages, or separately when wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee... (4) all deductions... (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) 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, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during each the pay period and the corresponding number of hours worked at each hourly rate by the employee....”.

Further, the IWC Wage Orders require in pertinent part: Every employer shall keep accurate information with respect to each employee including the following: (3) Time records showing when the employee begins and ends each work period. Meal periods, split shift intervals, and total daily hours worked shall also be recorded... (5) Total hours worked in the payroll period and applicable rates of pay....” Labor Code section 1174 of the California also requires Defendants to maintain and preserve, in a centralized location, among other items, records showing the names and addresses of all employees employed and payroll records showing the hours worked daily by, and the wages paid to, its employees. On information and belief and based thereon, Defendants have knowingly and intentionally failed to comply with Labor Code section 1174, including by implementing the policies and procedures and committing the violations alleged in the preceding causes of action and herein. Defendants’ failure to comply with Labor Code section 1174 is unlawful pursuant to Labor Code section 1175.

Defendants have failed to record many of the items delineated in applicable Industrial Wage Orders and Labor Code section 226, and required under Labor Code section 1174, including by

virtue of the fact that each wage statement which failed to accurately compensate Plaintiff and Aggrieved Employees for all hours worked and for missed and non-provided meal and rest periods, or which failed to include compensation for all minimum wages earned or overtime hours worked, was an inaccurate wage statement. In addition, the wage statements inaccurately stated totals hours worked and hours worked at each hourly wage rate.

All Labor Code allegations pertain to all entities or individuals named herein, even if not so specified.

Please advise by certified mail within sixty-five (65) days of the post mark on this letter if the LWDA intends to investigate these claims.

Thank you, and please contact me if you have any questions or require additional information.

Very Truly Yours,

/s/ Christina M. Lucio

Christina M. Lucio, Esq.

EXHIBIT 4

JAMES *JH* HAWKINS

A PROFESSIONAL LAW CORPORATION

9880 RESEARCH DRIVE, SUITE 200, IRVINE, CALIFORNIA 92618
TELEPHONE (949) 387-7200; FACSIMILE (949) 387-6676

November 2, 2021

Via Online Filing (LWDA) and Certified Mail (Employers)

California Labor and Workforce Development Agency

Attn: PAGA Administrator

1515 Clay Street, Ste. 801

Oakland, CA 94612

<http://www.dir.ca.gov/Private-Attorneys-General-Act>

Volt Management Corp.

2401 N. Glassell St.

Orange, CA 92865

Certified Mail Receipt: 7021 0950 0000

7376 5590

Agent for Service of Process for

Volt Management Corp.:

CT Corporation System

330 N. Brand Blvd., Suite 700

Glendale, CA 91203

Certified Mail Receipt: 7018 1130 0001

8270 3114

XPO Logistics Freight, Inc.

2055 NW Savier St.

Portland, OR 97209

Certified Mail Receipt: 7021 0950 0000

7376 5606

Registered Agent Solutions, Inc.

Agent for Service of Process for

XPO Logistics Freight, Inc.:

1220 S St., Suite 150

Sacramento, CA 95811

Certified Mail Receipt: 7021 0950 0000

7376 5613

GXO Logistics Supply Chain, Inc.

2055 NW Savier Street

Portland, OR 97209

Certified Mail Receipt: 7018 1130 0001

8270 3107

Registered Agent Solutions, Inc.

Agent for Service of Process for

GXO Logistics Supply Chain, Inc.:

1220 S St., Suite 150

Sacramento, CA 95811

Certified Mail Receipt: 7018 1130 0001

8270 3091

Re: AMENDED NOTICE PURSUANT TO LABOR CODE SECTIONS 2698 et seq.

To Whom It May Concern:

PLEASE TAKE NOTICE that Plaintiff JERRY VELYNES, on behalf of himself and all others similarly situated, hereby submits this notice to the LWDA of his Complaint against his former employers Defendants VOLT MANAGEMENT CORP., a Delaware Corporation; GXO LOGISTICS SUPPLY CHAIN, INC., a North Carolina corporation; XPO Logistics Freight, Inc., and

DOES 1 through 50, inclusive, pursuant to Labor Code sections 2698 *et seq.* The purpose of this notice is to amend the prior notice submitted in the LWDA Case No. LWDA-CM-842673-21, to correct an inadvertent typo in plaintiff's name and to name another defendant in connection with the time that Plaintiff worked for XPO Logistics indirectly through Volt Management Corp. It is our understanding that GXO Logistics Supply Chain is the current name for the entity that was previously named as XPO Logistics Supply Chain, Inc. There are various entities under the XPO banner and Plaintiff submits this amended notice out of an abundance of caution to name XPO Logistics Supply Chain, Inc., XPO Logistics Freight, Inc., and GXO Logistics Supply Chain.

This notice is timely as it is provided within one year of the violations. In addition, the statute of limitation for the claim under the Private Attorney Generals Act, is tolled by operation of law under Emergency Rule 9 due to the COVID-19 pandemic.

Plaintiff alleges that Defendants committed the violations set forth herein against both himself and the group of aggrieved employees that he will seek to represent: Any and all persons who are or were employed by Defendants, either directly or indirectly, in the State of California as non-exempt employees during the relevant time period as tolled by Emergency Rule 9.

During the relevant time period as defined by the statute (as tolled by Emergency Rule 9), Plaintiff was indirectly employed by Defendants as a non-exempt, hourly employee at XPO through temporary staffing agency Defendant Volt Management Corp. Plaintiff alleges that Defendants were joint employers that jointly controlled the terms and conditions of Plaintiff's employment.

Pursuant to *Huff v. Securitas Security Services*, 23 Cal. App. 5th 745, 751 (2018), an employee who brings a representative action and was affected by at least one of the violations alleged in the complaint has standing to pursue penalties on behalf of the state not only for that violation, but for violations affecting other employees as well. Accordingly, Plaintiff has standing to pursue penalties on behalf of the state for violations affecting all the aggrieved employees working for Defendants in California regardless of their classification, job title, locations, or whether they were hired directly or through a labor contractor or staffing agency.

Failure to Pay Minimum Wages

During all relevant periods, the California Labor Code sections 204, 1194, 1197, 1198, and wage orders required that Defendants fully and timely pay its non-exempt, hourly employees all wages earned and due for all hours worked. Employers are required to pay at least minimum wage for each hour worked. Labor Code section 1194(a) provides that notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees, and costs of suit. The IWC Wage Orders define "hours worked" 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." At all times relevant, Plaintiff and Aggrieved Employees consistently worked hours

for which they were not paid because Defendants frequently required Plaintiff and Aggrieved Employees to work off the clock. Plaintiff and the Aggrieved Employees were not paid for all hours worked because of Defendants use of pay cards.

Defendants failed to properly pay all earned wages, including at least minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee's pay card (wages earned), such that the employee was paid less than all wages owed for hours worked.

Failure to Pay Overtime Owed

During the relevant periods, Defendant required Plaintiff and the Aggrieved Employees to work shifts in excess of eight (8) hours per workday and/or to work in excess of forty (40) hours per workweek. Both the California Labor Code section 1194, 1197, 510, 1198, and the pertinent wage order 1-2001, 4-2001, and 9-2001 required that all work performed by an employee in excess of eight (8) hours in any workday, on the seventh day of work in any workweek, or in excess of forty (40) hours in any workweek be compensated at one and one-half (1.5) times that employee's regular rate of pay. Any work in excess of twelve (12) hours in one (1) day is required to be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight (8) hours on any seventh (7th) day of a workweek is required to be compensated at the rate of no less than twice the regular rate of pay of an employee.

Defendants had a uniform policy of requiring Plaintiff and the Aggrieved Employees to work overtime without compensating them at a rate of one and one-half (1.5) times their regular rate of pay. Defendants failed to incorporate all forms of compensation, including without limitation bonuses, differentials, and incentives, into the regular rate for overtime purposes.

Failure to Provide Lawful Meal Periods

Pursuant to Labor Code §512, no employer shall employ an employee for a work period of more than five (5) hours without providing a meal break of not less than thirty (30) minutes in which the employee is relieved of all his or her duties, except that when a work period of not more than six (6) hours will complete the day's work the meal period may be waived by mutual consent of the employer and employee. Defendants failed to provide Plaintiff and Aggrieved Employees timely and uninterrupted first meal periods of not less than thirty (30) minutes within the first five hours of a shift. As a consequence of Defendants' policies and practices, labor budgets, requirements, demands, coverage, and staffing, Plaintiff and Aggrieved Employees were often required to forego such meal periods, take shortened or interrupted meal periods, and/or commence their meal periods into and beyond the fifth hour of their shifts.

Plaintiff and the Aggrieved Employees were not paid one hour of pay at their regular rate for each day that a meal period was not lawfully provided in violation of Labor Code section 226.7.

Moreover, when paid, Defendants failed to pay meal period premiums at the correct regular rate for the Plaintiff and Aggrieved Employees as Defendants did not incorporate non-discretionary bonuses and incentives. “If an employer does not provide an employee with a compliant meal, rest, or recovery period, section 226.7, subdivision (c) (section 226.7(c)) requires the employer to “pay the employee one additional hour of pay at the employee’s regular rate of compensation”” (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858). Because Defendants failed to calculate the regular rate properly, they are also in violation Labor Code section 226.7 and 512.

Failure to Authorize and Permit Lawful Rest Periods

Pursuant to Labor Code section 1198, IWC wage orders 1-2001, 4-2001, and 9-2001 applicable to Plaintiff’s and Aggrieved Employees’ employment by Defendants, “Every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period....[The] authorized 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 worked or major fraction thereof....Authorized rest period time shall be counted as hours worked, for which there shall be no deduction from wages.” Despite said requirement of the IWC wage orders applicable to Plaintiff’s and Aggrieved Employees’ employment with Defendants, Defendants failed and refused to authorize and permit lawful, net ten (10) minutes rest periods for every four (4) hours worked, or major fraction thereof.

Defendants failed to pay rest period premiums at the correct regular rate for the Plaintiff and Aggrieved Employees as Defendants did not incorporate non-discretionary bonuses and incentives. “If an employer does not provide an employee with a compliant meal, rest, or recovery period, section 226.7, subdivision (c) (section 226.7(c)) requires the employer to “pay the employee one additional hour of pay at the employee’s regular rate of compensation”” (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858). Because Defendants failed to calculate the regular rate properly, they are also in violation Labor Code section 226.7.

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Labor Code section 204 requires that all wages are due and payable twice in each calendar month. The wages required by Labor Code §§ 226.7, 510, 1194 and other sections became due and payable to each employee in each month that he or she was not provided with a meal period or rest period or paid minimum wage, straight or overtime wages to which he or she was entitled. Defendants violated Labor Code § 204 by systematically refusing to pay wages due under the Labor Code.

Defendants failed to properly pay all earned wages, including minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee’s pay card (wages earned), such that the employee was paid less than all wages owed for hours worked. As a result of Defendants use of pay cards, Defendants failed to pay all wages due and payable during employment.

Labor Code section 210 (a) provides that “In addition to, and entirely independent and apart from, any other penalty provided in this article, every person who fails to pay the wages of each employee as provided in Sections 201.3, 204, 204b, 204.1, 204.2, 204.11, 205, 205.5, and 1197.5, shall be subject to a penalty as follow:

- (1) For any initial violation, one hundred dollars (\$100) for each failure to pay each employee.
- (2) For each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld.

Failure to Timely Pay Wages Owed at Separation

Labor Code §§ 201 and 202 require Defendants to pay their employees all wages due, including without limitation vacation, within seventy-two (72) hours of separation of employment. Section 203 of the Labor Code provides that if an employer willfully fails to timely pay such wages the employer must, as a penalty, continue to pay the subject employee’s wages until the back wages are paid in full or an action is commenced. In addition, irrespective of any derivative violations for the above-specified issues, Defendants failed to timely pay Plaintiff and, upon information and belief, other Aggrieved Employees earned compensation at the time of termination despite their obligations under Labor Code 201 and 202. More than thirty (30) days have passed since some Aggrieved Employees left Defendants’ employ, and on information and belief, they have not received payment pursuant to Labor Code §203.

Defendants failed to properly pay all earned wages, including at least minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee’s pay card (wages earned), such that the employee was paid less than all wages owed for hours worked.

Unlawful Deductions

Labor Code section 212(a) provides “No person, or agent or officer thereof, shall issue in payment of wages due, or to become due, or as an advance on wages to be earned:

- (1) Any order, check, draft, note, memorandum, or other acknowledgment of indebtedness, unless it is negotiable and payable in cash, on demand, without discount, at some established place of business in the state, the name and address of which must appear on the instrument, and at the time of its issuance and for a reasonable time thereafter, which must be at least 30 days, the maker or drawer has sufficient funds in, or credit, arrangement, or understanding with the drawee for its payment.

Labor Code section 221 provides “It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee.” Labor Code section 223 provides “It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee.” Defendants have willfully violated the above provisions by tendering payment for wages to its employees, like Plaintiff and the Aggrieved Employees, in the form of pay card from which certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee’s pay card. As a consequence of such practice, Plaintiff and the Aggrieved Employees were paid less than all wages owed for hours worked.

Failure to Provide Accurate Itemized Employee Wage Statement Provisions

Labor Code section 226(a) reads in pertinent part: “Every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees, either as a detachable part of the check, draft, or voucher paying the employee’s wages, or separately when wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee... (4) all deductions... (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) 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, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during each the pay period and the corresponding number of hours worked at each hourly rate by the employee....”.

Further, the IWC Wage Orders require in pertinent part: Every employer shall keep accurate information with respect to each employee including the following: (3) Time records showing when the employee begins and ends each work period. Meal periods, split shift intervals, and total daily hours worked shall also be recorded...(5) Total hours worked in the payroll period and applicable rates of pay....” Labor Code section 1174 of the California also requires Defendants to maintain and preserve, in a centralized location, among other items, records showing the names and addresses of all employees employed and payroll records showing the hours worked daily by, and the wages paid to, its employees. On information and belief and based thereon, Defendants have knowingly and intentionally failed to comply with Labor Code section 1174, including by implementing the policies and procedures and committing the violations alleged in the preceding causes of action and herein. Defendants’ failure to comply with Labor Code section 1174 is unlawful pursuant to Labor Code section 1175.

Defendants have failed to record many of the items delineated in applicable Industrial Wage Orders and Labor Code section 226, and required under Labor Code section 1174, including by virtue of the fact that each wage statement which failed to accurately compensate Plaintiff and Aggrieved Employees for all hours worked and for missed and non-provided meal and rest periods, or which failed to include compensation for all minimum wages earned or overtime hours worked, was an inaccurate wage statement. In addition, the wage statements inaccurately stated totals hours worked and hours worked at each hourly wage rate.

AMENDED NOTICE PURSUANT TO LABOR CODE SECTIONS 2698 et seq.

November 2, 2021

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All Labor Code allegations pertain to all entities or individuals named herein, even if not so specified.

Please advise by certified mail within sixty-five (65) days of the post mark on this letter if the LWDA intends to investigate these claims.

Thank you, and please contact me if you have any questions or require additional information.

Very Truly Yours,

/s/ Christina M. Lucio

Christina M. Lucio, Esq.

EXHIBIT 5

JAMES *JH* HAWKINS

A PROFESSIONAL LAW CORPORATION

9880 RESEARCH DRIVE, SUITE 200, IRVINE, CALIFORNIA 92618
TELEPHONE (949) 387-7200; FACSIMILE (949) 387-6676

February 11, 2022

Via Online Filing (LWDA) and Certified Mail (Employers)

California Labor and Workforce Development Agency
Attn: PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612
<http://www.dir.ca.gov/Private-Attorneys-General-Act>

Volt Management Corp.
2401 N. Glassell St.
Orange, CA 92865
Certified Mail Receipt: 7021 0950 0000 7376
7013

Agent for Service of Process for
Volt Management Corp.:
CT Corporation System
330 N. Brand Blvd., Suite 700
Glendale, CA 91203
Certified Mail Receipt: 7021 0950 0000 7376
7020

Re: LWDA Case No. LWDA-CM-842673-21:
SECOND AMENDED NOTICE PURSUANT TO LABOR CODE SECTIONS
2698 et seq.

To Whom It May Concern:

PLEASE TAKE NOTICE that Plaintiff JERRY VELYNES, on behalf of himself and all others similarly situated, hereby submits this amended notice to the LWDA to clarify the scope of the group that he will seek to represent in this PAGA claim against his former employer Defendant VOLT MANAGEMENT CORP., a Delaware Corporation. Plaintiff will narrow the group of employees that he seeks to represent in this litigation to non-exempt, hourly employees who worked at facilities owned by XPO Logistics Supply Chain, Inc., XPO Logistics Freight, Inc., and GXO Logistics Supply Chain through temporary staffing agency Defendant Volt Management Corp.

Plaintiff alleges that Defendants committed the violations set forth herein against both himself and the group of aggrieved employees that he will seek to represent. Plaintiff incorporates the attached complaint by this reference.

During the relevant time period as defined by the statute (as tolled by Emergency Rule 9), Plaintiff was indirectly employed by Defendants as a non-exempt, hourly employee at XPO through temporary staffing agency Defendant Volt Management Corp. Plaintiff alleges that Defendants were joint employers that jointly controlled the terms and conditions of Plaintiff's

employment.

Pursuant to *Huff v. Securitas Security Services*, 23 Cal. App. 5th 745, 751 (2018), an employee who brings a representative action and was affected by at least one of the violations alleged in the complaint has standing to pursue penalties on behalf of the state not only for that violation, but for violations affecting other employees as well. Accordingly, Plaintiff has standing to pursue penalties on behalf of the state for violations affecting all the aggrieved employees working for Defendants in California regardless of their classification, job title, locations, or whether they were hired directly or through a labor contractor or staffing agency.

Failure to Pay Minimum Wages

During all relevant periods, the California Labor Code sections 204, 1194, 1197, 1198, and wage orders required that Defendants fully and timely pay its non-exempt, hourly employees all wages earned and due for all hours worked. Employers are required to pay at least minimum wage for each hour worked. Labor Code section 1194(a) provides that notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees, and costs of suit. The IWC Wage Orders define "hours worked" 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." At all times relevant, Plaintiff and Aggrieved Employees consistently worked hours for which they were not paid because Defendants frequently required Plaintiff and Aggrieved Employees to work off the clock. Plaintiff and the Aggrieved Employees were not paid for all hours worked because of Defendants use of pay cards.

Defendants failed to properly pay all earned wages, including at least minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee's pay card (wages earned), such that the employee was paid less than all wages owed for hours worked.

Failure to Pay Overtime Owed

During the relevant periods, Defendant required Plaintiff and the Aggrieved Employees to work shifts in excess of eight (8) hours per workday and/or to work in excess of forty (40) hours per workweek. Both the California Labor Code section 1194, 1197, 510, 1198, and the pertinent wage order 1-2001, 4-2001, and 9-2001 required that all work performed by an employee in excess of eight (8) hours in any workday, on the seventh day of work in any workweek, or in excess of forty (40) hours in any workweek be compensated at one and one-half (1.5) times that employee's regular rate of pay. Any work in excess of twelve (12) hours in one (1) day is required to be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight (8) hours on any seventh (7th) day of a

workweek is required to be compensated at the rate of no less than twice the regular rate of pay of an employee.

Defendants had a uniform policy of requiring Plaintiff and the Aggrieved Employees to work overtime without compensating them at a rate of one and one-half (1.5) times their regular rate of pay. Defendants failed to incorporate all forms of compensation, including without limitation bonuses, differentials, and incentives, into the regular rate for overtime purposes.

Failure to Provide Lawful Meal Periods

Pursuant to Labor Code §512, no employer shall employ an employee for a work period of more than five (5) hours without providing a meal break of not less than thirty (30) minutes in which the employee is relieved of all his or her duties, except that when a work period of not more than six (6) hours will complete the day's work the meal period may be waived by mutual consent of the employer and employee. Defendants failed to provide Plaintiff and Aggrieved Employees timely and uninterrupted first meal periods of not less than thirty (30) minutes within the first five hours of a shift. As a consequence of Defendants' policies and practices, labor budgets, requirements, demands, coverage, and staffing, Plaintiff and Aggrieved Employees were often required to forego such meal periods, take shortened or interrupted meal periods, and/or commence their meal periods into and beyond the fifth hour of their shifts.

Plaintiff and the Aggrieved Employees were not paid one hour of pay at their regular rate for each day that a meal period was not lawfully provided in violation of Labor Code section 226.7. Moreover, when paid, Defendants failed to pay meal period premiums at the correct regular rate for the Plaintiff and Aggrieved Employees as Defendants did not incorporate non-discretionary bonuses and incentives. "If an employer does not provide an employee with a compliant meal, rest, or recovery period, section 226.7, subdivision (c) (section 226.7(c)) requires the employer to "pay the employee one additional hour of pay at the employee's regular rate of compensation"" (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858). Because Defendants failed to calculate the regular rate properly, they are also in violation Labor Code section 226.7 and 512.

Failure to Authorize and Permit Lawful Rest Periods

Pursuant to Labor Code section 1198, IWC wage orders 1-2001, 4-2001, and 9-2001 applicable to Plaintiff's and Aggrieved Employees' employment by Defendants, "Every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period....[The] authorized 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 worked or major fraction thereof....Authorized rest period time shall be counted as hours worked, for which there shall be no deduction from wages." Despite said requirement of the IWC wage orders applicable to Plaintiff's and Aggrieved Employees' employment with Defendants, Defendants failed and refused to authorize and permit lawful, net ten (10) minutes rest periods for every four (4) hours worked, or major fraction thereof.

Defendants failed to pay rest period premiums at the correct regular rate for the Plaintiff and

Aggrieved Employees as Defendants did not incorporate non-discretionary bonuses and incentives. “If an employer does not provide an employee with a compliant meal, rest, or recovery period, section 226.7, subdivision (c) (section 226.7(c)) requires the employer to “pay the employee one additional hour of pay at the employee’s regular rate of compensation”” (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858). Because Defendants failed to calculate the regular rate properly, they are also in violation Labor Code section 226.7.

Failure to Timely Pay Wages During Employment

Labor Code section 204 requires that all wages are due and payable twice in each calendar month. The wages required by Labor Code §§ 226.7, 510, 1194 and other sections became due and payable to each employee in each month that he or she was not provided with a meal period or rest period or paid minimum wage, straight or overtime wages to which he or she was entitled. Defendants violated Labor Code § 204 by systematically refusing to pay wages due under the Labor Code.

Defendants failed to properly pay all earned wages, including minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card.

Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee’s pay card (wages earned), such that the employee was paid less than all wages owed for hours worked. As a result of Defendants use of pay cards, Defendants failed to pay all wages due and payable during employment.

Labor Code section 210 (a) provides that “In addition to, and entirely independent and apart from, any other penalty provided in this article, every person who fails to pay the wages of each employee as provided in Sections 201.3, 204, 204b, 204.1, 204.2, 204.11, 205, 205.5, and 1197.5, shall be subject to a penalty as follow:

- (1) For any initial violation, one hundred dollars (\$100) for each failure to pay each employee.
- (2) For each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld.

Failure to Timely Pay Wages Owed at Separation

Labor Code §§ 201 and 202 require Defendants to pay their employees all wages due, including without limitation vacation, within seventy-two (72) hours of separation of employment. Section 203 of the Labor Code provides that if an employer willfully fails to timely pay such wages the employer must, as a penalty, continue to pay the subject employee’s wages until the back wages are paid in full or an action is commenced. In addition, irrespective of any derivative violations for the above-specified issues, Defendants failed to timely pay Plaintiff and, upon information and belief, other Aggrieved Employees earned compensation at the time of termination despite their obligations under Labor Code 201 and 202. More than thirty (30) days have passed since some

Aggrieved Employees left Defendants' employ, and on information and belief, they have not received payment pursuant to Labor Code §203.

Defendants failed to properly pay all earned wages, including at least minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee's pay card (wages earned), such that the employee was paid less than all wages owed for hours worked.

Unlawful Deductions

Labor Code section 212(a) provides "No person, or agent or officer thereof, shall issue in payment of wages due, or to become due, or as an advance on wages to be earned:

- (1) Any order, check, draft, note, memorandum, or other acknowledgment of indebtedness, unless it is negotiable and payable in cash, on demand, without discount, at some established place of business in the state, the name and address of which must appear on the instrument, and at the time of its issuance and for a reasonable time thereafter, which must be at least 30 days, the maker or drawer has sufficient funds in, or credit, arrangement, or understanding with the drawee for its payment.

Labor Code section 221 provides "It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee." Labor Code section 223 provides "It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee." Defendants have willfully violated the above provisions by tendering payment for wages to its employees, like Plaintiff and the Aggrieved Employees, in the form of pay card from which certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee's pay card. As a consequence of such practice, Plaintiff and the Aggrieved Employees were paid less than all wages owed for hours worked.

Failure to Provide Accurate Itemized Employee Wage Statement Provisions

Labor Code section 226(a) reads in pertinent part: "Every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees, either as a detachable part of the check, draft, or voucher paying the employee's wages, or separately when wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee... (4) all deductions... (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) 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, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during each the pay period and the corresponding number of hours

worked at each hourly rate by the employee....”.

Further, the IWC Wage Orders require in pertinent part: Every employer shall keep accurate information with respect to each employee including the following: (3) Time records showing when the employee begins and ends each work period. Meal periods, split shift intervals, and total daily hours worked shall also be recorded...(5) Total hours worked in the payroll period and applicable rates of pay....” Labor Code section 1174 of the California also requires Defendants to maintain and preserve, in a centralized location, among other items, records showing the names and addresses of all employees employed and payroll records showing the hours worked daily by, and the wages paid to, its employees. On information and belief and based thereon, Defendants have knowingly and intentionally failed to comply with Labor Code section 1174, including by implementing the policies and procedures and committing the violations alleged in the preceding causes of action and herein. Defendants’ failure to comply with Labor Code section 1174 is unlawful pursuant to Labor Code section 1175.

Defendants have failed to record many of the items delineated in applicable Industrial Wage Orders and Labor Code section 226, and required under Labor Code section 1174, including by virtue of the fact that each wage statement which failed to accurately compensate Plaintiff and Aggrieved Employees for all hours worked and for missed and non-provided meal and rest periods, or which failed to include compensation for all minimum wages earned or overtime hours worked, was an inaccurate wage statement. In addition, the wage statements inaccurately stated totals hours worked and hours worked at each hourly wage rate.

All Labor Code allegations pertain to all entities or individuals named herein, even if not so specified.

Please advise by certified mail within sixty-five (65) days of the post mark on this letter if the LWDA intends to investigate these claims.

Thank you, and please contact me if you have any questions or require additional information.

Very Truly Yours,

/s/ Christina M. Lucio

Christina M. Lucio, Esq.

EXHIBIT 6

JAMES JH HAWKINS
A PROFESSIONAL LAW CORPORATION

9880 RESEARCH DRIVE, SUITE 200, IRVINE, CALIFORNIA 92618
TELEPHONE (949) 387-7200; FACSIMILE (949) 387-6676

November 10, 2025

Via Online Filing (LWDA) and Email to Counsel for Employers

California Labor and Workforce Development Agency
Attn: PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612
<http://www.dir.ca.gov/Private-Attorneys-General-Act>

Volt Management Corp.
2401 N. Glassell St.
Orange, CA 92865

Agent for Service of Process for GXO Logistics
Supply Chain, Inc.
1220 S St., Suite 150
Sacramento, CA 95811

GXO Logistics Supply Chain, Inc.
2055 NW Savier Street
Portland, OR 97209

Agent for Service of Process for Volt
Management Corp.:
CT Corporation System
330 N. Brand Blvd., Suite 700
Glendale, CA 91203

Registered Agent Solutions, Inc.

Re: AMENDED NOTICE PURSUANT TO LABOR CODE SECTIONS 2698 et seq.

To Whom It May Concern:

PLEASE TAKE NOTICE that Plaintiff JERRY VELYNES, on behalf of himself and all others similarly situated, hereby submits this notice to the LWDA of his Complaint against his former employers Defendants VOLT MANAGEMENT CORP., a Delaware Corporation; GUSMER ENTERPRISES, INC., a New Jersey corporation; GXO LOGISTICS SUPPLY CHAIN, INC., a North Carolina corporation; (formerly XPO Logistics Freight, Inc.) (“Defendants”) (collectively, the “parties”), and DOES 1 through 50, inclusive, for Civil Penalties Under the Private Attorney’s General Act, pursuant to Labor Code sections 2698 *et seq.* The purpose of this notice is to amend the prior notices submitted to the LWDA in Case No. LWDA-CM-842673-21 to provide notice of the filing of the First Amended Consolidated PAGA Complaint in the matter of *Velynes v. Volt Management Corp., et al.* Fresno County Superior Court Case No. 22CECG01885, the purpose of which is to add additional violations and facts and theories investigated and mediated by the parties.

Plaintiff alleges that Defendants committed the violations set forth herein against both himself and the group of aggrieved employees that he seeks to represent. Plaintiff incorporates the attached LWDA letters and Complaints by this reference.

During the relevant time period as defined by the statute (as tolled by Emergency Rule 9), Plaintiff was indirectly employed by Defendants as a non-exempt, hourly employee at GXO Logistics Supply Chain through temporary staffing agency Defendant Volt Management Corp. Also, during the relevant time period as defined by the statute (as tolled by Emergency Rule 9), Plaintiff was indirectly employed by Defendants as a non-exempt, hourly employee at Gusmer Enterprises, Inc. through temporary staffing agency Defendant Volt Management Corp. Plaintiff alleges that Defendants were joint employers that jointly controlled the terms and conditions of Plaintiff's employment during his respective periods of employment with each.

Pursuant to *Huff v. Securitas Security Services*, 23 Cal. App. 5th 745, 751 (2018), an employee who brings a representative action and was affected by at least one of the violations alleged in the complaint has standing to pursue penalties on behalf of the state not only for that violation, but for violations affecting other employees as well. Accordingly, Plaintiff has standing to pursue penalties on behalf of the state for violations affecting all the aggrieved employees working for Defendants in California regardless of their classification, job title, locations, or whether they were hired directly or through a labor contractor or staffing agency.

Failure to Pay Minimum Wages

During all relevant periods, the California Labor Code sections 204, 1194, 1197, 1198, and wage orders required that Defendants fully and timely pay its non-exempt, hourly employees all wages earned and due for all hours worked. Employers are required to pay at least minimum wage for each hour worked. Labor Code section 1194(a) provides that notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees, and costs of suit. The IWC Wage Orders define "hours worked" 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." At all times relevant, Plaintiff and Aggrieved Employees consistently worked hours for which they were not paid because Defendants frequently required Plaintiff and Aggrieved Employees to work off the clock. Plaintiff and the Aggrieved Employees were not paid for all hours worked because of Defendants use of pay cards.

Defendants failed to properly pay all earned wages, including at least minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee's pay card (wages earned), such that the employee was paid less than all wages owed for hours worked.

Failure to Pay Overtime Owed

During the relevant periods, Defendant required Plaintiff and the Aggrieved Employees to work shifts in excess of eight (8) hours per workday and/or to work in excess of forty (40) hours per workweek. Both the California Labor Code section 1194, 1197, 510, 1198, and the pertinent wage order 1-2001, 4-2001, and 9-2001 required that all work performed by an employee in excess of eight (8) hours in any workday, on the seventh day of work in any workweek, or in excess of forty (40) hours in any workweek be compensated at one and one-half (1.5) times that employee's regular rate of pay. Any work in excess of twelve (12) hours in one (1) day is required to be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight (8) hours on any seventh (7th) day of a workweek is required to be compensated at the rate of no less than twice the regular rate of pay of an employee.

Defendants had a uniform policy of requiring Plaintiff and the Aggrieved Employees to work overtime without compensating them at a rate of one and one-half (1.5) times their regular rate of pay. Defendants failed to incorporate all forms of compensation, including without limitation bonuses, differentials, and incentives, into the regular rate for overtime purposes.

Failure to Provide Lawful Meal Periods

Pursuant to Labor Code §512, no employer shall employ an employee for a work period of more than five (5) hours without providing a meal break of not less than thirty (30) minutes in which the employee is relieved of all his or her duties, except that when a work period of not more than six (6) hours will complete the day's work the meal period may be waived by mutual consent of the employer and employee. Defendants failed to provide Plaintiff and Aggrieved Employees timely and uninterrupted first meal periods of not less than thirty (30) minutes within the first five hours of a shift. As a consequence of Defendants' policies and practices, labor budgets, requirements, demands, coverage, and staffing, Plaintiff and Aggrieved Employees were often required to forego such meal periods, take shortened or interrupted meal periods, and/or commence their meal periods into and beyond the fifth hour of their shifts.

Plaintiff and the Aggrieved Employees were not paid one hour of pay at their regular rate for each day that a meal period was not lawfully provided in violation of Labor Code section 226.7. Moreover, when paid, Defendants failed to pay meal period premiums at the correct regular rate for the Plaintiff and Aggrieved Employees as Defendants did not incorporate non-discretionary bonuses and incentives. "If an employer does not provide an employee with a compliant meal, rest, or recovery period, section 226.7, subdivision (c) (section 226.7(c)) requires the employer to "pay the employee one additional hour of pay at the employee's regular rate of compensation"" (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858). Because Defendants failed to calculate the regular rate properly, they are also in violation Labor Code section 226.7 and 512.

Failure to Authorize and Permit Lawful Rest Periods

Pursuant to Labor Code section 1198, IWC wage orders 1-2001, 4-2001, and 9-2001 applicable to Plaintiff's and Aggrieved Employees' employment by Defendants, "Every employer shall

authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period....[The] authorized 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 worked or major fraction thereof....Authorized rest period time shall be counted as hours worked, for which there shall be no deduction from wages.” Despite said requirement of the IWC wage orders applicable to Plaintiff’s and Aggrieved Employees’ employment with Defendants, Defendants failed and refused to authorize and permit lawful, net ten (10) minutes rest periods for every four (4) hours worked, or major fraction thereof.

Defendants failed to pay rest period premiums at the correct regular rate for the Plaintiff and Aggrieved Employees as Defendants did not incorporate non-discretionary bonuses and incentives. “If an employer does not provide an employee with a compliant meal, rest, or recovery period, section 226.7, subdivision (c) (section 226.7(c)) requires the employer to “pay the employee one additional hour of pay at the employee’s regular rate of compensation”” (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858). Because Defendants failed to calculate the regular rate properly, they are also in violation Labor Code section 226.7.

Failure to Timely Pay Wages During Employment

Labor Code section 204 requires that all wages are due and payable twice in each calendar month. The wages required by Labor Code §§ 226.7, 510, 1194 and other sections became due and payable to each employee in each month that he or she was not provided with a meal period or rest period or paid minimum wage, straight or overtime wages to which he or she was entitled. Defendants violated Labor Code § 204 by systematically refusing to pay wages due under the Labor Code.

Defendants failed to properly pay all earned wages, including minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee’s pay card (wages earned), such that the employee was paid less than all wages owed for hours worked. As a result of Defendants use of pay cards, Defendants failed to pay all wages due and payable during employment.

Labor Code section 210 (a) provides that “In addition to, and entirely independent and apart from, any other penalty provided in this article, every person who fails to pay the wages of each employee as provided in Sections 201.3, 204, 204b, 204.1, 204.2, 204.11, 205, 205.5, and 1197.5, shall be subject to a penalty as follow:

- (1) For any initial violation, one hundred dollars (\$100) for each failure to pay each employee.
- (2) For each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld.

Failure to Timely Pay Wages Owed at Separation

Labor Code §§ 201 and 202 require Defendants to pay their employees all wages due, including without limitation vacation, within seventy-two (72) hours of separation of employment. Section 203 of the Labor Code provides that if an employer willfully fails to timely pay such wages the employer must, as a penalty, continue to pay the subject employee's wages until the back wages are paid in full or an action is commenced. In addition, irrespective of any derivative violations for the above-specified issues, Defendants failed to timely pay Plaintiff and, upon information and belief, other Aggrieved Employees earned compensation at the time of termination despite their obligations under Labor Code 201 and 202. More than thirty (30) days have passed since some Aggrieved Employees left Defendants' employ, and on information and belief, they have not received payment pursuant to Labor Code §203.

Defendants failed to properly pay all earned wages, including at least minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee's pay card (wages earned), such that the employee was paid less than all wages owed for hours worked.

Unlawful Deductions

Labor Code section 212(a) provides "No person, or agent or officer thereof, shall issue in payment of wages due, or to become due, or as an advance on wages to be earned:

- (1) Any order, check, draft, note, memorandum, or other acknowledgment of indebtedness, unless it is negotiable and payable in cash, on demand, without discount, at some established place of business in the state, the name and address of which must appear on the instrument, and at the time of its issuance and for a reasonable time thereafter, which must be at least 30 days, the maker or drawer has sufficient funds in, or credit, arrangement, or understanding with the drawee for its payment.

Labor Code section 221 provides "It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee." Labor Code section 223 provides "It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee." Defendants have willfully violated the above provisions by tendering payment for wages to its employees, like Plaintiff and the Aggrieved Employees, in the form of pay card from which certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee's pay card. As a consequence of such practice, Plaintiff and the Aggrieved Employees were paid less than all wages owed for hours worked.

Failure to Provide Accurate Itemized Employee Wage Statement Provisions

Labor Code section 226(a) reads in pertinent part: "Every employer shall, semimonthly or at

the time of each payment of wages, furnish each of his or her employees, either as a detachable part of the check, draft, or voucher paying the employee's wages, or separately when wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee... (4) all deductions... (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) 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, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during each the pay period and the corresponding number of hours worked at each hourly rate by the employee....".

Further, the IWC Wage Orders require in pertinent part: Every employer shall keep accurate information with respect to each employee including the following: (3) Time records showing when the employee begins and ends each work period. Meal periods, split shift intervals, and total daily hours worked shall also be recorded...(5) Total hours worked in the payroll period and applicable rates of pay...." Labor Code section 1174 of the California also requires Defendants to maintain and preserve, in a centralized location, among other items, records showing the names and addresses of all employees employed and payroll records showing the hours worked daily by, and the wages paid to, its employees. On information and belief and based thereon, Defendants have knowingly and intentionally failed to comply with Labor Code section 1174, including by implementing the policies and procedures and committing the violations alleged in the preceding causes of action and herein. Defendants' failure to comply with Labor Code section 1174 is unlawful pursuant to Labor Code section 1175.

Defendants have failed to record many of the items delineated in applicable Industrial Wage Orders and Labor Code section 226, and required under Labor Code section 1174, including by virtue of the fact that each wage statement which failed to accurately compensate Plaintiff and Aggrieved Employees for all hours worked and for missed and non-provided meal and rest periods, or which failed to include compensation for all minimum wages earned or overtime hours worked, was an inaccurate wage statement. In addition, the wage statements inaccurately stated totals hours worked and hours worked at each hourly wage rate.

Sick Leave Violations

Plaintiff alleges that Defendant failed to pay sick leave pay to Plaintiff and the Aggrieved Employees at the proper rate. Labor Code 246(i) provides: An employee who, on or after July 1, 2015, works in California for the same employer for 30 or more days within a year from the commencement of employment is entitled to paid sick days as specified. Labor Code section 246(1) provides: "For the purposes of this section, an employer shall calculate paid sick leave using any of the following calculations: (1) Paid sick leave for nonexempt employees shall be calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek. (2) Paid sick time for nonexempt employees shall be calculated by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment." In this case, Plaintiff alleges that Defendant failed to pay sick leave at the proper rate because it failed to take all forms of compensation, including incentives, bonuses, shift differentials, and other wages into account in calculating the regular rate. This constitutes a violation

of Labor Code.

Failure to Reimburse Necessary Expenses

Labor Code section 2802 requires employers to reimburse employees for necessary expenses incurred. Defendants' also violated California Labor Code §2802 by failing to reimburse Plaintiff and Aggrieved Employees for necessary expenses in direct relation to work performed. Plaintiff and the Aggrieved Employees were not reimbursed for such expenses.

Failure to Provide Required Information at the Time of Hiring

Plaintiff also alleges that Defendants violated California Labor Code section 2810.5. by failing to provide Plaintiff and the Aggrieved Employees required information at the time of hiring. Labor Code 2810.5 states that: At the time of hiring, an employer shall provide to each employee a written notice, in the language the employer normally uses to communicate employment-related information to the employee, containing the following information: (a) The rate or rates of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, as applicable; (b) allowances, if any, claimed as part of the minimum wage, including meal or lodging allowances; (c) the regular payday designated by the employer in accordance with the requirements of this code; (d) the name of the employer, including any "doing business as" names used by the employer; (e) the physical address of the employer's main office or principal place of business, and a mailing address, if different; (f) the telephone number of the employer; (g) the name, address, and telephone number of the employer's workers' compensation insurance carrier; (h) that an 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; (i) The existence of a federal or state emergency or disaster declaration applicable to the county or counties where the employee is to be employed, and that was issued within 30 days before the employee's first day of employment, that may affect their health and safety during their employment; (j) Any other information the Labor Commissioner deems material and necessary. Not all of the information required by (a) through (j) was provided to Plaintiff and the Aggrieved Employees at the time of hiring. This constitutes a violation of the Labor Code.

In addition to the violations set forth herein, Plaintiff has attached her Complaint, and incorporates the allegations in the Complaint as though fully set forth herewith, setting out the specific provisions of the Labor Code that Plaintiff alleges have been violated, including the facts and relevant theories alleged against Defendants in the Complaint.

All Labor Code provisions in the Complaint alleged to have been violated pertain to all entities and individuals named in the Complaint, even if not expressly specified.

Please advise by certified mail within sixty-five (65) days of the post mark on this letter if the LWDA intends to investigate these claims. Thank you, and please contact me if you have any

questions or require additional information.

Thank you, and please contact me if you have any questions or require additional information.

Very Truly Yours,

/s/ Christina M. Lucio

Christina M. Lucio, Esq.

Attachments:

- Original LWDA Letter and Complaint
- Supplemental LWDA Letter to Original LWDA Letter
- First Amended LWDA Letter and Complaint
- Second Amended LWDA Letter and Complaint
- First Amended Consolidated PAGA Complaint in the matter of Velyines v. Volt Management Corp., et al. Fresno County Superior Court Case No. 22CECG01885

EXHIBIT 1

JAMES *JH* HAWKINS

A PROFESSIONAL LAW CORPORATION

9880 RESEARCH DRIVE, SUITE 200, IRVINE, CALIFORNIA 92618
TELEPHONE (949) 387-7200; FACSIMILE (949) 387-6676

August 26, 2021

Via Online Filing (LWDA) and Certified Mail (Employers)

California Labor and Workforce Development Agency
Attn: PAGA Administrator

Volt Management Corp.
2401 N. Glassell St.
Orange, CA 92865
Certified Mail Receipt: 7020 0640 0001 0089 8298

XPO Logistics Freight, Inc. and
XPO Logistics Supply Chain, Inc.
2055 NW Savier St.
Portland, OR 97209
Certified Mail Receipt: 7020 0640 0001 0089 8250

Registered Agent Solutions, Inc.
Ricardo Orozco
Agent for Service of Process for XPO
Logistics Freight, Inc. and
XPO Logistics Supply Chain, Inc.
1220 S St., Suite 150
Sacramento, CA 95811
Certified Mail Receipt: 7020 0640 0001 0089 8243

Agent for Service of Process for Volt
Management Corp.:
CT Corporation System
330 N. Brand Blvd.
Glendale, CA 91203
Certified Mail Receipt: 7020 0640 0001 0089 8267

Re: NOTICE PURSUANT TO LABOR CODE SECTIONS 2698 et seq.

To Whom It May Concern:

PLEASE TAKE NOTICE that Plaintiff JERRY VEYLINES, on behalf of himself and all others similarly situated, hereby submits this notice to the LWDA of his Complaint against his former employers Defendants VOLT MANAGEMENT CORP., a Delaware Corporation, and XPO LOGISTICS SUPPLY CHAIN, INC., a North Carolina Corporation, XPO LOGISTICS FREIGHT, INC., and DOES 1 through 50, inclusive, pursuant to Labor Code sections 2698 *et seq.*

This notice is timely as it is provided within one year of the violations. In addition, the statute of limitation for the claim under the Private Attorney Generals Act, is tolled by operation of law under Emergency Rule 9 due to the COVID-19 pandemic.

Plaintiff alleges that Defendants committed the violations set forth herein against both himself and the group of aggrieved employees that he will seek to represent: Any and all persons who are or were employed by Defendants, either directly or indirectly, in the State of California as non-exempt employees during the relevant time period as tolled by Emergency Rule 9.

During the relevant time period as defined by the statute (as tolled by Emergency Rule 9), Plaintiff was indirectly employed by Defendants as a non-exempt, hourly employee at an XPO Logistics site through temporary staffing agency Defendant Volt Management Corp. Plaintiff alleges that Defendants were joint employers that jointly controlled the terms and conditions of Plaintiff's employment.

Pursuant to *Huff v. Securitas Security Services*, 23 Cal. App. 5th 745, 751 (2018), an employee who brings a representative action and was affected by at least one of the violations alleged in the complaint has standing to pursue penalties on behalf of the state not only for that violation, but for violations affecting other employees as well. Accordingly, Plaintiff has standing to pursue penalties on behalf of the state for violations affecting all the aggrieved employees working for Defendants in California regardless of their classification, job title, locations, or whether they were hired directly or through a labor contractor or staffing agency.

Failure to Pay Minimum Wages

During all relevant periods, the California Labor Code sections 204, 1194, 1197, 1198, and wage orders required that Defendants fully and timely pay its non-exempt, hourly employees all wages earned and due for all hours worked. Employers are required to pay at least minimum wage for each hour worked. Labor Code section 1194(a) provides that notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees, and costs of suit. The IWC Wage Orders define "hours worked" 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." At all times relevant, Plaintiff and Aggrieved Employees consistently worked hours for which they were not paid because Defendants frequently required Plaintiff and Aggrieved Employees to work off the clock. Plaintiff and the Aggrieved Employees were not paid for all hours worked because of Defendants use of pay cards.

Defendants failed to properly pay all earned wages, including at least minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee's pay card (wages earned), such that the employee was paid less than all wages owed for hours worked.

Failure to Pay Overtime Owed

During the relevant periods, Defendant required Plaintiff and the Aggrieved Employees to work shifts in excess of eight (8) hours per workday and/or to work in excess of forty (40) hours per workweek. Both the California Labor Code section 1194, 1197, 510, 1198, and the pertinent wage order 1-2001, 4-2001, and 9-2001 required that all work performed by an employee in excess of eight (8) hours in any workday, on the seventh day of work in any workweek, or in excess of forty (40) hours in any workweek be compensated at one and one-half (1.5) times that employee's regular rate of pay. Any work in excess of twelve (12) hours in one (1) day is required to be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight (8) hours on any seventh (7th) day of a workweek is required to be compensated at the rate of no less than twice the regular rate of pay

of an employee.

Defendants had a uniform policy of requiring Plaintiff and the Aggrieved Employees to work overtime without compensating them at a rate of one and one-half (1.5) times their regular rate of pay. Defendants failed to incorporate all forms of compensation, including without limitation bonuses, differentials, and incentives, into the regular rate for overtime purposes.

Failure to Provide Lawful Meal Periods

Pursuant to Labor Code §512, no employer shall employ an employee for a work period of more than five (5) hours without providing a meal break of not less than thirty (30) minutes in which the employee is relieved of all his or her duties, except that when a work period of not more than six (6) hours will complete the day's work the meal period may be waived by mutual consent of the employer and employee. Defendants failed to provide Plaintiff and Aggrieved Employees timely and uninterrupted first meal periods of not less than thirty (30) minutes within the first five hours of a shift. As a consequence of Defendants' policies and practices, labor budgets, requirements, demands, coverage, and staffing, Plaintiff and Aggrieved Employees were often required to forego such meal periods, take shortened or interrupted meal periods, and/or commence their meal periods into and beyond the fifth hour of their shifts.

Plaintiff and the Aggrieved Employees were not paid one hour of pay at their regular rate for each day that a meal period was not lawfully provided in violation of Labor Code section 226.7. Moreover, when paid, Defendants failed to pay meal period premiums at the correct regular rate for the Plaintiff and Aggrieved Employees as Defendants did not incorporate non-discretionary bonuses and incentives. "If an employer does not provide an employee with a compliant meal, rest, or recovery period, section 226.7, subdivision (c) (section 226.7(c)) requires the employer to "pay the employee one additional hour of pay at the employee's regular rate of compensation"" (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858). Because Defendants failed to calculate the regular rate properly, they are also in violation Labor Code section 226.7 and 512.

Failure to Authorize and Permit Lawful Rest Periods

Pursuant to Labor Code section 1198, IWC wage orders 1-2001, 4-2001, and 9-2001 applicable to Plaintiff's and Aggrieved Employees' employment by Defendants, "Every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period....[The] authorized 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 worked or major fraction thereof....Authorized rest period time shall be counted as hours worked, for which there shall be no deduction from wages." Despite said requirement of the IWC wage orders applicable to Plaintiff's and Aggrieved Employees' employment with Defendants, Defendants failed and refused to authorize and permit lawful, net ten (10) minutes rest periods for every four (4) hours worked, or major fraction thereof.

Defendants failed to pay rest period premiums at the correct regular rate for the Plaintiff and Aggrieved Employees as Defendants did not incorporate non-discretionary bonuses and incentives. "If an employer does not provide an employee with a compliant meal, rest, or recovery period, section 226.7, subdivision (c) (section 226.7(c)) requires the employer to "pay the employee one additional hour of pay at the employee's regular rate of compensation"" (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858). Because Defendants failed to calculate the regular rate properly, they are also in violation Labor Code section 226.7.

Failure to Timely Pay Wages During Employment

Labor Code section 204 requires that all wages are due and payable twice in each calendar month. The wages required by Labor Code §§ 226.7, 510, 1194 and other sections became due and payable to each employee in each month that he or she was not provided with a meal period or rest period or paid minimum wage, straight or overtime wages to which he or she was entitled. Defendants violated Labor Code § 204 by systematically refusing to pay wages due under the Labor Code.

Defendants failed to properly pay all earned wages, including minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee's pay card (wages earned), such that the employee was paid less than all wages owed for hours worked. As a result of Defendants use of pay cards, Defendants failed to pay all wages due and payable during employment.

Labor Code section 210 (a) provides that "In addition to, and entirely independent and apart from, any other penalty provided in this article, every person who fails to pay the wages of each employee as provided in Sections 201.3, 204, 204b, 204.1, 204.2, 204.11, 205, 205.5, and 1197.5, shall be subject to a penalty as follow:

- (1) For any initial violation, one hundred dollars (\$100) for each failure to pay each employee.
- (2) For each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld.

Failure to Timely Pay Wages Owed at Separation

Labor Code §§ 201 and 202 require Defendants to pay their employees all wages due, including without limitation vacation, within seventy-two (72) hours of separation of employment. Section 203 of the Labor Code provides that if an employer willfully fails to timely pay such wages the employer must, as a penalty, continue to pay the subject employee's wages until the back wages are paid in full or an action is commenced. In addition, irrespective of any derivative violations for the above-specified issues, Defendants failed to timely pay Plaintiff and, upon information and belief, other Aggrieved Employees earned compensation at the time of termination despite their obligations under Labor Code 201 and 202. More than thirty (30) days have passed since some Aggrieved Employees left Defendants' employ, and on information and belief, they have not received payment pursuant to Labor Code §203.

Defendants failed to properly pay all earned wages, including at least minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee's pay card (wages earned), such that the employee was paid less than all wages owed for hours worked.

Unlawful Deductions

Labor Code section 212(a) provides “No person, or agent or officer thereof, shall issue in payment of wages due, or to become due, or as an advance on wages to be earned:

(1) Any order, check, draft, note, memorandum, or other acknowledgment of indebtedness, unless it is negotiable and payable in cash, on demand, without discount, at some established place of business in the state, the name and address of which must appear on the instrument, and at the time of its issuance and for a reasonable time thereafter, which must be at least 30 days, the maker or drawer has sufficient funds in, or credit, arrangement, or understanding with the drawee for its payment.

Labor Code section 221 provides “It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee.” Labor Code section 223 provides “It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee.” Defendants have willfully violated the above provisions by tendering payment for wages to its employees, like Plaintiff and the Aggrieved Employees, in the form of pay card from which certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee’s pay card. As a consequence of such practice, Plaintiff and the Aggrieved Employees were paid less than all wages owed for hours worked.

Failure to Provide Accurate Itemized Employee Wage Statement Provisions

Labor Code section 226(a) reads in pertinent part: “Every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees, either as a detachable part of the check, draft, or voucher paying the employee’s wages, or separately when wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee... (4) all deductions... (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) 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, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during each the pay period and the corresponding number of hours worked at each hourly rate by the employee....”.

Further, the IWC Wage Orders require in pertinent part: Every employer shall keep accurate information with respect to each employee including the following: (3) Time records showing when the employee begins and ends each work period. Meal periods, split shift intervals, and total daily hours worked shall also be recorded...(5) Total hours worked in the payroll period and applicable rates of pay....” Labor Code section 1174 of the California also requires Defendants to maintain and preserve, in a centralized location, among other items, records showing the names and addresses of all employees employed and payroll records showing the hours worked daily by, and the wages paid to, its employees. On information and belief and based thereon, Defendants have knowingly and intentionally failed to comply with Labor Code section 1174, including by implementing the policies and procedures and committing the violations alleged in the preceding causes of action and herein. Defendants’ failure to comply with Labor Code section 1174 is unlawful pursuant to Labor Code section 1175.

Defendants have failed to record many of the items delineated in applicable Industrial Wage Orders and Labor Code section 226, and required under Labor Code section 1174, including by virtue of the fact that each wage statement which failed to accurately compensate Plaintiff and

Aggrieved Employees for all hours worked and for missed and non-provided meal and rest periods, or which failed to include compensation for all minimum wages earned or overtime hours worked, was an inaccurate wage statement. In addition, the wage statements inaccurately stated totals hours worked and hours worked at each hourly wage rate.

All Labor Code allegations pertain to all entities or individuals named herein, even if not so specified.

Please advise by certified mail within sixty-five (65) days of the post mark on this letter if the LWDA intends to investigate these claims.

Thank you, and please contact me if you have any questions or require additional information.

Very Truly Yours,

/s/ Christina M. Lucio

Christina M. Lucio, Esq.

EXHIBIT 2

JAMES *JH* HAWKINS

A PROFESSIONAL LAW CORPORATION

9880 RESEARCH DRIVE, SUITE 200, IRVINE, CALIFORNIA 92618
TELEPHONE (949) 387-7200; FACSIMILE (949) 387-6676

August 26, 2021

Via Online Filing (LWDA) and Certified Mail (Employers)

California Labor and Workforce Development Agency
Attn: PAGA Administrator

Volt Management Corp.
2401 N. Glassell St.
Orange, CA 92865
Certified Mail Receipt: 7020 0640 0001 0089 8298

Gusmer Enterprises, Inc.
1165 Globe Avenue
Mountainside, NJ 07092
Certified Mail: 7020 0640 0001 0089 8281

Agent for Service of Process for Gusmer
Enterprises: Marla Jeffrey
81 M. Street
Fresno, CA 93721
Certified Mail: 7020 0640 0001 0089 8274
Agent for Service of Process for Volt
Management Corp.:
CT Corporation System
330 N. Brand Blvd.
Glendale, CA 91203
Certified Mail Receipt: 7020 0640 0001 0089 8267

Re: NOTICE PURSUANT TO LABOR CODE SECTIONS 2698 *et seq.*

To Whom It May Concern:

PLEASE TAKE NOTICE that Plaintiff JERRY VEYLINES, on behalf of himself and all others similarly situated, hereby submits this notice to the LWDA of his Complaint against his former employers Defendants VOLT MANAGEMENT CORP., an Delaware Corporation, and GUSMER ENTERPRISES, INC., a New Jersey Corporation, and DOES 1 through 50, inclusive, (collectively "Defendants") pursuant to Labor Code sections 2698 *et seq.* The purpose of this notice is to supplement the prior notice submitted as LWDA Case No. LWDA-CM-842673-21, and to add allegations regarding the time that Plaintiff worked for Gusmer Enterprises indirectly through Volt Management Corp.

This notice is timely as it is provided within one year of the violations. In addition, the statute of limitation for the claim under the Private Attorney Generals Act, is tolled by operation of law under Emergency Rule 9 due to the COVID-19 pandemic.

Plaintiff alleges that Defendants committed the violations set forth herein against both himself and the group of aggrieved employees that he will seek to represent: Any and all persons who are or were employed by Defendant Gusmer Enterprises, directly or indirectly, in the State of California as non-exempt employees during the relevant time period as tolled by Emergency Rule 9.

During the relevant time period as defined by the statute (as tolled by Emergency Rule 9), Plaintiff was indirectly employed by Defendant Gusmer Enterprises as a non-exempt, hourly employee through temporary staffing agency Defendant Volt Management Corp. Plaintiff alleges that Defendants were joint employers that jointly controlled the terms and conditions of Plaintiff's employment.

Pursuant to *Huff v. Securitas Security Services*, 23 Cal. App. 5th 745, 751 (2018), an employee who brings a representative action and was affected by at least one of the violations alleged in the complaint has standing to pursue penalties on behalf of the state not only for that violation, but for violations affecting other employees as well. Accordingly, Plaintiff has standing to pursue penalties on behalf of the state for violations affecting all the aggrieved employees working for Gusmer Enterprises in California regardless of their classification, job title, locations, or whether they were hired directly or through a labor contractor or staffing agency.

Failure to Pay Minimum Wages

During all relevant periods, the California Labor Code sections 204, 1194, 1197, 1198, and wage orders required that Defendants fully and timely pay its non-exempt, hourly employees all wages earned and due for all hours worked. Employers are required to pay at least minimum wage for each hour worked. Labor Code section 1194(a) provides that notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees, and costs of suit. The IWC Wage Orders define "hours worked" 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." At all times relevant, Plaintiff and Aggrieved Employees consistently worked hours for which they were not paid because Defendants frequently required Plaintiff and Aggrieved Employees to work off the clock. Plaintiff and the Aggrieved Employees were not paid for all hours worked because of Defendants use of pay cards.

Defendants failed to properly pay all earned wages, including at least minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee's pay card (wages earned), such that the employee was paid less than all wages owed for hours worked.

Failure to Pay Overtime Owed

During the relevant periods, Defendant required Plaintiff and the Aggrieved Employees to work shifts in excess of eight (8) hours per workday and/or to work in excess of forty (40) hours per workweek. Both the California Labor Code section 1194, 1197, 510, 1198, and the pertinent wage order 1-2001, 4-2001, and 9-2001 required that all work performed by an employee in excess of eight (8) hours in any workday, on the seventh day of work in any workweek, or in excess of forty (40) hours in any workweek be compensated at one and one-half (1.5) times that employee's regular rate of pay. Any work in excess of twelve (12) hours in one (1) day is required to be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight (8) hours on any seventh (7th) day of a

workweek is required to be compensated at the rate of no less than twice the regular rate of pay of an employee.

Defendants had a uniform policy of requiring Plaintiff and the Aggrieved Employees to work overtime without compensating them at a rate of one and one-half (1.5) times their regular rate of pay. Defendants failed to incorporate all forms of compensation, including without limitation bonuses, differentials, and incentives, into the regular rate for overtime purposes.

Failure to Provide Lawful Meal Periods

Pursuant to Labor Code §512, no employer shall employ an employee for a work period of more than five (5) hours without providing a meal break of not less than thirty (30) minutes in which the employee is relieved of all his or her duties, except that when a work period of not more than six (6) hours will complete the day's work the meal period may be waived by mutual consent of the employer and employee. Defendants failed to provide Plaintiff and Aggrieved Employees timely and uninterrupted first meal periods of not less than thirty (30) minutes within the first five hours of a shift. As a consequence of Defendants' policies and practices, labor budgets, requirements, demands, coverage, and staffing, Plaintiff and Aggrieved Employees were often required to forego such meal periods, take shortened or interrupted meal periods, and/or commence their meal periods into and beyond the fifth hour of their shifts.

Plaintiff and the Aggrieved Employees were not paid one hour of pay at their regular rate for each day that a meal period was not lawfully provided in violation of Labor Code section 226.7. Moreover, when paid, Defendants failed to pay meal period premiums at the correct regular rate for the Plaintiff and Aggrieved Employees as Defendants did not incorporate non-discretionary bonuses and incentives. "If an employer does not provide an employee with a compliant meal, rest, or recovery period, section 226.7, subdivision (c) (section 226.7(c)) requires the employer to "pay the employee one additional hour of pay at the employee's regular rate of compensation"" (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858). Because Defendants failed to calculate the regular rate properly, they are also in violation Labor Code section 226.7 and 512.

Failure to Authorize and Permit Lawful Rest Periods

Pursuant to Labor Code section 1198, IWC wage orders 1-2001, 4-2001, and 9-2001 applicable to Plaintiff's and Aggrieved Employees' employment by Defendants, "Every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period....[The] authorized 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 worked or major fraction thereof....Authorized rest period time shall be counted as hours worked, for which there shall be no deduction from wages." Despite said requirement of the IWC wage orders applicable to Plaintiff's and Aggrieved Employees' employment with Defendants, Defendants failed and refused to authorize and permit lawful, net ten (10) minutes rest periods for every four (4) hours worked, or major fraction thereof.

Defendants failed to pay rest period premiums at the correct regular rate for the Plaintiff and Aggrieved Employees as Defendants did not incorporate non-discretionary bonuses and incentives. "If an employer does not provide an employee with a compliant meal, rest, or recovery period, section 226.7, subdivision (c) (section 226.7(c)) requires the employer to "pay the employee one additional hour of pay at the employee's regular rate of compensation"" (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858). Because Defendants failed to calculate

the regular rate properly, they are also in violation Labor Code section 226.7.

Failure to Timely Pay Wages During Employment

Labor Code section 204 requires that all wages are due and payable twice in each calendar month. The wages required by Labor Code §§ 226.7, 510, 1194 and other sections became due and payable to each employee in each month that he or she was not provided with a meal period or rest period or paid minimum wage, straight or overtime wages to which he or she was entitled. Defendants violated Labor Code § 204 by systematically refusing to pay wages due under the Labor Code.

Defendants failed to properly pay all earned wages, including minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee's pay card (wages earned), such that the employee was paid less than all wages owed for hours worked. As a result of Defendants use of pay cards, Defendants failed to pay all wages due and payable during employment.

Labor Code section 210 (a) provides that "In addition to, and entirely independent and apart from, any other penalty provided in this article, every person who fails to pay the wages of each employee as provided in Sections 201.3, 204, 204b, 204.1, 204.2, 204.11, 205, 205.5, and 1197.5, shall be subject to a penalty as follow:

- (1) For any initial violation, one hundred dollars (\$100) for each failure to pay each employee.
- (2) For each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld.

Failure to Timely Pay Wages Owed at Separation

Labor Code §§ 201 and 202 require Defendants to pay their employees all wages due, including without limitation vacation, within seventy-two (72) hours of separation of employment. Section 203 of the Labor Code provides that if an employer willfully fails to timely pay such wages the employer must, as a penalty, continue to pay the subject employee's wages until the back wages are paid in full or an action is commenced. In addition, irrespective of any derivative violations for the above-specified issues, Defendants failed to timely pay Plaintiff and, upon information and belief, other Aggrieved Employees earned compensation at the time of termination despite their obligations under Labor Code 201 and 202. More than thirty (30) days have passed since some Aggrieved Employees left Defendants' employ, and on information and belief, they have not received payment pursuant to Labor Code §203.

Defendants failed to properly pay all earned wages, including at least minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee's pay card (wages earned), such that the employee was paid less than all wages owed for hours worked.

Unlawful Deductions

Labor Code section 212(a) provides “No person, or agent or officer thereof, shall issue in payment of wages due, or to become due, or as an advance on wages to be earned:

(1) Any order, check, draft, note, memorandum, or other acknowledgment of indebtedness, unless it is negotiable and payable in cash, on demand, without discount, at some established place of business in the state, the name and address of which must appear on the instrument, and at the time of its issuance and for a reasonable time thereafter, which must be at least 30 days, the maker or drawer has sufficient funds in, or credit, arrangement, or understanding with the drawee for its payment.

Labor Code section 221 provides “It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee.” Labor Code section 223 provides “It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee.” Defendants have willfully violated the above provisions by tendering payment for wages to its employees, like Plaintiff and the Aggrieved Employees, in the form of pay card from which certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee’s pay card. As a consequence of such practice, Plaintiff and the Aggrieved Employees were paid less than all wages owed for hours worked.

Failure to Provide Accurate Itemized Employee Wage Statement Provisions

Labor Code section 226(a) reads in pertinent part: “Every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees, either as a detachable part of the check, draft, or voucher paying the employee’s wages, or separately when wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee... (4) all deductions... (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) 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, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during each the pay period and the corresponding number of hours worked at each hourly rate by the employee....”.

Further, the IWC Wage Orders require in pertinent part: Every employer shall keep accurate information with respect to each employee including the following: (3) Time records showing when the employee begins and ends each work period. Meal periods, split shift intervals, and total daily hours worked shall also be recorded... (5) Total hours worked in the payroll period and applicable rates of pay....” Labor Code section 1174 of the California also requires Defendants to maintain and preserve, in a centralized location, among other items, records showing the names and addresses of all employees employed and payroll records showing the hours worked daily by, and the wages paid to, its employees. On information and belief and based thereon, Defendants have knowingly and intentionally failed to comply with Labor Code section 1174, including by implementing the policies and procedures and committing the violations alleged in the preceding causes of action and herein. Defendants’ failure to comply with Labor Code section 1174 is unlawful pursuant to Labor Code section 1175.

Defendants have failed to record many of the items delineated in applicable Industrial Wage Orders and Labor Code section 226, and required under Labor Code section 1174, including by

virtue of the fact that each wage statement which failed to accurately compensate Plaintiff and Aggrieved Employees for all hours worked and for missed and non-provided meal and rest periods, or which failed to include compensation for all minimum wages earned or overtime hours worked, was an inaccurate wage statement. In addition, the wage statements inaccurately stated totals hours worked and hours worked at each hourly wage rate.

All Labor Code allegations pertain to all entities or individuals named herein, even if not so specified.

Please advise by certified mail within sixty-five (65) days of the post mark on this letter if the LWDA intends to investigate these claims.

Thank you, and please contact me if you have any questions or require additional information.

Very Truly Yours,

/s/ Christina M. Lucio

Christina M. Lucio, Esq.

EXHIBIT 3

JAMES *JH* HAWKINS

A PROFESSIONAL LAW CORPORATION

9880 RESEARCH DRIVE, SUITE 200, IRVINE, CALIFORNIA 92618
TELEPHONE (949) 387-7200; FACSIMILE (949) 387-6676

November 2, 2021

Via Online Filing (LWDA) and Certified Mail (Employers)

California Labor and Workforce Development Agency

Attn: PAGA Administrator

1515 Clay Street, Ste. 801

Oakland, CA 94612

<http://www.dir.ca.gov/Private-Attorneys-General-Act>

Volt Management Corp.

2401 N. Glassell St.

Orange, CA 92865

Certified Mail Receipt: 7021 0950 0000

7376 5590

Agent for Service of Process for

Volt Management Corp.:

CT Corporation System

330 N. Brand Blvd., Suite 700

Glendale, CA 91203

Certified Mail Receipt: 7018 1130 0001

8270 3114

XPO Logistics Freight, Inc.

2055 NW Savier St.

Portland, OR 97209

Certified Mail Receipt: 7021 0950 0000

7376 5606

Registered Agent Solutions, Inc.

Agent for Service of Process for

XPO Logistics Freight, Inc.:

1220 S St., Suite 150

Sacramento, CA 95811

Certified Mail Receipt: 7021 0950 0000

7376 5613

GXO Logistics Supply Chain, Inc.

2055 NW Savier Street

Portland, OR 97209

Certified Mail Receipt: 7018 1130 0001

8270 3107

Registered Agent Solutions, Inc.

Agent for Service of Process for

GXO Logistics Supply Chain, Inc.:

1220 S St., Suite 150

Sacramento, CA 95811

Certified Mail Receipt: 7018 1130 0001

8270 3091

Re: AMENDED NOTICE PURSUANT TO LABOR CODE SECTIONS 2698 et seq.

To Whom It May Concern:

PLEASE TAKE NOTICE that Plaintiff JERRY VELYNES, on behalf of himself and all others similarly situated, hereby submits this notice to the LWDA of his Complaint against his former employers Defendants VOLT MANAGEMENT CORP., a Delaware Corporation; GXO LOGISTICS SUPPLY CHAIN, INC., a North Carolina corporation; XPO Logistics Freight, Inc., and

DOES 1 through 50, inclusive, pursuant to Labor Code sections 2698 *et seq.* The purpose of this notice is to amend the prior notice submitted in the LWDA Case No. LWDA-CM-842673-21, to correct an inadvertent typo in plaintiff's name and to name another defendant in connection with the time that Plaintiff worked for XPO Logistics indirectly through Volt Management Corp. It is our understanding that GXO Logistics Supply Chain is the current name for the entity that was previously named as XPO Logistics Supply Chain, Inc. There are various entities under the XPO banner and Plaintiff submits this amended notice out of an abundance of caution to name XPO Logistics Supply Chain, Inc., XPO Logistics Freight, Inc., and GXO Logistics Supply Chain.

This notice is timely as it is provided within one year of the violations. In addition, the statute of limitation for the claim under the Private Attorney Generals Act, is tolled by operation of law under Emergency Rule 9 due to the COVID-19 pandemic.

Plaintiff alleges that Defendants committed the violations set forth herein against both himself and the group of aggrieved employees that he will seek to represent: Any and all persons who are or were employed by Defendants, either directly or indirectly, in the State of California as non-exempt employees during the relevant time period as tolled by Emergency Rule 9.

During the relevant time period as defined by the statute (as tolled by Emergency Rule 9), Plaintiff was indirectly employed by Defendants as a non-exempt, hourly employee at XPO through temporary staffing agency Defendant Volt Management Corp. Plaintiff alleges that Defendants were joint employers that jointly controlled the terms and conditions of Plaintiff's employment.

Pursuant to *Huff v. Securitas Security Services*, 23 Cal. App. 5th 745, 751 (2018), an employee who brings a representative action and was affected by at least one of the violations alleged in the complaint has standing to pursue penalties on behalf of the state not only for that violation, but for violations affecting other employees as well. Accordingly, Plaintiff has standing to pursue penalties on behalf of the state for violations affecting all the aggrieved employees working for Defendants in California regardless of their classification, job title, locations, or whether they were hired directly or through a labor contractor or staffing agency.

Failure to Pay Minimum Wages

During all relevant periods, the California Labor Code sections 204, 1194, 1197, 1198, and wage orders required that Defendants fully and timely pay its non-exempt, hourly employees all wages earned and due for all hours worked. Employers are required to pay at least minimum wage for each hour worked. Labor Code section 1194(a) provides that notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees, and costs of suit. The IWC Wage Orders define "hours worked" 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." At all times relevant, Plaintiff and Aggrieved Employees consistently worked hours

for which they were not paid because Defendants frequently required Plaintiff and Aggrieved Employees to work off the clock. Plaintiff and the Aggrieved Employees were not paid for all hours worked because of Defendants use of pay cards.

Defendants failed to properly pay all earned wages, including at least minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee's pay card (wages earned), such that the employee was paid less than all wages owed for hours worked.

Failure to Pay Overtime Owed

During the relevant periods, Defendant required Plaintiff and the Aggrieved Employees to work shifts in excess of eight (8) hours per workday and/or to work in excess of forty (40) hours per workweek. Both the California Labor Code section 1194, 1197, 510, 1198, and the pertinent wage order 1-2001, 4-2001, and 9-2001 required that all work performed by an employee in excess of eight (8) hours in any workday, on the seventh day of work in any workweek, or in excess of forty (40) hours in any workweek be compensated at one and one-half (1.5) times that employee's regular rate of pay. Any work in excess of twelve (12) hours in one (1) day is required to be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight (8) hours on any seventh (7th) day of a workweek is required to be compensated at the rate of no less than twice the regular rate of pay of an employee.

Defendants had a uniform policy of requiring Plaintiff and the Aggrieved Employees to work overtime without compensating them at a rate of one and one-half (1.5) times their regular rate of pay. Defendants failed to incorporate all forms of compensation, including without limitation bonuses, differentials, and incentives, into the regular rate for overtime purposes.

Failure to Provide Lawful Meal Periods

Pursuant to Labor Code §512, no employer shall employ an employee for a work period of more than five (5) hours without providing a meal break of not less than thirty (30) minutes in which the employee is relieved of all his or her duties, except that when a work period of not more than six (6) hours will complete the day's work the meal period may be waived by mutual consent of the employer and employee. Defendants failed to provide Plaintiff and Aggrieved Employees timely and uninterrupted first meal periods of not less than thirty (30) minutes within the first five hours of a shift. As a consequence of Defendants' policies and practices, labor budgets, requirements, demands, coverage, and staffing, Plaintiff and Aggrieved Employees were often required to forego such meal periods, take shortened or interrupted meal periods, and/or commence their meal periods into and beyond the fifth hour of their shifts.

Plaintiff and the Aggrieved Employees were not paid one hour of pay at their regular rate for each day that a meal period was not lawfully provided in violation of Labor Code section 226.7.

Moreover, when paid, Defendants failed to pay meal period premiums at the correct regular rate for the Plaintiff and Aggrieved Employees as Defendants did not incorporate non-discretionary bonuses and incentives. “If an employer does not provide an employee with a compliant meal, rest, or recovery period, section 226.7, subdivision (c) (section 226.7(c)) requires the employer to “pay the employee one additional hour of pay at the employee’s regular rate of compensation”” (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858). Because Defendants failed to calculate the regular rate properly, they are also in violation Labor Code section 226.7 and 512.

Failure to Authorize and Permit Lawful Rest Periods

Pursuant to Labor Code section 1198, IWC wage orders 1-2001, 4-2001, and 9-2001 applicable to Plaintiff’s and Aggrieved Employees’ employment by Defendants, “Every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period....[The] authorized 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 worked or major fraction thereof....Authorized rest period time shall be counted as hours worked, for which there shall be no deduction from wages.” Despite said requirement of the IWC wage orders applicable to Plaintiff’s and Aggrieved Employees’ employment with Defendants, Defendants failed and refused to authorize and permit lawful, net ten (10) minutes rest periods for every four (4) hours worked, or major fraction thereof.

Defendants failed to pay rest period premiums at the correct regular rate for the Plaintiff and Aggrieved Employees as Defendants did not incorporate non-discretionary bonuses and incentives. “If an employer does not provide an employee with a compliant meal, rest, or recovery period, section 226.7, subdivision (c) (section 226.7(c)) requires the employer to “pay the employee one additional hour of pay at the employee’s regular rate of compensation”” (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858). Because Defendants failed to calculate the regular rate properly, they are also in violation Labor Code section 226.7.

Failure to Timely Pay Wages During Employment

Labor Code section 204 requires that all wages are due and payable twice in each calendar month. The wages required by Labor Code §§ 226.7, 510, 1194 and other sections became due and payable to each employee in each month that he or she was not provided with a meal period or rest period or paid minimum wage, straight or overtime wages to which he or she was entitled. Defendants violated Labor Code § 204 by systematically refusing to pay wages due under the Labor Code.

Defendants failed to properly pay all earned wages, including minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee’s pay card (wages earned), such that the employee was paid less than all wages owed for hours worked. As a result of Defendants use of pay cards, Defendants failed to pay all wages due and payable during employment.

Labor Code section 210 (a) provides that “In addition to, and entirely independent and apart from, any other penalty provided in this article, every person who fails to pay the wages of each employee as provided in Sections 201.3, 204, 204b, 204.1, 204.2, 204.11, 205, 205.5, and 1197.5, shall be subject to a penalty as follow:

- (1) For any initial violation, one hundred dollars (\$100) for each failure to pay each employee.
- (2) For each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld.

Failure to Timely Pay Wages Owed at Separation

Labor Code §§ 201 and 202 require Defendants to pay their employees all wages due, including without limitation vacation, within seventy-two (72) hours of separation of employment. Section 203 of the Labor Code provides that if an employer willfully fails to timely pay such wages the employer must, as a penalty, continue to pay the subject employee’s wages until the back wages are paid in full or an action is commenced. In addition, irrespective of any derivative violations for the above-specified issues, Defendants failed to timely pay Plaintiff and, upon information and belief, other Aggrieved Employees earned compensation at the time of termination despite their obligations under Labor Code 201 and 202. More than thirty (30) days have passed since some Aggrieved Employees left Defendants’ employ, and on information and belief, they have not received payment pursuant to Labor Code §203.

Defendants failed to properly pay all earned wages, including at least minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee’s pay card (wages earned), such that the employee was paid less than all wages owed for hours worked.

Unlawful Deductions

Labor Code section 212(a) provides “No person, or agent or officer thereof, shall issue in payment of wages due, or to become due, or as an advance on wages to be earned:

- (1) Any order, check, draft, note, memorandum, or other acknowledgment of indebtedness, unless it is negotiable and payable in cash, on demand, without discount, at some established place of business in the state, the name and address of which must appear on the instrument, and at the time of its issuance and for a reasonable time thereafter, which must be at least 30 days, the maker or drawer has sufficient funds in, or credit, arrangement, or understanding with the drawee for its payment.

Labor Code section 221 provides “It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee.” Labor Code section 223 provides “It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee.” Defendants have willfully violated the above provisions by tendering payment for wages to its employees, like Plaintiff and the Aggrieved Employees, in the form of pay card from which certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee’s pay card. As a consequence of such practice, Plaintiff and the Aggrieved Employees were paid less than all wages owed for hours worked.

Failure to Provide Accurate Itemized Employee Wage Statement Provisions

Labor Code section 226(a) reads in pertinent part: “Every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees, either as a detachable part of the check, draft, or voucher paying the employee’s wages, or separately when wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee... (4) all deductions... (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) 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, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during each the pay period and the corresponding number of hours worked at each hourly rate by the employee....”.

Further, the IWC Wage Orders require in pertinent part: Every employer shall keep accurate information with respect to each employee including the following: (3) Time records showing when the employee begins and ends each work period. Meal periods, split shift intervals, and total daily hours worked shall also be recorded...(5) Total hours worked in the payroll period and applicable rates of pay....” Labor Code section 1174 of the California also requires Defendants to maintain and preserve, in a centralized location, among other items, records showing the names and addresses of all employees employed and payroll records showing the hours worked daily by, and the wages paid to, its employees. On information and belief and based thereon, Defendants have knowingly and intentionally failed to comply with Labor Code section 1174, including by implementing the policies and procedures and committing the violations alleged in the preceding causes of action and herein. Defendants’ failure to comply with Labor Code section 1174 is unlawful pursuant to Labor Code section 1175.

Defendants have failed to record many of the items delineated in applicable Industrial Wage Orders and Labor Code section 226, and required under Labor Code section 1174, including by virtue of the fact that each wage statement which failed to accurately compensate Plaintiff and Aggrieved Employees for all hours worked and for missed and non-provided meal and rest periods, or which failed to include compensation for all minimum wages earned or overtime hours worked, was an inaccurate wage statement. In addition, the wage statements inaccurately stated totals hours worked and hours worked at each hourly wage rate.

AMENDED NOTICE PURSUANT TO LABOR CODE SECTIONS 2698 et seq.

November 2, 2021

Page 7

All Labor Code allegations pertain to all entities or individuals named herein, even if not so specified.

Please advise by certified mail within sixty-five (65) days of the post mark on this letter if the LWDA intends to investigate these claims.

Thank you, and please contact me if you have any questions or require additional information.

Very Truly Yours,

/s/ Christina M. Lucio

Christina M. Lucio, Esq.

EXHIBIT 4

JAMES *JH* HAWKINS

A PROFESSIONAL LAW CORPORATION

9880 RESEARCH DRIVE, SUITE 200, IRVINE, CALIFORNIA 92618
TELEPHONE (949) 387-7200; FACSIMILE (949) 387-6676

February 11, 2022

Via Online Filing (LWDA) and Certified Mail (Employers)

California Labor and Workforce Development Agency
Attn: PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612
<http://www.dir.ca.gov/Private-Attorneys-General-Act>

Volt Management Corp.
2401 N. Glassell St.
Orange, CA 92865
Certified Mail Receipt: 7021 0950 0000 7376
7013

Agent for Service of Process for
Volt Management Corp.:
CT Corporation System
330 N. Brand Blvd., Suite 700
Glendale, CA 91203
Certified Mail Receipt: 7021 0950 0000 7376
7020

Re: LWDA Case No. LWDA-CM-842673-21:
SECOND AMENDED NOTICE PURSUANT TO LABOR CODE SECTIONS
2698 et seq.

To Whom It May Concern:

PLEASE TAKE NOTICE that Plaintiff JERRY VELYNES, on behalf of himself and all others similarly situated, hereby submits this amended notice to the LWDA to clarify the scope of the group that he will seek to represent in this PAGA claim against his former employer Defendant VOLT MANAGEMENT CORP., a Delaware Corporation. Plaintiff will narrow the group of employees that he seeks to represent in this litigation to non-exempt, hourly employees who worked at facilities owned by XPO Logistics Supply Chain, Inc., XPO Logistics Freight, Inc., and GXO Logistics Supply Chain through temporary staffing agency Defendant Volt Management Corp.

Plaintiff alleges that Defendants committed the violations set forth herein against both himself and the group of aggrieved employees that he will seek to represent. Plaintiff incorporates the attached complaint by this reference.

During the relevant time period as defined by the statute (as tolled by Emergency Rule 9), Plaintiff was indirectly employed by Defendants as a non-exempt, hourly employee at XPO through temporary staffing agency Defendant Volt Management Corp. Plaintiff alleges that Defendants were joint employers that jointly controlled the terms and conditions of Plaintiff's

employment.

Pursuant to *Huff v. Securitas Security Services*, 23 Cal. App. 5th 745, 751 (2018), an employee who brings a representative action and was affected by at least one of the violations alleged in the complaint has standing to pursue penalties on behalf of the state not only for that violation, but for violations affecting other employees as well. Accordingly, Plaintiff has standing to pursue penalties on behalf of the state for violations affecting all the aggrieved employees working for Defendants in California regardless of their classification, job title, locations, or whether they were hired directly or through a labor contractor or staffing agency.

Failure to Pay Minimum Wages

During all relevant periods, the California Labor Code sections 204, 1194, 1197, 1198, and wage orders required that Defendants fully and timely pay its non-exempt, hourly employees all wages earned and due for all hours worked. Employers are required to pay at least minimum wage for each hour worked. Labor Code section 1194(a) provides that notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees, and costs of suit. The IWC Wage Orders define "hours worked" 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." At all times relevant, Plaintiff and Aggrieved Employees consistently worked hours for which they were not paid because Defendants frequently required Plaintiff and Aggrieved Employees to work off the clock. Plaintiff and the Aggrieved Employees were not paid for all hours worked because of Defendants use of pay cards.

Defendants failed to properly pay all earned wages, including at least minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee's pay card (wages earned), such that the employee was paid less than all wages owed for hours worked.

Failure to Pay Overtime Owed

During the relevant periods, Defendant required Plaintiff and the Aggrieved Employees to work shifts in excess of eight (8) hours per workday and/or to work in excess of forty (40) hours per workweek. Both the California Labor Code section 1194, 1197, 510, 1198, and the pertinent wage order 1-2001, 4-2001, and 9-2001 required that all work performed by an employee in excess of eight (8) hours in any workday, on the seventh day of work in any workweek, or in excess of forty (40) hours in any workweek be compensated at one and one-half (1.5) times that employee's regular rate of pay. Any work in excess of twelve (12) hours in one (1) day is required to be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight (8) hours on any seventh (7th) day of a

workweek is required to be compensated at the rate of no less than twice the regular rate of pay of an employee.

Defendants had a uniform policy of requiring Plaintiff and the Aggrieved Employees to work overtime without compensating them at a rate of one and one-half (1.5) times their regular rate of pay. Defendants failed to incorporate all forms of compensation, including without limitation bonuses, differentials, and incentives, into the regular rate for overtime purposes.

Failure to Provide Lawful Meal Periods

Pursuant to Labor Code §512, no employer shall employ an employee for a work period of more than five (5) hours without providing a meal break of not less than thirty (30) minutes in which the employee is relieved of all his or her duties, except that when a work period of not more than six (6) hours will complete the day's work the meal period may be waived by mutual consent of the employer and employee. Defendants failed to provide Plaintiff and Aggrieved Employees timely and uninterrupted first meal periods of not less than thirty (30) minutes within the first five hours of a shift. As a consequence of Defendants' policies and practices, labor budgets, requirements, demands, coverage, and staffing, Plaintiff and Aggrieved Employees were often required to forego such meal periods, take shortened or interrupted meal periods, and/or commence their meal periods into and beyond the fifth hour of their shifts.

Plaintiff and the Aggrieved Employees were not paid one hour of pay at their regular rate for each day that a meal period was not lawfully provided in violation of Labor Code section 226.7. Moreover, when paid, Defendants failed to pay meal period premiums at the correct regular rate for the Plaintiff and Aggrieved Employees as Defendants did not incorporate non-discretionary bonuses and incentives. "If an employer does not provide an employee with a compliant meal, rest, or recovery period, section 226.7, subdivision (c) (section 226.7(c)) requires the employer to "pay the employee one additional hour of pay at the employee's regular rate of compensation"" (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858). Because Defendants failed to calculate the regular rate properly, they are also in violation Labor Code section 226.7 and 512.

Failure to Authorize and Permit Lawful Rest Periods

Pursuant to Labor Code section 1198, IWC wage orders 1-2001, 4-2001, and 9-2001 applicable to Plaintiff's and Aggrieved Employees' employment by Defendants, "Every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period....[The] authorized 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 worked or major fraction thereof....Authorized rest period time shall be counted as hours worked, for which there shall be no deduction from wages." Despite said requirement of the IWC wage orders applicable to Plaintiff's and Aggrieved Employees' employment with Defendants, Defendants failed and refused to authorize and permit lawful, net ten (10) minutes rest periods for every four (4) hours worked, or major fraction thereof.

Defendants failed to pay rest period premiums at the correct regular rate for the Plaintiff and

Aggrieved Employees as Defendants did not incorporate non-discretionary bonuses and incentives. “If an employer does not provide an employee with a compliant meal, rest, or recovery period, section 226.7, subdivision (c) (section 226.7(c)) requires the employer to “pay the employee one additional hour of pay at the employee’s regular rate of compensation”” (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858). Because Defendants failed to calculate the regular rate properly, they are also in violation Labor Code section 226.7.

Failure to Timely Pay Wages During Employment

Labor Code section 204 requires that all wages are due and payable twice in each calendar month. The wages required by Labor Code §§ 226.7, 510, 1194 and other sections became due and payable to each employee in each month that he or she was not provided with a meal period or rest period or paid minimum wage, straight or overtime wages to which he or she was entitled. Defendants violated Labor Code § 204 by systematically refusing to pay wages due under the Labor Code.

Defendants failed to properly pay all earned wages, including minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card.

Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee’s pay card (wages earned), such that the employee was paid less than all wages owed for hours worked. As a result of Defendants use of pay cards, Defendants failed to pay all wages due and payable during employment.

Labor Code section 210 (a) provides that “In addition to, and entirely independent and apart from, any other penalty provided in this article, every person who fails to pay the wages of each employee as provided in Sections 201.3, 204, 204b, 204.1, 204.2, 204.11, 205, 205.5, and 1197.5, shall be subject to a penalty as follow:

- (1) For any initial violation, one hundred dollars (\$100) for each failure to pay each employee.
- (2) For each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld.

Failure to Timely Pay Wages Owed at Separation

Labor Code §§ 201 and 202 require Defendants to pay their employees all wages due, including without limitation vacation, within seventy-two (72) hours of separation of employment. Section 203 of the Labor Code provides that if an employer willfully fails to timely pay such wages the employer must, as a penalty, continue to pay the subject employee’s wages until the back wages are paid in full or an action is commenced. In addition, irrespective of any derivative violations for the above-specified issues, Defendants failed to timely pay Plaintiff and, upon information and belief, other Aggrieved Employees earned compensation at the time of termination despite their obligations under Labor Code 201 and 202. More than thirty (30) days have passed since some

Aggrieved Employees left Defendants' employ, and on information and belief, they have not received payment pursuant to Labor Code §203.

Defendants failed to properly pay all earned wages, including at least minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee's pay card (wages earned), such that the employee was paid less than all wages owed for hours worked.

Unlawful Deductions

Labor Code section 212(a) provides "No person, or agent or officer thereof, shall issue in payment of wages due, or to become due, or as an advance on wages to be earned:

- (1) Any order, check, draft, note, memorandum, or other acknowledgment of indebtedness, unless it is negotiable and payable in cash, on demand, without discount, at some established place of business in the state, the name and address of which must appear on the instrument, and at the time of its issuance and for a reasonable time thereafter, which must be at least 30 days, the maker or drawer has sufficient funds in, or credit, arrangement, or understanding with the drawee for its payment.

Labor Code section 221 provides "It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee." Labor Code section 223 provides "It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee." Defendants have willfully violated the above provisions by tendering payment for wages to its employees, like Plaintiff and the Aggrieved Employees, in the form of pay card from which certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee's pay card. As a consequence of such practice, Plaintiff and the Aggrieved Employees were paid less than all wages owed for hours worked.

Failure to Provide Accurate Itemized Employee Wage Statement Provisions

Labor Code section 226(a) reads in pertinent part: "Every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees, either as a detachable part of the check, draft, or voucher paying the employee's wages, or separately when wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee... (4) all deductions... (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) 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, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during each the pay period and the corresponding number of hours

worked at each hourly rate by the employee....”.

Further, the IWC Wage Orders require in pertinent part: Every employer shall keep accurate information with respect to each employee including the following: (3) Time records showing when the employee begins and ends each work period. Meal periods, split shift intervals, and total daily hours worked shall also be recorded...(5) Total hours worked in the payroll period and applicable rates of pay....” Labor Code section 1174 of the California also requires Defendants to maintain and preserve, in a centralized location, among other items, records showing the names and addresses of all employees employed and payroll records showing the hours worked daily by, and the wages paid to, its employees. On information and belief and based thereon, Defendants have knowingly and intentionally failed to comply with Labor Code section 1174, including by implementing the policies and procedures and committing the violations alleged in the preceding causes of action and herein. Defendants’ failure to comply with Labor Code section 1174 is unlawful pursuant to Labor Code section 1175.

Defendants have failed to record many of the items delineated in applicable Industrial Wage Orders and Labor Code section 226, and required under Labor Code section 1174, including by virtue of the fact that each wage statement which failed to accurately compensate Plaintiff and Aggrieved Employees for all hours worked and for missed and non-provided meal and rest periods, or which failed to include compensation for all minimum wages earned or overtime hours worked, was an inaccurate wage statement. In addition, the wage statements inaccurately stated totals hours worked and hours worked at each hourly wage rate.

All Labor Code allegations pertain to all entities or individuals named herein, even if not so specified.

Please advise by certified mail within sixty-five (65) days of the post mark on this letter if the LWDA intends to investigate these claims.

Thank you, and please contact me if you have any questions or require additional information.

Very Truly Yours,

/s/ Christina M. Lucio

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Attorneys for Plaintiff JERRY VELYNES,
on behalf of himself and all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF ORANGE

JERRY VELYNES, individually and on
behalf of himself and all others similarly
situated,

Plaintiff,

v.

VOLT MANAGEMENT CORP., a
Delaware corporation; and DOES 1-50,
inclusive,

Defendants.

Case No. 30-2022-01239925-CU-OE-CXC

PAGA COMPLAINT

Assigned for All Purposes To:
Hon. William Claster
Dept.: CX-104

FIRST AMENDED COMPLAINT:

- 1) Civil Penalties Under the Private
Attorneys' General Act, Labor Code
Section 2698 et seq.**

COMES NOW, Plaintiff JERRY VELYNES (“Plaintiff”), individually and on behalf of others similarly situated, and asserts claims against defendants VOLT MANAGEMENT CORP, a Delaware Corporation; and DOES 1-50, inclusive (collectively “Defendants” or “Volt”) as follows:

INTRODUCTION

1. This is a representative action for recovery of penalties under the Private Attorneys’ General Act of 2004 (“PAGA”), Cal. Lab. Code section 2698 *et seq.* PAGA permits “aggrieved employees” to bring a lawsuit as a representative action on behalf of themselves and all other current and former employees, to recover civil penalties and address an employer’s violations of the California Labor Code.

2. Plaintiff brings this action pursuant to PAGA on a representative basis on behalf of any and all persons who are or were employed by Defendant Volt Management Corp., working at GXO Logistics Supply Chain Inc. and/or XPO Logistics Freight, Inc. sites, in the State of California as non-exempt employees during the relevant time period (as tolled by Emergency Rule 9) (collectively referred to as the “Aggrieved Employees” or “Non-Exempt Employees”).

3. Plaintiff brings this action on behalf of himself and the Aggrieved Employees to recover civil penalties and address Defendants’ violations of the California Labor Code and the IWC Wage Orders.

4. Pursuant to *Huff v. Securitas Security Services*, 23 Cal. App. 5th 745, 751 (2018), an employee who brings a representative action and was affected by at least one of the violations alleged in the complaint has standing to pursue penalties on behalf of the state and not only for that violation, but for violations affecting other employees as well. Accordingly, Mr. Velynes has standing to pursue penalties on behalf of the state of violations affecting all aggrieved employees at Volt, regardless of their classification, job title, or locations in California.

5. Plaintiff alleges that Defendants implemented legally non-compliant policies and practices that led to Defendants’ (1) failure to pay minimum wages; (2) failure to pay overtime owed; (3) failure to provide lawful meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay wages during employment; (6) failure to timely pay wages owed upon separation from employment; (7) unlawful deductions; and (8) knowing and intentional failure to

1 comply with itemized wage statement provisions.

2 6. This action is timely because Plaintiff suffered from a violation or numerous
3 violations of the California Labor Code within one year of the date on which a PAGA notice was
4 sent to the LWDA via online submission. More than 65 days have passed, and no response has
5 been received by the LWDA. A copy of the letter sent to the LWDA with enclosure is attached
6 hereto as **Exhibit A**, thereby satisfying the notice requirement under the statute and permitting
7 Plaintiff to proceed with this action in a representative capacity.

8 **JURISDICTION AND VENUE**

9 7. This Court has jurisdiction over this action pursuant to the California Constitution
10 Article VI §10, which grants the California Superior Court original jurisdiction in all causes except
11 those given by statute to other courts. The statutes under which this action is brought do not give
12 jurisdiction to any other court.

13 8. Further, there is no federal question at issue, as the issues herein are based solely on
14 California statutes and law, including the Labor Code, IWC Wage Orders, the California Code of
15 Civil Procedure, the California Civil Code, and the California Business and Professions Code.

16 9. Venue is proper in this Court because one or more of the Defendants reside, transact
17 business, or have offices in this County, Plaintiff is a resident of this County, or the acts or
18 omissions alleged herein took place in this County.

19 **PARTIES**

20 10. Defendant Volt Management Corp. is a Delaware Corporation doing business in
21 the state of California. It is based at 2401 N. Glassell St., Orange, CA 92865.

22 11. GXO Logistics Supply Chain, Inc. is a North Carolina Corporation doing business
23 in the state of California. It is based at 4035 Piedmont Pkwy, High Point, North Carolina, 27265.

24 12. XPO Logistics Freight, Inc., is a Delaware Corporation doing business in the State
25 of California. It is based at 2211 Old Earhart Road, Ann Arbor, Michigan 48105.

26 13. Upon information and belief, Defendants employ Non-Exempt Employees, like
27 Plaintiff, throughout the State of California.

1 14. Plaintiff Jerry Velyines is and during the liability period has been, a resident of
2 California.

3 15. Plaintiff was employed in an hourly, non-exempt position by Defendants during the
4 relevant time period.

5 16. Plaintiff and the members of the aggrieved group were employed as hourly paid
6 employees employed by Defendant Volt Management Corp., working at GXO Logistics Supply
7 Chain Inc. and/or XPO Logistics Freight, Inc. sites/locations in the State of California during the
8 relevant time period (as tolled by Emergency Rule 9).

9 17. Whenever in this complaint reference is made to any act, deed, or conduct of
10 Defendants, the allegation means that Defendants engaged in the act, deed, or conduct by or through
11 one or more of Defendants' officers, directors, agents, employees, or representatives, who was
12 actively engaged in the management, direction, control, or transaction of the ordinary business and
13 affairs of Defendants.

14 18. The true names and capacities of Defendants, whether individual, corporate,
15 associate, or otherwise, sued herein as DOES 1 through 50, inclusive, are currently unknown to
16 Plaintiff, who therefore sue Defendants by such fictitious names under Code of Civil Procedure §
17 474. Plaintiff will seek leave of court to amend this Complaint to reflect the true names and
18 capacities of the Defendants designated hereinafter as DOES when such identities become known.

19 19. Plaintiff is informed and believes, and thereon allege, that the Doe Defendants are
20 the partners, agents, or principals and co-conspirators of Defendants and of each other; that
21 Defendants and the Doe Defendants performed the acts and conduct herein alleged directly, aided
22 and abetted the performance thereof, or knowingly acquiesced in, ratified, and accepted the benefits
23 of such acts and conduct, and therefore each of the Doe Defendants is liable to the extent of the
24 liability of the Defendants as alleged herein.

25 20. Plaintiff is further informed and believes, and thereon allege, that at all times
26 material herein, each Defendant was completely dominated and controlled by its co-Defendants
27 and each was the alter ego of the other. Whenever and wherever reference is made in this complaint
28 to any conduct by Defendant or Defendants, such allegations and references shall also be deemed

1 to mean the conduct of each of the Defendants, acting individually, jointly, and severally.
2 Whenever and wherever reference is made to individuals who are not named as Defendants in this
3 complaint, but were employees and/or agents of Defendants, such individuals, at all relevant times
4 acted on behalf of Defendants named in this complaint within the scope of their respective
5 employments.

6 **FACTUAL ALLEGATIONS**

7 21. During the relevant time frame, Defendants compensated Plaintiff and the Non-
8 Exempt Employees based upon an hourly wage.

9 22. Plaintiff and the Aggrieved Employees were, and at all times pertinent hereto,
10 have been non-exempt employees within the meaning of the California Labor Code, and the
11 implementing rules and regulations of the IWC California Wage Orders 1-2001, 4-2001, and 9-
12 2001. They are subject to the protections of the IWC Wage Orders and the Labor Code.

13 23. During the relevant time, Plaintiff was employed by Defendants in an hourly, non-
14 exempt position. He worked as a machine operator in Defendants' facilities approximately 5-6
15 days per week, 40-60 hours per week.

16 24. Plaintiff is informed and believes, and thereon alleges, that Defendants are and were
17 advised by skilled lawyers and other professionals, employees, and advisors with knowledge of the
18 requirements of California's wage and employment laws.

19 25. All Aggrieved Employees are similarly situated in that they are all subject to
20 Defendants' uniform policies and systemic practices as specified herein.

21 26. In addition, Plaintiff and the Aggrieved Employees worked in excess of eight (8)
22 hours in day and/or over forty (40) hours in a workweek, but were not properly paid for such time
23 at a rate of time and one-half the employee's regular rate of pay per hour.

24 27. Defendants failed to properly calculate Plaintiff's and the Aggrieved Employees'
25 regular rate of pay because Defendants failed to include all forms of compensation in the regular
26 rate including differential, bonuses, incentives, and other compensation.

27 28. Defendants failed to properly pay all earned wages, including at least minimum
28 wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the

1 form of a pay card. Upon information and belief, certain unauthorized debits, charges, and
2 unlawful deductions were taken by Defendants and/or the financial institution issuing the debit
3 card from the funds loaded on the employee's pay card (wages earned), such that the employee
4 was paid less than all wages owed for hours worked.

5 29. Plaintiff and the Aggrieved Employees were paid with a pay card, and incurred
6 fees associated with its use and withdrawal of the funds. Thus, Plaintiff and the Aggrieved
7 Employees were paid less than all wages earned.

8 30. Plaintiff and the Aggrieved Employees were regularly required to work shifts in
9 excess of five hours without being provided a lawful meal period and, on occasion, over ten hours
10 in a day without being provided a second lawful meal period as required by law.

11 31. Indeed, during the relevant time, as a consequence of Defendants' scheduling
12 practices, work demands, and Defendants' policies and practices, Defendants frequently failed to
13 provide Plaintiff and the Aggrieved Employees timely, legally complaint uninterrupted 30-minute
14 meal periods as required by law. Not only were Plaintiff's and the Aggrieved Employees' first
15 meal breaks frequently not provided, untimely or short, but also Plaintiff and the Aggrieved
16 Employees were not provided a second meal period when working shifts in excess of 10 hours
17 and in excess of 12 hours.

18 32. On information and belief, Plaintiff and Aggrieved Employees did not waive their
19 rights to a second meal period.

20 33. Despite the above-mentioned meal period violations, Defendants failed to
21 compensate Plaintiff, and on information and belief, failed to compensate Aggrieved Employees,
22 one additional hour of pay at their regular rate as required by California law when meal periods
23 were not timely or lawfully provided in a compliant manner.

24 34. Plaintiff is informed and believes, and thereon alleges, that Defendants know,
25 should know, knew, and/or should have known that Plaintiff and the other Aggrieved Employees
26 were entitled to receive accurate premium wages under Labor Code §226.7 but were not receiving
27 accurately calculated compensation (as Defendants failed to include all forms of non-discretionary
28 compensation in the regular rate).

1 35. In addition, during the relevant time frame, Plaintiff and the Non-Exempt
2 Employees were systematically not authorized and permitted to take one net ten-minute paid, rest
3 period for every four hours worked or major fraction thereof, which is a violation of the Labor
4 Code and IWC wage order.

5 36. Defendants maintained and enforced scheduling practices, policies, and imposed
6 work demands that frequently required Plaintiff and Aggrieved Employees to forego their lawful,
7 paid rest periods of a net ten minutes for every four hours worked or major fraction thereof.
8 Such requisite rest periods were not timely authorized and permitted.

9 37. Despite the above-mentioned rest period violations, Defendants did not
10 compensate Plaintiff, and on information and belief, did not pay Aggrieved Employees one
11 additional hour of pay at their regular rate as required by California law, including Labor Code
12 section 226.7 and the applicable IWC wage order, for each day on which lawful rest periods were
13 not authorized and permitted.

14 38. Defendants also failed to provide accurate, lawful itemized wage statements to
15 Plaintiff and the Aggrieved Employees in part because of the above specified violations.

16 39. Defendants have also made it difficult to determine applicable rates of pay and
17 account with precision for the unlawfully withheld wages and deductions due to be paid to Non-
18 exempt Employees, including Plaintiff, during the liability period because they did not implement
19 and preserve a lawful record-keeping method to record all hours worked, and non-provided rest
20 and meal periods owed to employees as required for non-exempt employees by 29 U.S.C. section
21 211(c), California Labor Code section 226, and applicable California Wage Orders.

22 40. Plaintiff is informed and believes, and thereon alleges, that at all times herein
23 mentioned, Defendants knew that at the time of termination of employment (or within 72 hours
24 thereof for resignations without prior notice as the case may be) they had a duty to accurately
25 compensate Plaintiffs and Aggrieved Employees for all wages owed including straight time,
26 overtime, meal and rest period premiums, and that Defendants had the financial ability to pay such
27 compensation, but willfully, knowingly, recklessly, and/or intentionally failed to do so in part
28 because of the above-specified violations.

1 41. Plaintiff and the Aggrieved Employees are covered by applicable California IWC
2 Wage Orders and corresponding applicable provisions of the California Code of Regulations, Title
3 8, section 11000 *et seq.*

4 ***FAILURE TO PAY MINIMUM WAGES***

5 42. Labor Code section 204 establishes the fundamental right of all employees in the
6 State of California to be paid wages, including minimum wage, straight time and overtime, in a
7 timely fashion for their work.

8 43. Labor Code section 1194(a) provides that notwithstanding any agreement to work
9 for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime
10 compensation applicable to the employee is entitled to recover in a civil action the unpaid balance
11 of the full amount of this minimum wage or overtime compensation, including interest thereon,
12 reasonable attorney's fees, and costs of suit.

13 44. Labor Code section 1197 provides: The minimum wage for employees fixed by the
14 commission or by any applicable state or local law, is the minimum wage to be paid to employees,
15 and the payment of a lower wage than the minimum so fixed is unlawful.

16 45. Pursuant to Labor Code section 1198, it is unlawful to employ persons for longer
17 than the hours set by the Industrial Welfare Commission or under conditions prohibited by the IWC
18 Wage Order(s).

19 46. The applicable wage orders and California Labor Code sections 1197 and 1182.12
20 establish the right of employees to be paid minimum wages for all hours worked, in amounts set by
21 state law.

22 47. Labor Code sections 1194(a) and 1194.2(a) provide that an employee who has not
23 been paid the legal minimum wage as required by Labor Code section 1197 may recover the unpaid
24 balance together with attorneys' fees and costs of suit, as well as liquidated damages in an amount
25 equal to the unpaid wages and interest accrued thereon.

26 48. During all relevant periods, the California Labor Code and wage orders required that
27 Defendants fully and timely pay its non-exempt, hourly employees all wages earned and due for all
28 hours worked.

1 49. The IWC Wage Orders define “hours worked” as “the time during which an
2 employee is subject to the control of an employer, and includes all the time the employee is suffered
3 or permitted to work, whether or not required to do so.”

4 50. Defendants failed to properly pay all earned wages, including at least minimum
5 wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the
6 form of a pay card.

7 51. Upon information and belief, certain unauthorized debits, charges, and unlawful
8 deductions were taken by Defendants and/or the financial institution issuing the pay card from the
9 funds loaded on the employee’s pay card (wages earned), such that the employee was paid less than
10 all wages owed for hours worked.

11 52. Defendant’s policy and practice of not paying all minimum wages violates
12 California Labor Code sections 204, 210, 216, 558, 1182.12, 1194, 1197, 1197.1, 1198, and the
13 applicable wage order 1-2001, 4-2001, and 9-2001.

14 53. Due to Defendants’ violations of the California Labor Code and wage orders,
15 Plaintiff and the Aggrieved Employees are entitled to recover from Defendant their unpaid wages,
16 statutory penalties, reasonable attorneys’ fees and costs in this action, and pre-judgment and post-
17 judgment interest, as well as liquidated damages.

18 ***FAILURE TO PAY OVERTIME OWED***

19 54. During all relevant periods, Defendant required Plaintiff and the Aggrieved
20 Employees to work shifts in excess of eight (8) hours per workday and/or to work in excess of forty
21 (40) hours per workweek.

22 55. During all relevant periods, both the California Labor Code sections 1194, 1197,
23 510, 1198, and the pertinent wage order 1-2001, 4-2001, and 9-2001 required that all work
24 performed by an employee in excess of eight (8) hours in any workday, on the seventh day of work
25 in any workweek, or in excess of forty (40) hours in any workweek be compensated at one and one-
26 half (1.5) times the employee’s regular rate of pay. Any work in excess of twelve (12) hours in one
27 (1) day is required to be compensated at the rate of no less than twice the regular rate of pay for an
28 employee. In addition, any work in excess of eight (8) hours on any seventh (7th) day of a

workweek is required to be compensated at the rate of no less than twice the regular rate of pay of an employee.

56. During all relevant periods, Defendants had a uniform policy of requiring Plaintiff and the Aggrieved Employees to work in excess of eight (8) hours in a workday and/or in excess of forty (40) hours in a workweek without compensating them at a rate of one and one-half (1.5) times their regular rate of pay. Upon information and belief, Defendants also failed to properly compensate Plaintiff and the Aggrieved Employees for hours worked in excess of twelve (12) hours in one (1) day, or eight (8) hours on the seventh (7th) day of a workweek.

57. The IWC Wage Orders define “hours worked” 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.”

58. In addition, upon information and belief, Defendants failed to incorporate all forms of compensation, including without limitation bonuses, differentials, and incentives, into the regular rate for overtime purposes.

59. As a result, Defendants failed to pay Plaintiff and the Aggrieved Employees earned overtime wages and such employees suffered damages as a result.

60. Defendants knew or should have known Plaintiffs and the Aggrieved Employees were undercompensated as a result of these practices.

61. Due to Defendant’s violations of the California Labor Code, Plaintiff and the Aggrieved Employees are entitled to recover from Defendants their unpaid overtime wages, reasonable attorneys’ fees and costs in this action, and pre-judgment and post-judgment interest, statutory penalties, and liquidated damages.

FAILURE TO PROVIDE LAWFUL MEAL PERIODS

62. Pursuant to Labor Code § 512, no employer shall employ an employee for a work period of more than five (5) hours without providing a meal break of not less than thirty (30) minutes in which the employee is relieved of all of his or her duties, except that when a work period of not more than six (6) hours will complete the day’s work the meal period may be waived by mutual consent of the employer and employee.

1 63. During the relevant time, Defendants failed to provide Plaintiff and Aggrieved
2 Employees timely and uninterrupted first meal periods of not less than thirty (30) minutes within
3 the first five hours of a shift.

4 64. As a consequence of Defendants' policies and practices, requirements, demands,
5 coverage and staffing, Plaintiff and the Aggrieved Employees were often required to forego such
6 meal periods, take shortened meal periods, and/or commence their meal periods into and beyond
7 the sixth hour of their shifts.

8 65. Upon information and belief, Plaintiff and the Aggrieved Employees were not paid
9 one hour of pay at their regular rate for each day that a meal period was not lawfully provided.

10 66. Moreover, as a matter of policy and practice, upon information and belief, the
11 Aggrieved Employees were also not provided second meal periods on days when shifts exceeded
12 ten hours (and twelve hours), nor were they provided premium wages in lieu of a second meal
13 period. On information and belief, Plaintiff and the Aggrieved Employees did not waive their rights
14 to a second meal period on shifts in excess of ten hours.

15 67. Defendant also failed to properly calculate the regular rate of pay for each employee,
16 therefore leading to the failure to pay meal period premiums at the proper regular rate of pay.

17 68. As a proximate result of the aforementioned violations, Plaintiff and the Aggrieved
18 Employees have been damaged in an amount according to proof at time of trial.

19 69. Pursuant to Labor Code § 226.7, Plaintiff and Aggrieved Employees are entitled to
20 recover one (1) hour of premium pay for each day in which a meal period violation occurred. They
21 are also entitled to recover reasonable attorneys' fees, cost, interest, and penalties as applicable.

22 70. As a result of the unlawful acts of Defendants, Plaintiffs and the Aggrieved Group
23 they seek to represent have been deprived of premium wages in amounts to be determined at trial,
24 and are entitled to recovery of such amounts, plus interest and penalties thereon, attorneys' fees,
25 and costs, under Labor Code sections 218.6, 226.7, 512 and the applicable IWC Wage Orders, and
26 Civil Code section 3287.

1 ***FAILURE TO AUTHORIZE AND PERMIT LAWFUL REST PERIODS***

2 71. Pursuant to the IWC wage orders applicable to Plaintiff's and Aggrieved
3 Employees' employment by Defendants, "Every employer shall authorize and permit all employees
4 to take rest periods, which insofar as practicable shall be in the middle of each work period....
5 [The] authorized rest period time shall be based on the total hours worked daily at the rate of ten
6 (10) minutes net rest time per four (4) hours worked or major fraction thereof.... Authorized rest
7 period time shall be counted as hours worked, for which there shall be no deduction from wages."

8 72. Labor Code §226.7(a) prohibits an employer from requiring any employee to work
9 during any rest period mandated by an applicable order of the IWC.

10 73. Defendants were required to authorize and permit employees such as Plaintiff and
11 Aggrieved Employees to take rest periods during shifts in excess of 3.5 hours, based upon the total
12 hours worked at a rate of ten (10) minutes net rest per four (4) hours worked, or major fraction
13 thereof, with no deduction from wages.

14 74. Despite said requirements of the IWC wage orders applicable to Plaintiff's and
15 Aggrieved Employees' employment with Defendants, Defendants failed and refused to authorize
16 and permit Plaintiff and Aggrieved Employees to take lawful, net ten (10) minute rest periods for
17 every four (4) hours worked, or major fraction thereof. Such rest breaks, when provided, were
18 frequently untimely or less than net ten minutes because of the work requirements imposed by
19 Defendants, and frequent calls during rest periods.

20 75. Defendants did not pay Plaintiff one additional hour of pay at his regular rate of pay
21 for each day that a rest period violation occurred. On information and belief, the other members of
22 the Aggrieved Group endured similar violations as a result of Defendants' rest period policies and
23 practices and Defendant did not pay said Aggrieved Employees premium pay at the employees'
24 regular rate of pay as required by law.

25 76. By their failure to authorize and permit Plaintiff and the Aggrieved Employees to
26 take a lawful, net ten (10) minute rest period free from work duties every four (4) hours or major
27 fraction thereof worked, including failure to provide two (2) total rest periods on six to ten hour
28 shifts and three (3) total ten (10) minute rest periods on days on which Plaintiff and the other

1 Aggrieved Employees work(ed) work a third rest period for shifts in excess of ten (10) hours, and
2 by their failure to provide compensation for such unprovided rest periods as alleged herein,
3 Defendants willfully violated the provisions of Labor Code sections 226.7 and the applicable IWC
4 Wage Order(s).

5 77. As a result of the unlawful acts of Defendants, Plaintiffs and the Aggrieved Group
6 they seek to represent have been deprived of premium wages in amounts to be determined at trial,
7 and are entitled to recovery of such amounts, plus interest and penalties thereon, attorneys' fees,
8 and costs, under Labor Code sections 218.6, 226.7, the applicable IWC Wage Orders, and Civil
9 Code 3287.

10 ***FAILURE TO TIMELY PAY WAGES DUE AND PAYABLE DURING***
11 ***EMPLOYMENT***

12 78. Labor Code section 204 requires that all wages are due and payable twice in each
13 calendar month.

14 79. The wages required by Labor Code §§ 226.7, 510, 1194 and other sections became
15 due and payable to each employee in each month that he or she was not provided with a meal period
16 or rest period or paid minimum wage, straight or overtime wages to which he or she was entitled.

17 80. Defendants violated Labor Code § 204 by systematically refusing to pay wages due
18 under the Labor Code.

19 81. Defendants failed to properly pay all earned wages, including minimum wage for
20 each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a
21 pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful
22 deductions were taken by Defendants and/or the financial institution issuing the pay card from the
23 funds loaded on the employee's pay card (wages earned), such that the employee was paid less than
24 all wages owed for hours worked.

25 82. As a result of Defendants use of pay cards, Defendants failed to timely pay all wages
26 due and payable during employment.

27 83. Labor Code section 210 (a) provides that "In addition to, and entirely independent
28 and apart from, any other penalty provided in this article, every person who fails to pay the wages

of each employee as provided in Sections 201.3, 204, 204b, 204.1, 204.2, 204.11, 205, 205.5, and 1197.5, shall be subject to a penalty as follow:

(1) For any initial violation, one hundred dollars (\$100) for each failure to pay each employee.

(2) For each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld.

103. As a result of the unlawful acts of Defendants, Plaintiff and the Aggrieved Group he seeks to represent have been deprived of wages in amounts to be determined at trial, and are entitled to recovery of such amounts, penalties, plus interest thereon, attorneys fees, and costs, pursuant to Labor Code § 210, 218.5, 218.6, 510, 1194.

FAILURE TO TIMELY PAY WAGES OWED AT SEPARATION

84. Labor Code §§ 201 and 202 require Defendants to pay their employees all wages due within seventy-two (72) hours of separation of employment.

85. Section 203 of the Labor Code provides that if an employer willfully fails to timely pay such wages the employer must, as a penalty, continue to pay the subject employee's wages until the back wages are paid in full or an action is commenced. The penalty cannot exceed 30 days of wages.

86. Plaintiff and Aggrieved Employees are entitled to compensation for all forms of wages earned, including but not limited to minimum wages, overtime, and premium meal and rest period compensation, but to date have not received such compensation, therefore entitling them to Labor Code § 203 penalties.

87. In addition, irrespective of any derivative violation, Defendants failed to timely pay Plaintiff and, upon information and belief, other Aggrieved Employees earned compensation at the time of termination despite their obligations under Labor Code 201 and 202.

88. Defendants failed to properly pay all earned wages, including minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful

1 deductions were taken by Defendants and/or the financial institution issuing the pay card from the
2 funds loaded on the employee's pay card (wages earned), such that the employee was paid less than
3 all wages owed for hours worked.

4 89. As a result of Defendants use of pay cards to pay employees' final paychecks, they
5 have violated Labor Code §203 by failing to pay all wages due upon separation from employment.

6 90. More than thirty (30) days have passed since affected Aggrieved Employees have
7 left Defendants' employ, and on information and belief, they have not received payment pursuant
8 to Labor Code § 203.

9 91. Plaintiff and Aggrieved Employees are thus entitled to 30 days' wages as a penalty
10 under Labor Code § 203, together with interest thereon and attorneys' fees and costs.

11 ***UNLAWFUL DEDUCTIONS***

12 92. Labor Code section 212(a) provides "No person, or agent or officer thereof, shall
13 issue in payment of wages due, or to become due, or as an advance on wages to be earned:

- 14 (1) Any order, check, draft, note, memorandum, or other acknowledgment of
15 indebtedness, unless it is negotiable and payable in cash, on demand, without discount,
16 at some established place of business in the state, the name and address of which must
17 appear on the instrument, and at the time of its issuance and for a reasonable time
18 thereafter, which must be at least 30 days, the maker or drawer has sufficient funds in,
19 or credit, arrangement, or understanding with the drawee for its payment.

20 93. Labor Code section 221 provides "It shall be unlawful for any employer to collect
21 or receive from an employee any part of wages theretofore paid by said employer to said
22 employee."

23 94. Labor Code section 223 provides "It shall be unlawful for any employer to collect
24 or receive from an employee any part of wages theretofore paid by said employer to said
25 employee."

26 95. Defendants have willfully violated the above provisions by tendering payment for
27 wages to its employees, like Plaintiff and the Aggrieved Employees, in the form of a pay card
28 from which certain unauthorized debits, charges, and unlawful deductions were taken by

1 Defendants and/or the financial institution issuing the pay card from the funds loaded on the
2 employee's pay card.

3 96. As a consequence of such practice, Plaintiff and the Aggrieved Employees were
4 paid less than all wages owed for hours worked.
5

6 97. As a result of the unlawful acts of Defendants, Plaintiff and the Aggrieved
7 Employees he seeks to represent has been deprived of wages in amounts to be determined at trial,
8 and are entitled to recovery of such amounts, plus interest and penalties thereon, attorneys' fees,
9 and costs under the California Labor Code, the applicable IWC Wage Orders, and Civil Code
10 3287.

11 ***KNOWING AND INTENTIONAL FAILURE TO COMPLY WITH ITEMIZED***
12 ***EMPLOYEE WAGE STATEMENT PROVISIONS***

13 98. Labor Code section 226(a) reads in pertinent part: "Every employer shall,
14 semimonthly or at the time of each payment of wages, furnish each of his or her employees, either
15 as a detachable part of the check, draft, or voucher paying the employee's wages, or separately
16 when wages are paid by personal check or cash, an accurate itemized statement in writing
17 showing (1) gross wages earned, (2) total hours worked by the employee... (4) all deductions...
18 (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the
19 name of the employee and only the last four digits of his or her social security number or an
20 employee identification number other than a social security number, (8) the name and address of
21 the legal entity that is the employer, and (9) all applicable hourly rates in effect during each the
22 pay period and the corresponding number of hours worked at each hourly rate by the
23 employee....".

24 99. Further, the IWC Wage Orders require in pertinent part: Every employer shall
25 keep accurate information with respect to each employee including the following: (3) Time
26 records showing when the employee begins and ends each work period. Meal periods, split shift
27 intervals, and total daily hours worked shall also be recorded...(5) Total hours worked in the
28 payroll period and applicable rates of pay...."

1 100. Labor Code section 1174 of the California also requires Defendants to maintain
2 and preserve, in a centralized location, among other items, records showing the names and
3 addresses of all employees employed and payroll records showing the hours worked daily by, and
4 the wages paid to, its employees. On information and belief and based thereon, Defendants have
5 knowingly and intentionally failed to comply with Labor Code section 1174, including by
6 implementing the policies and procedures and committing the violations alleged in the preceding
7 causes of action and herein. Defendants' failure to comply with Labor Code section 1174 is
8 unlawful pursuant to Labor Code section 1175.

9 101. Defendants have failed to record many of the items delineated in applicable
10 Industrial Wage Orders and Labor Code section 226, and required under Labor Code section
11 1174, including by virtue of the fact that each wage statement which failed to accurately
12 compensate Plaintiff and Aggrieved Employees for all hours worked and for missed and non-
13 provided meal and rest periods, or which failed to include compensation for all minimum wages
14 earned or overtime hours worked, was an inaccurate wage statement. In addition, the wage
15 statements inaccurately stated totals hours worked and hours worked at each hourly wage rate.

16 102. On information and belief, Defendants failed to implement and preserve a lawful
17 record-keeping method to record all non-provided meal and rest periods owed to employees or all
18 hours worked, as required for Non-Exempt Employees under California Labor Code section 226
19 and applicable California Wage Orders. In order to determine if they had been paid the correct
20 amount and rate for all hours worked, Plaintiff and Aggrieved Employees have been, would have
21 been, and are compelled to try to discover the required information missing from their wage
22 statements and to perform complex calculations in light of the inaccuracies and incompleteness of
23 the wage statements Defendants provided to them.

24 103. As a pattern and practice, in violation of Labor Code section 226(a) and the IWC
25 Wage Orders, Defendants did not and still do not furnish each of the members of the Aggrieved
26 Group with an accurate itemized statement in writing accurately reflecting all of the required
27 information. Here, Plaintiff asserts the Defendant omitted required information, failed to
28 accurately include all applicable hourly rates on the wage statements and the corresponding

1 number of hours worked at such rates or hours paid at such rates. In addition, Defendants have
2 failed to provide accurate itemized wage statements as a consequence of the above-specified
3 violations for failure to accurately pay all wages owed, accurately record all hours worked, and
4 failure to pay meal and rest period premiums as required by law.

5 104. Moreover, upon information and belief, as a pattern and practice, in violation of
6 Labor Code section 226(a) and the IWC Wage Orders, Defendants did not and do not maintain
7 accurate records pertaining to the total hours worked for Defendants by the members of the
8 Aggrieved Group, including but not limited to, beginning and ending of each work period, meal
9 period and split shift interval, the total daily hours worked, and the total hours worked per pay
10 period and applicable rates of pay.

11 105. Plaintiffs and the members of the Aggrieved Group have suffered injury as a result
12 of Defendants' failure to maintain accurate records for the members of the Aggrieved Group in
13 that the members of the Aggrieved Group were not timely provided written accurate itemized
14 statements showing all requisite information, such that the members of the Aggrieved Group were
15 misled by Defendants as to the correct information regarding various items, including but not
16 limited to total hours worked by the employee, net wages earned and all applicable hourly rates in
17 effect during the pay period and the corresponding number of hours worked at each hourly rate.

18 106. Defendants have violated Labor Code section 226 in light of Defendants'
19 violations addressed above.

20 **CAUSES OF ACTION**

21 **FIRST CAUSE OF ACTION**

22 **PENALTIES UNDER THE PRIVATE ATTORNEYS' GENERAL ACT, LABOR CODE**

23 **SECTION 2698 ET SEQ.**

24 107. Plaintiff incorporates by reference each and every paragraph above, and realleges
25 each and every allegation contained above as though fully set forth herein.

26 108. On August 26, 2021, Plaintiff gave written notice by online submission to the
27 LWDA and by certified mail to Defendants of Defendants' violations of numerous provisions of
28 the California Labor Code and the IWC Wage Orders as alleged in this complaint. All fees were

1 paid as required by statute. A copy of the letter sent to the LWDA with enclosure is attached
2 hereto as **Exhibit A**.

3 109. Plaintiff is an “aggrieved employee” as defined in Labor Code Section 2699(A), as
4 he was employed by Defendants during the statutory period and suffered one or more of the
5 Labor Code violations set forth herein. He seeks to recover for himself and all other current and
6 former aggrieved employees of Defendants the civil penalties provided by PAGA, plus
7 reasonable attorneys’ fees and costs.

8 110. 65 days have passed, and no response has been received from the LWDA.
9 Accordingly, the LWDA has permitted Plaintiff to proceed in a representative capacity.

10 111. Plaintiff has exhausted all administrative procedures required of them under the
11 Labor Code §§2698, 2699, 2699.3, and as a result, is justified as a matter of right in bringing
12 forward this cause of action.

13 112. Pursuant to Labor Code section 2699(a) Plaintiff seeks to recover civil penalties
14 for which Defendants are liable due to numerous Labor Code violations as set forth in this
15 Complaint.

16 113. Plaintiff seeks to recover the PAGA civil penalties through a representative action
17 permitted by PAGA and the California Supreme Court in *Arias v. Superior Court* (2009) 46 Cal.
18 4th 969. Class certification of the PAGA claims is not required.

19 114. Pursuant to Labor Code section 2698 et seq and 2699(a), Plaintiff seeks to recover
20 civil penalties for which Defendants are liable due to numerous Labor Code and Wage Order
21 violations as set forth in this Complaint.

22 115. Specifically, Plaintiff, on behalf of himself and the Aggrieved Employees, seek
23 penalties under Labor Code §2699, for, without limitation, the claims set forth herein, including:

- 24 a. Defendants’ failure to comply with the requirement of Labor Code §1182.12,
25 1194, 1197, 1198, and Wage Orders to pay at least minimum wage for every
26 hour worked;

- b. Defendants' failure to comply with the requirement of Labor Code §510, 1194, 1197, 1198, and Wage Orders to accurately pay all wages earned including overtime wages;
- c. Defendants' failure to comply with the requirement of Labor Code §216 to pay wages after demand was made;
- d. Defendants' failure to comply with the requirement of Labor Code §§204 and 210 to pay, without condition and within the time set by the applicable article, all wages, or parts thereof;
- e. Defendants' failure to comply with the requirement of Labor Code §225.5 to pay wages due;
- f. Defendants' failure to comply with the requirement of Labor Code §§201 and 202 to pay wages due to former employees;
- g. Defendants' failure to comply with the requirement of Labor Code §203 to pay waiting time penalties to former employees;
- h. Defendants' failure to comply with the requirement of Labor Code §226.7, 1198, and IWC Wage Orders to authorize and permit ten (10) minute rest breaks;
- i. Defendants' failure to comply with the requirement of Labor Code §§226.7, 1198, and IWC Wage Orders to pay one hour of premium pay at the regular rate for each statutorily required rest break that was not lawfully authorized and permitted;
- j. Defendants' failure to comply with the requirement of Labor Code §§226.7, 512, 1198, and IWC Wage Orders to provide timely, uninterrupted 30 minutes off-duty meal periods;
- k. Defendants' failure to comply with the requirement of Labor Code §226.7, 1198, and IWC Wage Order to pay one hour of premium pay at the regular rate for each lawful meal break that was not provided;

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- l. Defendants’ failure to provide accurate compliant wage statements under Labor Code section 226;
 - m. Defendants’ failure to maintain required records in violation of Labor Code §226, 1174, and Wage Orders for the above-specified violations, and failure to maintain accurate clock in and out times;
116. Plaintiff seeks civil penalties in Defendants’ violation of Labor Code provisions for which a civil penalty is specifically provided, including but not limited to the following:
- a. Pursuant to Labor Code §210, for violations of Labor Code §204, Defendants are subject to a civil penalty in the amount of one hundred dollars (\$100) for the initial violation for each failure to pay each employee and two hundred dollars (\$200) per employee for violations in subsequent pay periods plus 25% of the amount unlawfully withheld;
 - b. Pursuant to Labor Code §226.3, for violations of Labor Code §226(a) Defendants are subject to a civil penalty in the amount of two hundred and fifty dollars (\$250) per aggrieved employee for the initial pay period where a violation occurs and one thousand dollars (\$1,000) per aggrieved employee for violations in subsequent pay periods.
 - c. Pursuant to Labor Code §558(a), “[a]ny employer or other person acting on behalf of an employer who violated, 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,” including Labor Code §§ 510 and 512, shall be subject to a civil penalty, in addition to any other penalty provided by law, of fifty dollars (\$50) for initial violations for each underpaid employee for each pay period for which the employee was underpaid and one hundred dollars (\$100) for each subsequent violation for each underpaid employee for each pay period for which the employee was underpaid.
 - d. Pursuant to Labor Code §1197.1, an employer who pays or causes to be paid to any employee a wage less than the minimum fixed by an order of the

1 commission, shall be subject to a civil penalty as follows: for any initial
2 violation that is intentionally committed, one hundred dollars (\$100) for each
3 underpaid employee for each pay period for which the employee is underpaid;
4 and for each subsequent violation of the same offense, two hundred fifty
5 dollars (\$250) for each underpaid employee for each pay period for which the
6 employee is underpaid regardless of whether the initial violation was
7 intentionally committed.

8 e. Pursuant to Labor Code § 1174.5, for violations of Labor Code §1174(d),
9 Defendants are subject to a civil penalty of five hundred dollars (\$500).

10 117. Further, as a result of the acts alleged hereinabove, Plaintiff seeks penalties under
11 Labor Code §§2698 et seq. and 2699 because of Defendants' violation of numerous provisions of
12 the California Labor Code and IWC Wage Orders.

13 118. Under Labor Code §2699, Plaintiff and Aggrieved Employees are entitled to \$100
14 for any initial violation and \$200 for all subsequent violations of the above-mentioned provisions
15 of the California Labor Code.

16 119. Under Labor Code §2699, Plaintiff and Aggrieved Employees should be awarded
17 twenty-five (25%) of all penalties due under California Law, interest, attorneys' fees and costs.

18 120. Under Labor Code §2699, the State of California should be awarded seventy-five
19 percent (75%) of the penalties due under California Law.

1 **PRAYER FOR RELIEF**

2 WHEREFORE, Plaintiff pray judgment against Defendants, jointly and severally, as
3 follows:

- 4 1. For penalties according to proof, pursuant to Labor Code §§2698 et seq. for the
5 violations specified above;
- 6 2. For penalties under Labor Code sections 210, 226.3, 1174.5, 1197.1, and 2699(a) and
7 (f);
- 8 3. For interest at the legal rate pursuant to Labor Code §§ 218.6, 1194, 2802, California
9 Civil Code §§ 3287, 3288, and/or any other applicable provision providing for pre-
10 judgment interest;
- 11 4. For reasonable attorneys' fees, expenses, and costs under Labor Code §§ 1194, 226,
12 2699, and/or Code of Civil Procedure §1021.5, and/or any other applicable provisions
13 providing for attorneys' fees and costs; and
- 14 5. For such other and further relief as the Court deems proper.

15
16 Respectfully submitted,

17
18 Dated: February 11, 2022

19 _____
20 JAMES HAWKINS, APLC
21 James R. Hawkins, Esq.
22 Christina M. Lucio, Esq.

23
24 Attorneys for JERRY VELYNES, on behalf of himself
25 and all others similarly situated
26
27
28

EXHIBIT 5

James R. Hawkins (SBN 192925)
Christina M. Lucio (SBN 253677)
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Attorneys for Plaintiff JERRY VELYNES,
on behalf of himself and all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF FRESNO

JERRY VELYNES, individually and on
behalf of himself and all others similarly
situated,

Plaintiff,

v.

VOLT MANAGEMENT CORP., a
Delaware corporation; GUSMER
ENTERPRISES, INC., a New Jersey
corporation; GXO LOGISTICS SUPPLY
CHAIN, INC., a North Carolina
Corporation; and DOES 1-50, inclusive,

Defendants.

Case No. 22CECG01885

**FIRST AMENDED CONSOLIDATED
PAGA COMPLAINT**

Assigned for All Purposes To:
Hon. Kristi Culver Kapetan
Dept.: 502

COMPLAINT FOR DAMAGES FOR:

- 1) Civil Penalties Under the Private
Attorneys' General Act, Labor Code
Section 2698 *et seq.***

COMES NOW, Plaintiff JERRY VELYNES (“Plaintiff”), individually and on behalf of others similarly situated, and asserts claims against defendants VOLT MANAGEMENT CORP, a Delaware Corporation; GUSMER ENTERPRISES, INC., a New Jersey corporation; GXO SUPPLY CHAIN LOGISTICS, INC., a North Carolina Corporation; and DOES 1-50, inclusive (collectively “Defendants”) as follows:

INTRODUCTION

1. This is a representative action for recovery of penalties under the Private Attorneys’ General Act of 2004 (“PAGA”), Cal. Lab. Code section 2698 *et seq.* PAGA permits “aggrieved employees” to bring a lawsuit as a representative action on behalf of themselves and all other current and former employees, to recover civil penalties and address an employer’s violations of the California Labor Code.

2. Plaintiff brings this action pursuant to PAGA on a representative basis on behalf of two groups: (a) all individuals who are or previously were employed by Volt Management Corporation (“Volt”) as a nonexempt hourly employee and placed with Gusmer Enterprises, Inc. (“Gusmer”) at its M St. Fresno site at any time between August 26, 2020 and March 28, 2025 (“Volt/Gusmer PAGA Group”), and (b) all individuals who are or previously were employed by Volt as non-exempt hourly employees and placed with GXO Supply Chain Logistics, Inc. at its E. Central Ave. Fresno site at any time between November 2, 2020 and March 28, 2025 (“Volt/GXO PAGA Group”). The employees in both the Volt/Gusmer PAGA Group and Volt/GXO PAGA Group are collectively referred to as the “Aggrieved Employees” or “Non-Exempt Employees”.

3. Plaintiff brings this action on behalf of himself and the Aggrieved Employees to recover civil penalties and address Defendants’ violations of the California Labor Code and the IWC Wage Orders.

4. Pursuant to *Huff v. Securitas Security Services*, 23 Cal. App. 5th 745, 751 (2018), an employee who brings a representative action and was affected by at least one of the violations alleged in the complaint has standing to pursue penalties on behalf of the state and not only for that violation, but for violations affecting other employees as well. Accordingly, Mr. Velyines has standing to pursue penalties on behalf of the state of violations affecting all Aggrieved Employees,

1 regardless of their classification, job title, or locations in California.

2 5. Plaintiff alleges that Defendants implemented legally non-compliant policies and
3 practices that led to Defendants' violations of the Labor Code.

4 6. Plaintiff seeks civil penalties under PAGA for violations of California Labor Code
5 Sections 201, 202, 203, 204, 210, 212 216, 218, 221, 222, 223, 225.5, 226, 226.3, 226.7, 227.3,
6 233, 234, 246, 246.5, 432, 510, 512, 516, 551, 552, 558, 558.1, 1174, 1174.5, 1175, 1182.12, 1193,
7 1193.6, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2802, 2804, and 2810.5.

8 7. This action is timely because Plaintiff suffered from a violation or numerous
9 violations of the California Labor Code within one year of the date on which a PAGA notice was
10 sent to the LWDA via online submission. More than 65 days have passed, and no response has
11 been received by the LWDA, thereby satisfying the notice requirement under the statute and
12 permitting Plaintiff to proceed with this action in a representative capacity.

13 **JURISDICTION AND VENUE**

14 8. This Court has jurisdiction over this action pursuant to the California Constitution
15 Article VI §10, which grants the California Superior Court original jurisdiction in all causes except
16 those given by statute to other courts. The statutes under which this action is brought do not give
17 jurisdiction to any other court.

18 9. Further, there is no federal question at issue, as the issues herein are based solely on
19 California statutes and law, including the Labor Code, IWC Wage Orders, the California Code of
20 Civil Procedure, the California Civil Code, and the California Business and Professions Code.

21 10. Venue is proper in this Court because one or more of the Defendants reside, transact
22 business, or have offices in this County, Plaintiff is a resident of this County, or the acts or
23 omissions alleged herein took place in this County.

24 **PARTIES**

25 11. Defendant Volt Management Corp. is a Delaware Corporation doing business in the
26 state of California. It is based at 2401 N. Glassell St., Orange, CA 92865.

27 12. Defendant Gusmer Enterprises, Inc. is a New Jersey Corporation doing business in
28 the state of California. It is based at 1165 Globe Avenue, Mountainside, NJ 07092.

1 13. Defendant GXO Supply Chain Logistics, Inc. is a North Carolina Corporation doing
2 business in the state of California. It is based at 4035 Piedmont Pkwy, High Point, North Carolina,
3 27265.

4 14. Upon information and belief, Defendants employ Non-Exempt Employees, like
5 Plaintiff, throughout the State of California.

6 15. Plaintiff Jerry Velyines is and during the liability period has been, a resident of
7 California.

8 16. Plaintiff was employed in an hourly, non-exempt position by Defendants during the
9 relevant time period.

10 17. Plaintiff and the members of the Aggrieved Employees were employed as hourly
11 paid employees employed by one or more Defendants, either directly or indirectly, in the State of
12 California during the relevant time period (as tolled by Emergency Rule 9).

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

18 19. The true names and capacities of Defendants, whether individual, corporate,
19 associate, or otherwise, sued herein as DOES 1 through 50, inclusive, are currently unknown to
20 Plaintiff, who therefore sue Defendants by such fictitious names under Code of Civil Procedure §
21 474. Plaintiff will seek leave of court to amend this Complaint to reflect the true names and
22 capacities of the Defendants designated hereinafter as DOES when such identities become known.

23 20. Plaintiff is informed and believes, and thereon allege, that the Doe Defendants are
24 the partners, agents, or principals and co-conspirators of Defendants and of each other; that
25 Defendants and the Doe Defendants performed the acts and conduct herein alleged directly, aided
26 and abetted the performance thereof, or knowingly acquiesced in, ratified, and accepted the benefits
27 of such acts and conduct, and therefore each of the Doe Defendants is liable to the extent of the
28 liability of the Defendants as alleged herein.

21. Plaintiff is further informed and believes, and thereon allege, that at all times material herein, each Defendant was completely dominated and controlled by its co-Defendants and each was the alter ego of the other. Whenever and wherever reference is made in this complaint to any conduct by Defendant or Defendants, such allegations and references shall also be deemed to mean the conduct of each of the Defendants, acting individually, jointly, and severally. Whenever and wherever reference is made to individuals who are not named as Defendants in this complaint, but were employees and/or agents of Defendants, such individuals, at all relevant times acted on behalf of Defendants named in this complaint within the scope of their respective employments.

FACTUAL ALLEGATIONS

22. During the relevant time frame, Defendants compensated Plaintiff and the Non-Exempt Employees based upon an hourly wage.

23. Plaintiff and the Aggrieved Employees were, and at all times pertinent hereto, have been non-exempt employees within the meaning of the California Labor Code, and the implementing rules and regulations of the IWC California Wage Orders 1-2001, 4-2001, and 9-2001. They are subject to the protections of the IWC Wage Orders and the Labor Code.

24. During the relevant time, Plaintiff was employed by one or more Defendants in an hourly, non-exempt position. He worked as a machine operator in one or more of Defendants' facilities approximately 5-6 days per week, 40-60 hours per week.

25. Plaintiff is informed and believes, and thereon alleges, that Defendants are and were advised by skilled lawyers and other professionals, employees, and advisors with knowledge of the requirements of California's wage and employment laws.

26. All Aggrieved Employees are similarly situated in that they are all subject to Defendants' uniform policies and systemic practices as specified herein.

27. In addition, Plaintiff and the Aggrieved Employees worked in excess of eight (8) hours in day and/or over forty (40) hours in a workweek, but were not properly paid for such time at a rate of time and one-half the employee's regular rate of pay per hour.

28. Defendants failed to properly calculate Plaintiff's and the Aggrieved Employees'

1 regular rate of pay because Defendants failed to include all forms of compensation in the regular
2 rate including differential, bonuses, incentives, and other compensation.

3 29. Defendants failed to properly pay all earned wages, including at least minimum
4 wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the
5 form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful
6 deductions were taken by Defendants and/or the financial institution issuing the debit card from the
7 funds loaded on the employee's pay card (wages earned), such that the employee was paid less than
8 all wages owed for hours worked. Plaintiff and the Aggrieved Employees also were not paid for all
9 hours worked due to having to work off-the-clock before, after and during shifts, including but not
10 limited time spent walking to and from their place of work, or time spent in screenings/checks prior
11 to clocking in and after clocking out.

12 30. Plaintiff and the Aggrieved Employees were paid with a pay card, and incurred fees
13 associated with its use and withdrawal of the funds. Thus, Plaintiff and the Aggrieved Employees
14 were paid less than all wages earned.

15 31. Plaintiff and the Aggrieved Employees were regularly required to work shifts in
16 excess of five hours without being provided a lawful meal period and, on occasion, over ten hours
17 in a day without being provided a second lawful meal period as required by law. Plaintiff and the
18 Aggrieved Employees had short, missed, or late meal periods.

19 32. Indeed, during the relevant time, as a consequence of Defendants' scheduling
20 practices, work demands, and Defendants' policies and practices, Defendants frequently failed to
21 provide Plaintiff and the Aggrieved Employees timely, legally complaint uninterrupted 30-minute
22 meal periods as required by law. Not only were Plaintiff's and the Aggrieved Employees' first
23 meal breaks frequently not provided, untimely or short, but also Plaintiff and the Aggrieved
24 Employees were not provided a second meal period when working shifts in excess of 10 hours and
25 in excess of 12 hours.

26 33. On information and belief, Plaintiff and Aggrieved Employees did not waive their
27 rights to a second meal period.

28 34. Despite the above-mentioned meal period violations, Defendants failed to

1 compensate Plaintiff, and on information and belief, failed to compensate Aggrieved Employees,
2 one additional hour of pay at their regular rate as required by California law when meal periods
3 were not timely or lawfully provided in a compliant manner.

4 35. Plaintiff is informed and believes, and thereon alleges, that Defendants know,
5 should know, knew, and/or should have known that Plaintiff and the other Aggrieved Employees
6 were entitled to receive accurate premium wages under Labor Code §226.7 but were not receiving
7 accurately calculated compensation (as Defendants failed to include all forms of non-discretionary
8 compensation in the regular rate).

9 36. In addition, during the relevant time frame, Plaintiff and the Non-Exempt
10 Employees were systematically not authorized and permitted to take one net ten-minute paid, rest
11 period for every four hours worked or major fraction thereof, which is a violation of the Labor Code
12 and IWC wage order. Plaintiff and the Aggrieved Employees had short, missed, or late rest periods.

13 37. Defendants maintained and enforced scheduling practices, policies, and imposed
14 work demands that frequently required Plaintiff and Aggrieved Employees to forego their lawful,
15 paid rest periods of a net ten minutes for every four hours worked or major fraction thereof. Such
16 requisite rest periods were not timely authorized and permitted.

17 38. Despite the above-mentioned rest period violations, Defendants did not compensate
18 Plaintiff, and on information and belief, did not pay Aggrieved Employees one additional hour of
19 pay at their regular rate as required by California law, including Labor Code section 226.7 and the
20 applicable IWC wage order, for each day on which lawful rest periods were not authorized and
21 permitted.

22 39. Defendants also failed to provide accurate, lawful itemized wage statements to
23 Plaintiff and the Aggrieved Employees in part because of the above specified violations.

24 40. Defendants have also made it difficult to determine applicable rates of pay and
25 account with precision for the unlawfully withheld wages and deductions due to be paid to Non-
26 exempt Employees, including Plaintiff, during the liability period because they did not implement
27 and preserve a lawful record-keeping method to record all hours worked, and non-provided rest
28 and meal periods owed to employees as required for non-exempt employees by 29 U.S.C. section

211(c), California Labor Code section 226, and applicable California Wage Orders.

41. Plaintiff is informed and believes, and thereon alleges, that at all times herein mentioned, Defendants knew that at the time of termination of employment (or within 72 hours thereof for resignations without prior notice as the case may be) they had a duty to accurately compensate Plaintiff and Aggrieved Employees for all wages owed including straight time, overtime, meal and rest period premiums, and that Defendants had the financial ability to pay such compensation, but willfully, knowingly, recklessly, and/or intentionally failed to do so in part because of the above-specified violations.

42. Plaintiff and the Aggrieved Employees are covered by applicable California IWC Wage Orders and corresponding applicable provisions of the California Code of Regulations, Title 8, section 11000 *et seq.*

FAILURE TO PAY MINIMUM WAGES

43. Labor Code section 204 establishes the fundamental right of all employees in the State of California to be paid wages, including minimum wage, straight time and overtime, in a timely fashion for their work.

44. Labor Code section 1194(a) provides that notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees, and costs of suit.

45. Labor Code section 1197 provides: The minimum wage for employees fixed by the commission or by any applicable state or local law, is the minimum wage to be paid to employees, and the payment of a lower wage than the minimum so fixed is unlawful.

46. Pursuant to Labor Code section 1198, it is unlawful to employ persons for longer than the hours set by the Industrial Welfare Commission or under conditions prohibited by the IWC Wage Order(s).

47. Pursuant to Labor Code section 1199, it is unlawful to

(a) Require[] or cause[] any employee to work for longer hours than those fixed, or under

1 conditions of labor prohibited by an order of the commission.

2 (b) Pay[] or cause[] to be paid to any employee a wage less than the minimum fixed by an
3 order of the commission.

4 (c) Violate[] or refuse[] or neglect[] to comply with any provision of this chapter or any
5 order or ruling of the commission.

6 48. The applicable wage orders and California Labor Code sections 1197 and 1182.12
7 establish the right of employees to be paid minimum wages for all hours worked, in amounts set by
8 state law.

9 49. Labor Code sections 1194(a) and 1194.2(a) provide that an employee who has not
10 been paid the legal minimum wage as required by Labor Code section 1197 may recover the unpaid
11 balance together with attorneys' fees and costs of suit, as well as liquidated damages in an amount
12 equal to the unpaid wages and interest accrued thereon.

13 50. During all relevant periods, the California Labor Code and wage orders required that
14 Defendants fully and timely pay its non-exempt, hourly employees all wages earned and due for all
15 hours worked.

16 51. The IWC Wage Orders define "hours worked" as "the time during which an
17 employee is subject to the control of an employer, and includes all the time the employee is suffered
18 or permitted to work, whether or not required to do so."

19 52. Defendants failed to properly pay all earned wages, including at least minimum
20 wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the
21 form of a pay card. Defendants also failed to capture all hours worked and required Plaintiff and
22 Aggrieved Employees to work off-the-clock.

23 53. Upon information and belief, certain unauthorized debits, charges, and unlawful
24 deductions were taken by Defendants and/or the financial institution issuing the pay card from the
25 funds loaded on the employee's pay card (wages earned), such that the employee was paid less than
26 all wages owed for hours worked.

27 54. Defendant's policy and practice of not paying all minimum wages violates
28 California Labor Code sections 204, 210, 216, 558, 1182.12, 1194, 1197, 1197.1, 1198, 1199, and

1 the applicable wage order 1-2001, 4-2001, and 9-2001.

2 55. Due to Defendants' violations of the California Labor Code and wage orders,
3 Plaintiff and the Aggrieved Employees are entitled to recover from Defendant their unpaid wages,
4 statutory penalties, reasonable attorneys' fees and costs in this action, and pre-judgment and post-
5 judgment interest, as well as liquidated damages.

6 ***FAILURE TO PAY OVERTIME OWED***

7 56. During all relevant periods, Defendants required Plaintiff and the Aggrieved
8 Employees to work shifts in excess of eight (8) hours per workday and/or to work in excess of forty
9 (40) hours per workweek.

10 57. During all relevant periods, both the California Labor Code sections 1194, 1197,
11 510, 1198, 1199, and the pertinent wage order 1-2001, 4-2001, and 9-2001 required that all work
12 performed by an employee in excess of eight (8) hours in any workday, on the seventh day of work
13 in any workweek, or in excess of forty (40) hours in any workweek be compensated at one and one-
14 half (1.5) times the employee's regular rate of pay. Any work in excess of twelve (12) hours in one
15 (1) day is required to be compensated at the rate of no less than twice the regular rate of pay for an
16 employee. In addition, any work in excess of eight (8) hours on any seventh (7th) day of a
17 workweek is required to be compensated at the rate of no less than twice the regular rate of pay of
18 an employee.

19 58. During all relevant periods, Defendants had a uniform policy of requiring Plaintiff
20 and the Aggrieved Employees to work in excess of eight (8) hours in a workday and/or in excess
21 of forty (40) hours in a workweek without compensating them at a rate of one and one-half (1.5)
22 times their regular rate of pay. Upon information and belief, Defendants also failed to properly
23 compensate Plaintiff and the Aggrieved Employees for hours worked in excess of twelve (12) hours
24 in one (1) day, or eight (8) hours on the seventh (7th) day of a workweek.

25 59. The IWC Wage Orders define "hours worked" as "the time during which an
26 employee is subject to the control of an employer, and includes all the time the employee is suffered
27 or permitted to work, whether or not required to do so."

28 60. In addition, upon information and belief, Defendants failed to incorporate all forms

1 of compensation, including without limitation bonuses, differentials, and incentives, into the
2 regular rate for overtime purposes.

3 61. As a result, Defendants failed to pay Plaintiff and the Aggrieved Employees earned
4 overtime wages and such employees suffered damages as a result.

5 62. Defendants knew or should have known Plaintiff and the Aggrieved Employees
6 were undercompensated as a result of these practices.

7 63. Due to Defendant's violations of the California Labor Code, Plaintiff and the
8 Aggrieved Employees are entitled to recover from Defendants their unpaid overtime wages,
9 reasonable attorneys' fees and costs in this action, and pre-judgment and post-judgment interest,
10 statutory penalties, and liquidated damages.

11 ***FAILURE TO PROVIDE LAWFUL MEAL PERIODS***

12 64. Pursuant to Labor Code § 512, no employer shall employ an employee for a work
13 period of more than five (5) hours without providing a meal break of not less than thirty (30)
14 minutes in which the employee is relieved of all of his or her duties, except that when a work period
15 of not more than six (6) hours will complete the day's work the meal period may be waived by
16 mutual consent of the employer and employee.

17 65. During the relevant time, Defendants failed to provide Plaintiff and Aggrieved
18 Employees timely and uninterrupted first meal periods of not less than thirty (30) minutes within
19 the first five hours of a shift.

20 66. As a consequence of Defendants' policies and practices, requirements, demands,
21 coverage and staffing, Plaintiff and the Aggrieved Employees were often required to forego such
22 meal periods, take shortened or interrupted meal periods because of the work requirements imposed
23 by Defendants, time spent walking to the break area, and frequent calls or interruptions, and/or
24 commence their meal periods into and beyond the sixth hour of their shifts.

25 67. Upon information and belief, Plaintiff and the Aggrieved Employees were not paid
26 one hour of pay at their regular rate for each day that a meal period was not lawfully provided.

27 68. Moreover, as a matter of policy and practice, upon information and belief, the
28 Aggrieved Employees were also not provided second meal periods on days when shifts exceeded

1 ten hours (and twelve hours), nor were they provided premium wages in lieu of a second meal
2 period. On information and belief, Plaintiff and the Aggrieved Employees did not waive their rights
3 to a second meal period on shifts in excess of ten hours.

4 69. Defendant also failed to properly calculate the regular rate of pay for each employee,
5 therefore leading to the failure to pay meal period premiums at the proper regular rate of pay.

6 70. As a proximate result of the aforementioned violations, Plaintiff and the Aggrieved
7 Employees have been damaged in an amount according to proof at time of trial.

8 71. Pursuant to Labor Code § 226.7, Plaintiff and Aggrieved Employees are entitled to
9 recover one (1) hour of premium pay for each day in which a meal period violation occurred. They
10 are also entitled to recover reasonable attorneys' fees, cost, interest, and penalties as applicable.

11 72. As a result of the unlawful acts of Defendants, Plaintiff and the Aggrieved
12 Employees he seeks to represent have been deprived of premium wages in amounts to be
13 determined at trial, and are entitled to recovery of such amounts, plus interest and penalties thereon,
14 attorneys' fees, and costs, under Labor Code sections 218.6, 226.7, 512 and the applicable IWC
15 Wage Orders, and Civil Code section 3287.

16 ***FAILURE TO AUTHORIZE AND PERMIT LAWFUL REST PERIODS***

17 73. Pursuant to the IWC wage orders applicable to Plaintiff's and Aggrieved
18 Employees' employment by Defendants, "Every employer shall authorize and permit all employees
19 to take rest periods, which insofar as practicable shall be in the middle of each work period....
20 [The] authorized rest period time shall be based on the total hours worked daily at the rate of ten
21 (10) minutes net rest time per four (4) hours worked or major fraction thereof.... Authorized rest
22 period time shall be counted as hours worked, for which there shall be no deduction from wages."

23 74. Labor Code §226.7(a) prohibits an employer from requiring any employee to work
24 during any rest period mandated by an applicable order of the IWC.

25 75. Defendants were required to authorize and permit employees such as Plaintiff and
26 Aggrieved Employees to take rest periods during shifts in excess of 3.5 hours, based upon the total
27 hours worked at a rate of ten (10) minutes net rest per four (4) hours worked, or major fraction
28 thereof, with no deduction from wages.

1 76. Despite said requirements of the IWC wage orders applicable to Plaintiff's and
2 Aggrieved Employees' employment with Defendants, Defendants failed and refused to authorize
3 and permit Plaintiff and Aggrieved Employees to take lawful, net ten (10) minute rest periods for
4 every four (4) hours worked, or major fraction thereof. Such rest breaks, when provided, were
5 frequently untimely or less than net ten minutes because of the work requirements imposed by
6 Defendants, time spent walking to the break area, and frequent calls or interruptions during rest
7 periods.

8 77. Defendants did not pay Plaintiff one additional hour of pay at his regular rate of pay
9 for each day that a rest period violation occurred. On information and belief, the Aggrieved
10 Employees endured similar violations as a result of Defendants' rest period policies and practices
11 and Defendant did not pay said Aggrieved Employees premium pay at the employees' regular rate
12 of pay as required by law.

13 78. By their failure to authorize and permit Plaintiff and the Aggrieved Employees to
14 take a lawful, net ten (10) minute rest period free from work duties every four (4) hours or major
15 fraction thereof worked, including failure to provide two (2) total rest periods on six to ten hour
16 shifts and three (3) total ten (10) minute rest periods on days on which Plaintiff and the other
17 Aggrieved Employees work(ed) work a third rest period for shifts in excess of ten (10) hours, and
18 by their failure to provide compensation for such unprovided rest periods as alleged herein,
19 Defendants willfully violated the provisions of Labor Code sections 226.7 and the applicable IWC
20 Wage Order(s).

21 79. As a result of the unlawful acts of Defendants, Plaintiff and the Aggrieved
22 Employees he seeks to represent have been deprived of premium wages in amounts to be
23 determined at trial, and are entitled to recovery of such amounts, plus interest and penalties thereon,
24 attorneys' fees, and costs, under Labor Code sections 218.6, 226.7, the applicable IWC Wage
25 Orders, and Civil Code 3287.

***FAILURE TO TIMELY PAY WAGES DUE AND PAYABLE DURING
EMPLOYMENT***

80. Labor Code section 204 requires that all wages are due and payable twice in each calendar month. Labor Code section 201.3 requires that temporary services employers be paid no less frequently than weekly.

81. The wages required by Labor Code §§ 226.7, 510, 1194 and other sections became due and payable to each employee in each month that he or she was not provided with a meal period or rest period or paid minimum wage, straight or overtime wages to which he or she was entitled.

82. Defendants violated Labor Code § 201.3 and 204 by systematically refusing to pay wages due under the Labor Code, as noted in the preceding paragraphs.

83. Defendants failed to properly pay all earned wages, including minimum wage for each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful deductions were taken by Defendants and/or the financial institution issuing the pay card from the funds loaded on the employee's pay card (wages earned), such that the employee was paid less than all wages owed for hours worked.

84. As a result of Defendants' use of pay cards, Defendants failed to timely pay all wages due and payable during employment.

85. Labor Code section 210 (a) provides that "In addition to, and entirely independent and apart from, any other penalty provided in this article, every person who fails to pay the wages of each employee as provided in Sections 201.3, 204, 204b, 204.1, 204.2, 204.11, 205, 205.5, and 1197.5, shall be subject to a penalty as follows:

(1) For any initial violation, one hundred dollars (\$100) for each failure to pay each employee.

(2) For each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld.

1 103. As a result of the unlawful acts of Defendants, Plaintiff and the Aggrieved
2 Employees he seeks to represent have been deprived of wages in amounts to be determined at trial,
3 and are entitled to recovery of such amounts, penalties, plus interest thereon, attorneys fees, and
4 costs, pursuant to Labor Code §§ 210, 218.5, 218.6, 510, 1194.

5 ***FAILURE TO TIMELY PAY WAGES OWED AT SEPARATION***

6 86. Labor Code §§ 201 and 202 require Defendants to pay their employees all wages
7 due within seventy-two (72) hours of separation of employment.

8 87. Section 203 of the Labor Code provides that if an employer willfully fails to timely
9 pay such wages the employer must, as a penalty, continue to pay the subject employee's wages
10 until the back wages are paid in full or an action is commenced. The penalty cannot exceed 30
11 days of wages.

12 88. Plaintiff and Aggrieved Employees are entitled to compensation for all forms of
13 wages earned, including but not limited to minimum wages, overtime, and premium meal and rest
14 period compensation, but to date have not received such compensation, therefore entitling them to
15 Labor Code § 203 penalties.

16 89. In addition, irrespective of any derivative violation, Defendants failed to timely pay
17 Plaintiff and, upon information and belief, other Aggrieved Employees earned compensation at the
18 time of termination despite their obligations under Labor Code 201 and 202.

19 90. Defendants failed to properly pay all earned wages, including minimum wage for
20 each hour worked, as it issued payment for wages to its employees, like Plaintiff, in the form of a
21 pay card. Upon information and belief, certain unauthorized debits, charges, and unlawful
22 deductions were taken by Defendants and/or the financial institution issuing the pay card from the
23 funds loaded on the employee's pay card (wages earned), such that the employee was paid less than
24 all wages owed for hours worked.

25 91. As a result of Defendants use of pay cards to pay employees' final paychecks, they
26 have violated Labor Code §203 by failing to pay all wages due upon separation from employment.

27 92. More than thirty (30) days have passed since affected Aggrieved Employees have
28 left Defendants' employ, and on information and belief, they have not received payment pursuant

1 to Labor Code § 203.

2 93. Plaintiff and Aggrieved Employees are thus entitled to 30 days' wages as a penalty
3 under Labor Code § 203, together with interest thereon and attorneys' fees and costs.

4 ***UNLAWFUL DEDUCTIONS***

5 94. Labor Code section 212(a) provides "No person, or agent or officer thereof, shall
6 issue in payment of wages due, or to become due, or as an advance on wages to be earned:

7 (1) Any order, check, draft, note, memorandum, or other acknowledgment of indebtedness,
8 unless it is negotiable and payable in cash, on demand, without discount, at some
9 established place of business in the state, the name and address of which must appear
10 on the instrument, and at the time of its issuance and for a reasonable time thereafter,
11 which must be at least 30 days, the maker or drawer has sufficient funds in, or credit,
12 arrangement, or understanding with the drawee for its payment.

13 95. Labor Code section 221 provides "It shall be unlawful for any employer to collect
14 or receive from an employee any part of wages theretofore paid by said employer to said employee."

15 96. Labor Code section 222 provides "It shall be unlawful, in case of any wage
16 agreement arrived at through collective bargaining, either willfully or unlawfully or with intent to
17 defraud an employee, a competitor, or any other person, to withhold from said employee any part
18 of the wage agreed upon."

19 97. Labor Code section 223 provides "It shall be unlawful for any employer to collect
20 or receive from an employee any part of wages theretofore paid by said employer to said employee."

21 98. Defendants have willfully violated the above provisions by tendering payment for
22 wages to its employees, like Plaintiff and the Aggrieved Employees, in the form of a pay card from
23 which certain unauthorized debits, charges, and unlawful deductions were taken by Defendants
24 and/or the financial institution issuing the pay card from the funds loaded on the employee's pay
25 card.

26 99. As a consequence of such practice, Plaintiff and the Aggrieved Employees were
27 paid less than all wages owed for hours worked.

28 100. As a result of the unlawful acts of Defendants, Plaintiff and the Aggrieved
Employees he seeks to represent has been deprived of wages in amounts to be determined at trial,

1 and are entitled to recovery of such amounts, plus interest and penalties thereon, attorneys' fees,
2 and costs under the California Labor Code, the applicable IWC Wage Orders, and Civil Code 3287.

3 ***KNOWING AND INTENTIONAL FAILURE TO COMPLY WITH ITEMIZED***
4 ***EMPLOYEE WAGE STATEMENT PROVISIONS***

5 101. Labor Code section 226(a) reads in pertinent part: "Every employer shall,
6 semimonthly or at the time of each payment of wages, furnish each of his or her employees, either
7 as a detachable part of the check, draft, or voucher paying the employee's wages, or separately
8 when wages are paid by personal check or cash, an accurate itemized statement in writing showing
9 (1) gross wages earned, (2) total hours worked by the employee... (4) all deductions... (5) net
10 wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of
11 the employee and only the last four digits of his or her social security number or an employee
12 identification number other than a social security number, (8) the name and address of the legal
13 entity that is the employer, and (9) all applicable hourly rates in effect during each the pay period
14 and the corresponding number of hours worked at each hourly rate by the employee....".

15 102. Further, the IWC Wage Orders require in pertinent part: Every employer shall keep
16 accurate information with respect to each employee including the following: (3) Time records
17 showing when the employee begins and ends each work period. Meal periods, split shift intervals,
18 and total daily hours worked shall also be recorded...(5) Total hours worked in the payroll period
19 and applicable rates of pay...."

20 103. Labor Code section 1174 of the California also requires Defendants to maintain and
21 preserve, in a centralized location, among other items, records showing the names and addresses of
22 all employees employed and payroll records showing the hours worked daily by, and the wages
23 paid to, its employees. On information and belief and based thereon, Defendants have knowingly
24 and intentionally failed to comply with Labor Code section 1174, including by implementing the
25 policies and procedures and committing the violations alleged in the preceding causes of action and
26 herein. Defendants' failure to comply with Labor Code section 1174 is unlawful pursuant to Labor
27 Code section 1175.

28 104. Defendants have failed to record many of the items delineated in applicable

1 Industrial Wage Orders and Labor Code section 226, and required under Labor Code section 1174,
2 including by virtue of the fact that each wage statement which failed to accurately compensate
3 Plaintiff and Aggrieved Employees for all hours worked and for missed and non-provided meal and
4 rest periods, or which failed to include compensation for all minimum wages earned or overtime
5 hours worked, was an inaccurate wage statement. In addition, the wage statements inaccurately
6 stated totals hours worked and hours worked at each hourly wage rate.

7 105. On information and belief, Defendants failed to implement and preserve a lawful
8 record-keeping method to record all non-provided meal and rest periods owed to employees or all
9 hours worked, as required for Non-Exempt Employees under California Labor Code section 226
10 and applicable California Wage Orders. In order to determine if they had been paid the correct
11 amount and rate for all hours worked, Plaintiff and Aggrieved Employees have been, would have
12 been, and are compelled to try to discover the required information missing from their wage
13 statements and to perform complex calculations in light of the inaccuracies and incompleteness of
14 the wage statements Defendants provided to them.

15 106. As a pattern and practice, in violation of Labor Code section 226(a) and the IWC
16 Wage Orders, Defendants did not and still do not furnish each of the Aggrieved Employees with
17 an accurate itemized statement in writing accurately reflecting all of the required information.
18 Here, Plaintiff asserts the Defendant omitted required information, failed to accurately include all
19 applicable hourly rates on the wage statements and the corresponding number of hours worked at
20 such rates or hours paid at such rates. In addition, Defendants have failed to provide accurate
21 itemized wage statements as a consequence of the above-specified violations for failure to
22 accurately pay all wages owed, accurately record all hours worked, and failure to pay meal and rest
23 period premiums as required by law.

24 107. Moreover, upon information and belief, as a pattern and practice, in violation of
25 Labor Code section 226(a) and the IWC Wage Orders, Defendants did not and do not maintain
26 accurate records pertaining to the total hours worked for Defendants by the Aggrieved Employees
27 , including but not limited to, beginning and ending of each work period, meal period and split shift
28 interval, the total daily hours worked, and the total hours worked per pay period and applicable

1 rates of pay.

2 108. Plaintiff and the Aggrieved Employees have suffered injury as a result of
3 Defendants' failure to maintain accurate records for the members of the Aggrieved Employees in
4 that the members of the Aggrieved Employees were not timely provided written accurate itemized
5 statements showing all requisite information, such that Aggrieved Employees were misled by
6 Defendants as to the correct information regarding various items, including but not limited to total
7 hours worked by the employee, net wages earned and all applicable hourly rates in effect during
8 the pay period and the corresponding number of hours worked at each hourly rate.

9 109. Defendants have violated Labor Code section 226 in light of Defendants' violations
10 addressed above.

11 **Failure to Pay Vacation/Paid Time Off**

12 110. California Labor Code section 227.3 provides that when an employer policy
13 provides for paid vacations and/or paid time off, and an employee is terminated without having
14 taken off his, her, or their vested vacation time, all vested vacation shall be paid to the employee as
15 wages at the employee's final rate in accordance with such contract of employment or employer
16 policy respecting eligibility or time served and that there shall be no forfeiture of vested vacation
17 time or paid time off upon termination.

18 111. Based on information and belief, Defendants had and continue to have a uniform
19 policy and practice of failing to allow Plaintiffs and Aggrieved Employees to use their earned
20 vacation/paid time off during their employment and failing to properly pay all vested, accrued
21 vacation/paid time off (including but not limited to, all owed vacation pay/paid time off paid at the
22 final rate of pay, including all non-discretionary forms of compensation) to Plaintiff and Aggrieved
23 Employees upon separation of employment at the final rate of pay, in violation of California law,
24 including but not limited to, Labor Code section 227.3.

25 **Sick Leave Violations**

26 112. Defendants violated California's paid sick leave laws including but not limited to
27 Labor Code sections 245-248.5 and 233-234. Defendants failed to provide sick leave pay to
28 Plaintiff and other Aggrieved Employees, failed to properly accrue paid sick leave due to

1 Defendants' failure to account for actual hours worked (as explained above), and failed to
2 incorporate all forms of non-discretionary remuneration including but not limited to, non-
3 discretionary bonuses, shift differential pay, and/or other non-discretionary compensation into the
4 sick leave pay rate calculation.

5 113. Defendants also failed to provide sick leave upon oral or written request of an
6 employee and also denied employees the right to use accrued sick days and/or discharged,
7 threatened to discharge, demoted, suspended, and/or discriminated against Aggrieved Employees
8 for using accrued sick days, attempting to exercise the right to use accrued sick days, filing a
9 complaint with the department or alleging a violation of Labor Code section 246.5, cooperating in
10 an investigation of an alleged violation of Labor Code section 246.5, or opposing any policy or
11 practice prohibited by Labor Code section 246.5.

12 114. But for this failure, Plaintiffs and other Aggrieved Employees would have used their
13 paid sick leave at least prior to their respective separations, for as on several occasions thereafter,
14 he or she would have been entitled to use the banked sick leave and earn appropriate compensation.

15 115. Upon information and belief, Defendants failed and continue to fail to comply with
16 Labor Code section 246, by failing to provide Plaintiff and all Aggrieved Employees with a Labor
17 Code section 226 wage statement, or separate writing containing the amount of paid sick leave
18 available, or paid time off leave an employer provides in lieu of sick leave, at the time it pays wages.

19 116. These practices violated California's sick leave laws, Labor Code section 245, et
20 seq. On information and belief, Plaintiff alleges that all of these practices were experienced and
21 continue to be experienced by other Aggrieved Employees.

22 117. **Failure to Provide Signed Instrument Upon Request** Labor Code section 432
23 provides "If an employee or applicant signs any instrument relating to the obtaining or holding of
24 employment, he shall be given a copy of the instrument upon request."

25 118. Upon information and belief, Defendants failed and continue to fail to comply with
26 Labor Code section 432, by failing to provide Plaintiff and all Aggrieved Employees with copies
27 of documents signed related to the obtaining or holding of employment despite request.
28

1 **Failure to Timely Produce Personnel Records Upon Request**

2 119. Labor Code section 1198.5(a) states: Every current and former employee, or his or
3 her representative, has the right to inspect and receive a copy of the personnel records that the
4 employer maintains relating to the employee's performance or to any grievance concerning the
5 employee.

6 120. Labor Code section 1198.5 subsection (b) (1) states: The employer shall make the
7 contents of those personnel records available for inspection to the current or former employee, or
8 his or her representative, at reasonable intervals and at reasonable times, but not later than 30
9 calendar days from the date the employer receives a written request, unless the current or former
10 employee, or his or her representative, and the employer agree in writing to a date beyond 30
11 calendar days to inspect the records, and the agreed-upon date does not exceed 35 calendar days
12 from the employer's receipt of the written request. Upon a written request from a current or former
13 employee, or his or her representative, the employer shall also provide a copy of the personnel
14 records, at a charge not to exceed the actual cost of reproduction, not later than 30 calendar days
15 from the date the employer receives the request, unless the current or former employee, or his or
16 her representative, and the employer agree in writing to a date beyond 30 calendar days to produce
17 a copy of the records, as long as the agreed-upon date does not exceed 35 calendar days from the
18 employer's receipt of the written request.

19 121. Upon information and belief, Defendants failed and continue to fail to comply with
20 Labor Code section 1198.5, by failing to timely provide Plaintiff and Aggrieved Employees with
21 personnel records despite request.

22 **Failure to Reimburse Necessary Business Expenses**

23 122. Labor Code § 2802 requires Defendant to indemnify employees for necessary
24 expenditures incurred in direct consequence of the discharge of his or her duties.

25 123. Labor Code § 2804 provides "Any contract or agreement, express or implied, made
26 by any employee to waive the benefits of this article or any part thereof, is null and void, and this
27 article shall not deprive any employee or his personal representative of any right or remedy to which
28 he is entitled under the laws of this State."

1 124. Plaintiff and the Aggrieved Employees were required to incur expenses to perform
2 their job duties, including but not limited to expenses for cell phone, internet and/or data use;
3 expenses for uniforms; expenses for equipment or personal protective equipment; and expenses for
4 tools and items required to work. However, Defendants failed to reimburse Plaintiff and the
5 Aggrieved Employees as required by law.

6 **Failure to Provide Required Information at the Time of Hiring**

7 125. Labor Code section 2810.5 requires the employer to provide the following
8 information to the employee at the time of hiring:

9 (a) (1) At the time of hiring, an employer shall provide to each employee a written
10 notice, in the language the employer normally uses to communicate employment-
11 related information to the employee, containing the following information:

12 (A) The rate or rates of pay and basis thereof, whether paid by the hour, shift, day,
13 week, salary, piece, commission, or otherwise, including any rates for overtime, as
14 applicable.

15 (B) Allowances, if any, claimed as part of the minimum wage, including meal or
16 lodging allowances.

17 (C) The regular payday designated by the employer in accordance with the
18 requirements of this code.

19 (D) The name of the employer, including any “doing business as” names used by
20 the employer.

21 (E) The physical address of the employer’s main office or principal place of
22 business, and a mailing address, if different.

23 (F) The telephone number of the employer.

24 (G) The name, address, and telephone number of the employer’s workers’
25 compensation insurance carrier.

26 (H) That an employee: may accrue and use sick leave; has a right to request and
27 use accrued paid sick leave; may not be terminated or retaliated against for using
28 or requesting the use of accrued paid sick leave; and has the right to file a complaint
against an employer who retaliates.

(I) The existence of a federal or state emergency or disaster declaration applicable
to the county or counties where the employee is to be employed, and that was issued

1 within 30 days before the employee's first day of employment, that may affect their
2 health and safety during their employment.

3 (J) Any other information the Labor Commissioner deems material and necessary.

4 126. Defendant failed to provide all of the required information to Plaintiff and
5 Aggrieved Employees at the time of hiring, which constitutes a violation of the Labor Code.

6 **CAUSES OF ACTION**

7 **FIRST CAUSE OF ACTION**

8 **PENALTIES UNDER THE PRIVATE ATTORNEYS' GENERAL ACT, LABOR CODE**

9 **SECTION 2698 ET SEQ.**

10 127. Plaintiff incorporates by reference each and every paragraph above, and realleges
11 each and every allegation contained above as though fully set forth herein.

12 128. On August 26, 2021, September 22, 2021, and November 8, 2021, Plaintiff gave
13 written notice by online submission to the LWDA and by certified mail to Defendants of
14 Defendants' violations of numerous provisions of the California Labor Code and the IWC Wage
15 Orders as alleged in this complaint. All fees were paid as required by statute. In addition,
16 Plaintiff submitted an amended notice to the LWDA in connection with the filing of the First
17 Amended Complaint on November 7, 2025.

18 129. Plaintiff is an "aggrieved employee" as defined in Labor Code Section 2699(A), as
19 he was employed by Defendants during the statutory period and suffered one or more of the Labor
20 Code violations set forth herein. He seeks to recover for himself and all other current and former
21 aggrieved employees of Defendants the civil penalties provided by PAGA, plus reasonable
22 attorneys' fees and costs.

23 130. 65 days have passed, and no response has been received from the LWDA.
24 Accordingly, the LWDA has permitted Plaintiff to proceed in a representative capacity.

25 131. Plaintiff has exhausted all administrative procedures required of them under the
26 Labor Code §§2698, 2699, 2699.3, and as a result, is justified as a matter of right in bringing
27 forward this cause of action.

1 132. Pursuant to Labor Code section 2699(a) Plaintiff seeks to recover civil penalties for
2 which Defendants are liable due to numerous Labor Code violations as set forth in this Complaint.

3 133. Plaintiff seeks to recover the PAGA civil penalties through a representative action
4 permitted by PAGA and the California Supreme Court in *Arias v. Superior Court* (2009) 46 Cal.
5 4th 969. Class certification of the PAGA claims is not required.

6 134. Pursuant to Labor Code section 2698 et seq and 2699(a), Plaintiff seeks to recover
7 civil penalties for which Defendants are liable due to numerous Labor Code and Wage Order
8 violations as set forth in this Complaint.

9 135. Specifically, Plaintiff, on behalf of himself and the Aggrieved Employees, seek
10 penalties under Labor Code §2699, for, without limitation, the claims set forth herein, including:

- 11 a. Defendants' failure to comply with the requirement of Labor Code §1182.12,
12 1194, 1197, 1198, 1199, and Wage Orders to pay at least minimum wage for
13 every hour worked;
- 14 b. Defendants' failure to comply with the requirement of Labor Code §510, 1194,
15 1197, 1198, 1199, and Wage Orders to accurately pay all wages earned including
16 overtime wages;
- 17 c. Defendants' failure to comply with the requirement of Labor Code §216 to pay
18 wages after demand was made;
- 19 d. Defendants' failure to comply with the requirement of Labor Code §§201.3, 204
20 and 210 to pay, without condition and within the time set by the applicable
21 article, all wages, or parts thereof;
- 22 e. Defendants' failure to comply with the requirement of Labor Code §225.5 to
23 pay wages due;
- 24 f. Defendants' failure to comply with the requirement of Labor Code §§201 and
25 202 to pay wages due to former employees;
- 26 g. Defendants' failure to comply with the requirement of Labor Code §203 to pay
27 waiting time penalties to former employees;

- 1 h. Defendants' failure to comply with the requirement of Labor Code §226.7, 1198,
2 and IWC Wage Orders to authorize and permit ten (10) minute rest breaks;
- 3 i. Defendants' failure to comply with the requirement of Labor Code §§226.7,
4 1198, and IWC Wage Orders to pay one hour of premium pay at the regular rate
5 for each statutorily required rest break that was not lawfully authorized and
6 permitted;
- 7 j. Defendants' failure to comply with the requirement of Labor Code §§226.7, 512,
8 1198, and IWC Wage Orders to provide timely, uninterrupted 30 minutes off-
9 duty meal periods;
- 10 k. Defendants' failure to comply with the requirement of Labor Code §226.7, 1198,
11 and IWC Wage Order to pay one hour of premium pay at the regular rate for
12 each lawful meal break that was not provided;
- 13 l. Defendants' failure to provide accurate compliant wage statements under Labor
14 Code section 226;
- 15 m. Defendants' failure to maintain required records in violation of Labor Code
16 §226, 1174, and Wage Orders for the above-specified violations, and failure to
17 maintain accurate clock in and out times;
- 18 n. Defendants' failure to reimburse necessary expenses in violation of Labor Code
19 sections 2802 and 2804;
- 20 o. Defendants' failure to provide Aggrieved Employees with a notice at the time
21 of hiring in compliance with Labor Code section 2810.5;
- 22 p. Defendants' failure to pay vacation/paid time off in violation of Labor Code
23 section 227.3;
- 24 q. Defendants' failure to provide paid sick leave in violation of Labor Code
25 sections 245-248.5 and 233-234;
- 26 r. Defendants' failure to provide copies of signed instruments to Aggrieved
27 Employees upon request in violation of Labor Code section 432; and
28

1 s. Defendants' failure to timely produce personnel records upon request in
2 violation of Labor Code section 1198.5.

3
4 136. Plaintiff seeks civil penalties in Defendants' violation of Labor Code provisions for
5 which a civil penalty is specifically provided, including but not limited to the following:

6 t. Pursuant to Labor Code §210, for violations of Labor Code §204, Defendants
7 are subject to a civil penalty in the amount of one hundred dollars (\$100) for the
8 initial violation for each failure to pay each employee and two hundred dollars
9 (\$200) per employee for violations in subsequent pay periods plus 25% of the
10 amount unlawfully withheld;

11 u. Pursuant to Labor Code §226.3, for violations of Labor Code §226(a)
12 Defendants are subject to a civil penalty in the amount of two hundred and fifty
13 dollars (\$250) per aggrieved employee for the initial pay period where a
14 violation occurs and one thousand dollars (\$1,000) per aggrieved employee for
15 violations in subsequent pay periods.

16 v. Pursuant to Labor Code §558(a), "[a]ny employer or other person acting on
17 behalf of an employer who violated, or causes to be violated, a section of this
18 chapter or any provision regulating hours and days of work in any order of the
19 Industrial Welfare Commission," including Labor Code §§ 510 and 512, shall
20 be subject to a civil penalty, in addition to any other penalty provided by law, of
21 fifty dollars (\$50) for initial violations for each underpaid employee for each pay
22 period for which the employee was underpaid and one hundred dollars (\$100)
23 for each subsequent violation for each underpaid employee for each pay period
24 for which the employee was underpaid.

25 w. Pursuant to Labor Code §1197.1, an employer who pays or causes to be paid to
26 any employee a wage less than the minimum fixed by an order of the
27 commission, shall be subject to a civil penalty as follows: for any initial violation
28 that is intentionally committed, one hundred dollars (\$100) for each underpaid

1 employee for each pay period for which the employee is underpaid; and for each
2 subsequent violation of the same offense, two hundred fifty dollars (\$250) for
3 each underpaid employee for each pay period for which the employee is
4 underpaid regardless of whether the initial violation was intentionally
5 committed.

6 x. Pursuant to Labor Code § 1174.5, for violations of Labor Code §1174(d),
7 Defendants are subject to a civil penalty of five hundred dollars (\$500).

8 137. Further, as a result of the acts alleged hereinabove, Plaintiff seeks penalties under
9 Labor Code §§2698 et seq. and 2699 because of Defendants' violation of numerous provisions of
10 the California Labor Code and IWC Wage Orders.

11 138. Under Labor Code §2699, Plaintiff and Aggrieved Employees are entitled to \$100
12 for any initial violation and \$200 for all subsequent violations of the above-mentioned provisions
13 of the California Labor Code.

14 139. Under Labor Code §2699, Plaintiff and Aggrieved Employees should be awarded
15 twenty-five (25%) of all penalties due under California Law, interest, attorneys' fees and costs.

16 140. Under Labor Code §2699, the State of California should be awarded seventy-five
17 percent (75%) of the penalties due under California Law.

18 **PRAYER FOR RELIEF**

19 WHEREFORE, Plaintiff pray judgment against Defendants, jointly and severally, as
20 follows:

- 21 1. For penalties according to proof, pursuant to Labor Code §§2698 et seq. for the
22 violations specified above;
- 23 2. For penalties under Labor Code sections 210, 226.3, 1174.5, 1197.1, and 2699(a) and
24 (f);
- 25 3. For interest at the legal rate pursuant to Labor Code §§ 218.6, 1194, 2802, California
26 Civil Code §§ 3287, 3288, and/or any other applicable provision providing for pre-
27 judgment interest;

4. For reasonable attorneys' fees, expenses, and costs under Labor Code §§ 1194, 226, 2699, and/or Code of Civil Procedure §1021.5, and/or any other applicable provisions providing for attorneys' fees and costs; and
5. For such other and further relief as the Court deems proper.

Respectfully submitted,

Dated: November 10, 2025

JAMES HAWKINS, APLC
James R. Hawkins, Esq.
Christina M. Lucio, Esq.

Attorneys for JERRY VELYNES, on behalf of himself
and all others similarly situated

EXHIBIT 7



ELM Solutions

2024 Real Rate Report[®]

The industry's leading
analysis of law firm
rates, trends, and
practices

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A Letter to Our Readers

Welcome to the latest edition of Wolters Kluwer ELM Solutions Real Rate Report®, the industry's leading data-driven benchmark report for lawyer and paralegal rates.

Our Real Rate Report has been a relied upon data analytics resource to the legal industry since its inception in 2010 and continues to evolve, providing you with the most comprehensive rate benchmarking insights, trends, and practices. The Real Rate Report is powered by the Wolters Kluwer ELM Solutions LegalVIEW® data warehouse, which has grown to include \$180B+ in anonymized legal data.

The depth and granularity of the data within the Real Rate Report empowers users to benchmark and negotiate effectively and make well-informed investment and resourcing decisions for the organization.

As with previous Real Rate Reports, our data is sourced from corporations' and law firms' e-billing and time management solutions. We have included lawyer and paralegal rate data filtered by specific practice and sub-practice areas, metropolitan areas, and types of matters. This level of detail gives legal departments and law firms the precision they need to identify areas of opportunity. We strive to make the Real Rate Report a valuable and actionable reference tool for legal departments and law firms.

As always, we welcome your comments and suggestions on what information would make this publication more valuable to you. We thank our data contributors for participating in this program. And we thank you for making Wolters Kluwer ELM Solutions your trusted partner for legal industry domain expertise, data, and analytics and look forward to continuing to provide market-leading, expert solutions that deliver the best business outcomes for collaboration among legal departments and law firms.

Sincerely,



Brian Jorgenson

Vice President, Product Management
Wolters Kluwer ELM Solutions

Report Use Considerations

2024 Real Rate Report

- Examines law firm rates over time
- Identifies rates by location, experience, firm size, areas of expertise, industry, and timekeeper role (i.e., partner, associate, and paralegal)
- Itemizes variables that drive rates up or down

All the analyses included in the report derive from the actual rates charged by law firm professionals as recorded on invoices submitted and approved for payment.

Examining real, approved rate information, along with the ranges of those rates and their changes over time, highlights the role these variables play in driving aggregate legal cost and income. The analyses can energize questions for both corporate clients and law firm principals.

Legal departments might ask whether they are paying the right amount for different types of legal services, while law firm principals might ask whether they are charging the right amount for legal services and whether to modify their pricing approach.

Some key factors¹ that drive rates²:

Attorney location - Lawyers in urban and major metropolitan areas tend to charge more when compared with lawyers in rural areas or small towns.

Litigation complexity - The cost of representation will be higher if the case is particularly complex or time-consuming; for example, if there are a large number of documents to review, many witnesses to depose, and numerous procedural steps, the case is likely to cost more (regardless of other factors like the lawyer's level of experience).

Years of experience and reputation - A more experienced, higher-profile lawyer is often going to charge more, but absorbing this higher cost at the outset may make more sense than hiring a less expensive lawyer who will likely take time and billable hours to come up to speed on unfamiliar legal and procedural issues.

Overhead - The costs associated with the firm's support network (paralegals, clerks, and assistants), document preparation, consultants, research, and other expenses.

Firm size - The rates can increase if the firm is large and has various timekeeper roles at the firm. For example, the cost to work with an associate or partner at a larger firm will be higher compared to a firm that has one to two associates and a paralegal.

¹ David Goguen, J.D., University of San Francisco School of Law (2020) Guide to Legal Services Billing Retrieved from: <https://www.lawyers.com/legal-info/research/guide-to-legal-services-billing-rates.html>

² Source: 2018 RRR. Factor order validated in multiple analyses since 2010

Appendix: Data Methodology

Anonymization of the Dataset

Prior to inclusion in the ELM Solutions reference database, we systematically scrubbed the data of any information that would identify a particular matter, company, law firm, invoice, or timekeeper (individual). To ensure relationships necessary for analysis, those variables were assigned randomly generated numbers. To maintain data integrity and allow for proper analysis, these numbers are linked across data tables to enforce their associations.

To further ensure anonymity and confidentiality:

- The information is published in such a manner as to make it reasonably impervious to reverse analysis should some attempt be made to determine what data might pertain to any company, law firm, timekeeper, invoice, or matter.
- The 2024 Real Rate Report will not reveal which ELM Solutions client or clients are included or excluded in its analyses.
- Clients are not and will not be informed as to whether their data are included within a particular facet of analysis.
- No textual description of any legal work performed by any individual exists in the ELM Solutions reference database.

A Note on Insurance Litigation

Our aim is to provide a point of comparison for companies purchasing law firm services. To improve comparability, we removed data related to insurance company defense litigation for all analyses unless noted otherwise. Insurance litigation tends to be less expensive than other types of litigation, as it is typically more repetitive and less complex.

“Real Rate” Definition

The information in this report consists of data taken from client invoices submitted by law firms for work performed from 7/1/2020 through 6/30/2024. All Invoices were submitted through the ELM billing systems.

The analyses contained in this report are derived from aggregating hours, fees, and rates submitted as line items on those invoices. For a line item to qualify for inclusion in this report, it had to undergo multiple and rigorous testing processes to ensure its validity.

For example, for a rate to be loaded to the ELM Solutions reference database and used in this report, it must have been part of an invoice line entry in which all of the following items were included:

- Name of the biller
- Role of the biller
- Date of activity
- Hourly rate charged
- Time charged
- UTBMS code associated with the time charged
- Total amount charged for the activity

In addition, each line item’s hourly rate was validated against its “real rate” (calculated by dividing the total amount charged for the activity by the time charged). Any line items with an hourly rate that did not align closely with the real rate were not loaded to the reference database.

Real Rate = Line Item Total/Line Item Hours (Units)
Example: \$4,000/10 Hours = Real Rate of \$400

Adjustments the client made to line item amounts subsequent to submission are not factored into the dataset. These types of adjustments may impact the effective rate paid by the client to the law firm but do not reflect the real rate billed.

Appendix: Data Methodology

In short, the real rate is the rate appearing on an approved invoice at the invoice line item level.

Aggregations of data taken from millions of these line item–level invoice entries are the core of the information analyzed.

A Note on Negotiated Rates and Billing

Practices law firms can generally follow vary for submitting “negotiated” rates on invoices. Firms may submit the negotiated rate as the hourly rate identified on the invoice line item, insert a vendor line item adjustment to ensure compliance, or provide a vendor invoice level adjustment to bring the total amount of the fees into compliance with agreed-on discounts. Although the former two are considered part of the real rate calculation, the latter can be problematic. It is not directly linked to a line item, and therefore, for the purposes of determining the rate, it should not be assumed that the adjustment is related to a specific line item. Invoice-level adjustments may represent a credit or some other type of adjustment placed on the invoice. To ensure these types of adjustments would not adversely impact the analysis contained within the 2024 Real Rate Report, the team reviewed the population of invoices and line items to determine what the deviation of the real rate might be based on inclusion or exclusion. The analysis demonstrated that the variance was not significant (less than 1%).

As such, we decided not to include the vendor-level adjustments in the report.

Types of Matters Included in the Analysis

Matters within the ELM Solutions system are associated with areas of work described and defined by ELM Solutions clients. Those areas of work were analyzed and systematically categorized into legal practice areas. Normalization of practice areas was supported by mappings to system-level practice areas available in the ELM Solutions system and by naming convention.

All data included within this report have been mapped to a corresponding practice area. The majority of our analyses focus on the following 12 practice areas:

- Bankruptcy and Collections
- Commercial
- Corporate
- Employment and Labor
- Environmental
- Finance and Securities
- General Liability
- Government Relations
- Insurance Defense
- Intellectual Property
- Marketing and Advertising
- Real Estate

Within each client’s areas of work, sub-areas are often identified. The lists that follow identify client areas of work and, within those areas, the sub-areas underneath each practice area. Often, the same sub-area appears within different practice areas. For example, the sub-area “General/Other” when listed under “Commercial and Contracts” refers to general work provided regarding Commercial and Contracts matters. When listed under the “Employment and Labor” practice area, the same sub-area refers to work provided on Employment and Labor. Where applicable and practicable, each area and sub-area has been further subdivided into litigation and non-litigation work for the purposes of granular analysis.

Appendix: Data Methodology

Bankruptcy and Collections

Chapter 11
Collections
General/Other
Workouts and Restructuring

Commercial (Commercial Transactions and Agreements)

Contract Breach or Dispute
General, Drafting, and Review
General/Other

Corporate¹

Antitrust and Competition	Partnerships and Joint Ventures
Corporate Development	Regulatory and Compliance
General/Other	Tax
Governance	Treasury
Information and Technology	White Collar/Fraud/Abuse
Mergers, Acquisitions, and Divestitures	

Employment and Labor

ADA	General/Other
Agreements	Immigration
Compensation and Benefits	Union Relations and Negotiations/NLRB
Discrimination, Retaliation, and Harassment/EEO	Wages, Tips, and Overtime
Employee Dishonesty/Misconduct	Wrongful Termination
ERISA	

Environmental

General/Other
Health and Safety
Superfund
Waste/Remediation

Finance and Securities

Commercial Loans and Financing	Investments and Other Financial Instruments
Debt/Equity Offerings	Loans and Financing
Fiduciary Services	SEC Filings and Financial Reporting
General/Other	Securities and Banking Regulations

¹ All references to “Corporate: General/Other” in the 2024 Real Rate Report are the aggregation of all Corporate subareas excluding the Mergers, Acquisitions, and Divestitures sub-area and the Regulatory and Compliance sub-area.

Appendix: Data Methodology

General Liability

Asbestos/Mesothelioma
Auto and Transportation
Consumer Related Claims
Crime, Dishonesty and Fraud
General/Other

Personal Injury/Wrongful Death
Premises
Product and Product Liability
Property Damage
Toxic Tort

Government Relations

General/Other
Lobbying and Relations

Insurance Defense²

Auto and Transportation
General/Other
Personal Injury/Wrongful Death
Product and Product Liability
Professional Liability
Property Damage
Toxic Tort

Intellectual Property³

General/Other
Licensing
Patents
Trademarks

Marketing and Advertising

General/Other

Real Estate

Construction/Development
Easement and Right of Way
General/Other
Land Use/Zoning/Restrictive Covenants
Landlord/Tenant Issues
Leasing
Property/Land Acquisition or Disposition
Titles

² Insurance Defense Practice Area data was excluded from Section 1 and Section 5, except Section 1: High Level Data Cuts - Detailed Practice Area by Matter Type.

³ All references to “Intellectual Property: General/Other” in the 2024 Real Rate Report are the aggregation of all Intellectual Property sub-areas excluding the Patents and Trademarks sub-areas.

About Wolters Kluwer ELM Solutions

ELM Solutions is the market-leading global provider of enterprise legal spend and matter management and legal analytics solutions. It provides a comprehensive suite of tools that address the growing needs of corporate legal operations departments to increase operational efficiency and reduce costs, including a legal spend database featuring more than \$180 billion in invoices. Corporate legal and insurance claims departments trust its innovative technology and end-to-end customer experience to drive world-class business outcomes. In 2023, Wolters Kluwer ELM Solutions was named a Leader in the IDC MarketScape: Worldwide Enterprise Legal Management Software 2023 Vendor Assessment report.

Section I: High-Level Data Cuts

Detailed Practice Area By Matter Type

2024 - Real Rates for Partner, Associate, and Paralegal

Trend Analysis - Mean

Practice Area	Matter Type	Role	n	First Quartile	Median	Third Quartile	2024	2023	2022
Employment and Labor: Discrimination, Retaliation and Harassment / EEO	Non-Litigation	Partner	121	\$665	\$780	\$962	\$841	\$804	\$771
		Associate	77	\$430	\$519	\$704	\$583	\$548	\$508
		Paralegal	11	\$180	\$238	\$269	\$237	\$278	\$254
	Litigation	Partner	125	\$419	\$548	\$755	\$629	\$573	\$494
		Associate	127	\$332	\$405	\$495	\$448	\$413	\$366
		Paralegal	71	\$196	\$250	\$295	\$249	\$238	\$224
	Non-Litigation	Partner	116	\$390	\$485	\$604	\$545	\$531	\$505
		Associate	115	\$295	\$325	\$419	\$382	\$343	\$331
		Paralegal	58	\$131	\$195	\$251	\$211	\$205	\$211
Employment and Labor: ERISA	Non-Litigation	Partner	60	\$530	\$684	\$850	\$714	\$667	\$690
		Associate	26	\$364	\$440	\$650	\$520	\$441	\$436
Employment and Labor: Immigration	Non-Litigation	Partner	32	\$505	\$658	\$942	\$712	\$683	\$612
		Associate	20	\$341	\$504	\$950	\$599	\$457	\$456
		Paralegal	17	\$126	\$175	\$225	\$182	\$201	\$182
Employment and Labor: OFCCP	Non-Litigation	Partner	16	\$531	\$665	\$825	\$714	\$674	\$637

2024 - Real Rates for Associate and Partner

Trend Analysis - Mean

City	Role	n	First Quartile	Median	Third Quartile	2024	2023	2022
Denver CO	Partner	28	\$520	\$576	\$645	\$606	\$577	\$573
	Associate	17	\$359	\$384	\$426	\$394	\$383	\$347
Houston TX	Partner	24	\$500	\$550	\$819	\$632	\$611	\$587
	Associate	13	\$410	\$495	\$525	\$487	\$463	\$385
Kansas City MO	Partner	17	\$400	\$496	\$561	\$492	\$488	\$428
Los Angeles CA	Partner	100	\$525	\$695	\$1,020	\$801	\$789	\$744
	Associate	88	\$421	\$529	\$858	\$632	\$607	\$502
Miami FL	Partner	18	\$455	\$545	\$629	\$556	\$583	\$593
	Associate	12	\$363	\$398	\$447	\$390	\$421	\$463
Minneapolis MN	Partner	29	\$441	\$561	\$761	\$623	\$651	\$587
	Associate	32	\$344	\$415	\$557	\$468	\$426	\$423
Nashville TN	Partner	19	\$490	\$517	\$570	\$523	\$483	\$451
New York NY	Partner	247	\$508	\$709	\$979	\$835	\$802	\$718
	Associate	211	\$374	\$522	\$704	\$581	\$614	\$508

2024 - Real Rates for Partner						Trend Analysis - Mean		
Years of Experience	Matter Type	n	First Quartile	Median	Third Quartile	2024	2023	2022
Fewer Than 21 Years	Litigation	73	\$480	\$742	\$949	\$727	\$636	\$521
	Non-Litigation	178	\$440	\$528	\$724	\$623	\$610	\$541
21 or More Years	Litigation	180	\$492	\$675	\$995	\$775	\$737	\$660
	Non-Litigation	401	\$500	\$648	\$803	\$703	\$677	\$637

2024 - Real Rates for Associate						Trend Analysis - Mean		
Years of Experience	Matter Type	n	First Quartile	Median	Third Quartile	2024	2023	2022
3 to Fewer Than 7 Years	Litigation	48	\$408	\$459	\$591	\$495	\$468	\$417
	Non-Litigation	77	\$355	\$421	\$495	\$458	\$410	\$350
7 or More Years	Litigation	81	\$345	\$494	\$717	\$549	\$477	\$439
	Non-Litigation	104	\$375	\$474	\$612	\$521	\$447	\$419

Section III: Practice Area Analysis

Employment and Labor

By Matter Type and YOE

2024 - Real Rates for Associate and Partner

Trend Analysis - Mean

Firm Size	Matter Type	Role	n	First Quartile	Median	Third Quartile	2024	2023	2022
50 Lawyers or Fewer	Litigation	Partner	26	\$325	\$422	\$656	\$499	\$473	\$426
		Associate	14	\$325	\$325	\$355	\$342	\$356	\$308
	Non-Litigation	Partner	21	\$353	\$510	\$666	\$538	\$503	\$471
51-200 Lawyers	Litigation	Partner	19	\$315	\$360	\$450	\$394	\$405	\$399
	Non-Litigation	Partner	74	\$450	\$700	\$806	\$674	\$636	\$591
		Associate	37	\$307	\$423	\$642	\$457	\$372	\$331
201-500 Lawyers	Litigation	Partner	87	\$515	\$650	\$1,095	\$858	\$766	\$535
		Associate	112	\$413	\$593	\$761	\$634	\$645	\$388
	Non-Litigation	Partner	162	\$400	\$445	\$595	\$529	\$523	\$491
		Associate	59	\$325	\$405	\$525	\$464	\$405	\$372
501-1,000 Lawyers	Litigation	Partner	73	\$475	\$693	\$981	\$741	\$758	\$697
		Associate	60	\$351	\$498	\$665	\$531	\$493	\$445
	Non-Litigation	Partner	255	\$510	\$595	\$700	\$667	\$648	\$609
		Associate	127	\$330	\$384	\$508	\$488	\$448	\$422

2024 - Real Rates for Associate and Partner							Trend Analysis - Mean		
Firm Size	Matter Type	Role	n	First Quartile	Median	Third Quartile	2024	2023	2022
More Than 1,000 Lawyers	Litigation	Partner	102	\$788	\$947	\$1,120	\$976	\$933	\$836
		Associate	125	\$479	\$581	\$740	\$615	\$572	\$546
	Non-Litigation	Partner	147	\$719	\$883	\$1,107	\$939	\$893	\$818
		Associate	123	\$450	\$506	\$660	\$592	\$549	\$495

EXHIBIT 8

LAFFEY MATRIX

[History](#)
[Case Law](#)
[See the Matrix](#)
[Contact us](#)
[Home](#)

			Years Out of Law School *				
Year	Adjustmt Factor**	Paralegal/ Law Clerk	1-3	4-7	8-10	11-19	20 +
6/01/25- 5/31/26	1.075336	\$277	\$508	\$625	\$902	\$1,019	\$1,227
6/01/24- 5/31/25	1.080182	\$258	\$473	\$581	\$839	\$948	\$1,141
6/01/23- 5/31/24	1.059295	\$239	\$437	\$538	\$777	\$878	\$1,057
6/01/22- 5/31/23	1.085091	\$225	\$413	\$508	\$733	\$829	\$997
6/01/21- 5/31/22	1.006053	\$208	\$381	\$468	\$676	\$764	\$919
6/01/20- 5/31/21	1.015894	\$206	\$378	\$465	\$672	\$759	\$914
6/01/19- 5/31/20	1.0049	\$203	\$372	\$458	\$661	\$747	\$899
6/01/18- 5/31/19	1.0350	\$202	\$371	\$455	\$658	\$742	\$894
6/01/17- 5/31/18	1.0463	\$196	\$359	\$440	\$636	\$717	\$864
6/01/16- 5/31/17	1.0369	\$187	\$343	\$421	\$608	\$685	\$826
6/01/15- 5/31/16	1.0089	\$180	\$331	\$406	\$586	\$661	\$796
6/01/14- 5/31/15	1.0235	\$179	\$328	\$402	\$581	\$655	\$789
6/01/13- 5/31/14	1.0244	\$175	\$320	\$393	\$567	\$640	\$771
6/01/12- 5/31/13	1.0258	\$170	\$312	\$383	\$554	\$625	\$753
6/01/11- 5/31/12	1.0352	\$166	\$305	\$374	\$540	\$609	\$734
6/01/10- 5/31/11	1.0337	\$161	\$294	\$361	\$522	\$589	\$709
6/01/09- 5/31/10	1.0220	\$155	\$285	\$349	\$505	\$569	\$686
6/01/08- 5/31/09	1.0399	\$152	\$279	\$342	\$494	\$557	\$671
6/01/07-5/31/08	1.0516	\$146	\$268	\$329	\$475	\$536	\$645
6/01/06-5/31/07	1.0256	\$139	\$255	\$313	\$452	\$509	\$614
6/1/05-5/31/06	1.0427	\$136	\$249	\$305	\$441	\$497	\$598
6/1/04-5/31/05	1.0455	\$130	\$239	\$293	\$423	\$476	\$574
6/1/03-6/1/04	1.0507	\$124	\$228	\$280	\$405	\$456	\$549
6/1/02-5/31/03	1.0727	\$118	\$217	\$267	\$385	\$434	\$522
6/1/01-5/31/02	1.0407	\$110	\$203	\$249	\$359	\$404	\$487
6/1/00-5/31/01	1.0529	\$106	\$195	\$239	\$345	\$388	\$468
6/1/99-5/31/00	1.0491	\$101	\$185	\$227	\$328	\$369	\$444
6/1/98-5/31/99	1.0439	\$96	\$176	\$216	\$312	\$352	\$424
6/1/97-5/31/98	1.0419	\$92	\$169	\$207	\$299	\$337	\$406

6/1/96-5/31/97	1.0396	\$88	\$162	\$198	\$287	\$323	\$389
6/1/95-5/31/96	1.032	\$85	\$155	\$191	\$276	\$311	\$375
6/1/94-5/31/95	1.0237	\$82	\$151	\$185	\$267	\$301	\$363

The methodology of calculation and benchmarking for this Updated Laffey Matrix has been approved in a number of cases. See, e.g., *DL v. District of Columbia*, 267 F.Supp.3d 55, 69 (D.D.C. 2017)

* $\frac{1}{2}$ Years Out of Law School $\frac{1}{2}$ is calculated from June 1 of each year, when most law students graduate. $\frac{1}{2}$ 1-3" includes an attorney in his 1st, 2nd and 3rd years of practice, measured from date of graduation (June 1). $\frac{1}{2}$ 4-7" applies to attorneys in their 4th, 5th, 6th and 7th years of practice. An attorney who graduated in May 1996 would be in tier $\frac{1}{2}$ 1-3" from June 1, 1996 until May 31, 1999, would move into tier $\frac{1}{2}$ 4-7" on June 1, 1999, and tier $\frac{1}{2}$ 8-10" on June 1, 2003.

** The Adjustment Factor refers to the nation-wide Legal Services Component of the Consumer Price Index produced by the Bureau of Labor Statistics of the United States Department of Labor.

EXHIBIT 9

Matter Billing Detail

Report Date: 5/14/2026
Report Time: 11:51PM
Page: 1 of 2
User ID: R. Hawkins

JAMES HAWKINS APLC

Date Range: 01/01/1900 to 05/07/2026
Client: VELYNES001 - Jerry Velyines
Matter: VOLT008 - Volt Management Corp.-GXO Logistics-XPO- Jerry Velyines

Date	Expense Code	Description	Debit	Credit	Billing Status	On Hold	Invoice Number	Check Number	Payee
		Balance Forward:	\$0.00						
01/10/2022	ONE	One Legal Services-Complaint,Civil Case Cover Sheet,Summons -In#03774445	\$1,492.00		Unbilled				
01/11/2022	ONE	One Legal Services- Summons - In#03776605	\$14.67		Unbilled				
02/11/2022	POS	Postage - lwda cert mail	\$17.92		Unbilled				
05/13/2022	ONE	One Legal Services- Joint Statement- in#04073466	\$15.19		Unbilled				
05/18/2022	FIL	Filing Fee Transfer fee from Orange County CK#9984, Filing Fee Kern County CK#9985	\$485.00		Unbilled				
06/16/2022	FST	First Legal Network- Filing-Fax/Pdf rush IN#30202789	\$1,197.00		Unbilled				
07/19/2022	ONE	One Legal Services - Case Management Statement- In#04225642	\$12.87		Unbilled				
07/21/2022	ONE	One Legal Services - Joint Statement- in#04233976	\$15.19		Unbilled				
09/26/2022	ONE	One Legal Services - Joint statement- In# 04397466	\$15.19		Unbilled				
09/26/2022	ONE	One Legal Services - Joint Statement- In #04397469	\$15.19		Unbilled				
09/30/2022	CRT	Court Documents - 09.30.22 pulling orders off docket	\$15.00		Unbilled				
10/19/2022	FST	First Legal Network - E-Filing - Case mangement Statement IN# 30216387	\$37.25		Unbilled				
03/29/2023	ONE	One Legal Services- Status Conf Statement- In#04866686			Unbilled				
09/27/2023	ONE	One Legal Services - Joint Statement- In#05352060	\$15.65		Unbilled				
04/19/2024	FST	First Legal Network - E-Filing - Notice of Remote Appearance, Order IN# 30279435	\$41.70		Unbilled				
07/16/2024	MED	Mediation Services - IN# 365643 CK# 1020	\$2,325.00		Unbilled				
08/30/2024	ONE	One Legal Services- Case Management Statement -In#06332095	\$15.39		Unbilled				
10/11/2024	LDS	Legal Document Server - E-Filing - Statement IN# 10568751	\$14.45		Unbilled				
01/24/2025	ONE	One Legal Services - Status Conference Statement- In#06746177	\$19.82		Unbilled				

Matter Billing Detail

Report Date: 5/14/2026
Report Time: 11:51PM
Page: 2 of 2
User ID: R. Hawkins

JAMES HAWKINS APLC

Date	Expense Code	Description	Debit	Credit	Billing Status	On Hold	Invoice Number	Check Number	Payee
08/28/2025	LDS	Legal Document Server - EFiled - Status Conference Statement IN# 12769160	\$32.25		Unbilled				
11/12/2025	LDS	Legal Document Server - EFiled - Declaration IN# 13329967	\$32.25		Unbilled				
01/05/2026	LDS	Legal Document Server - EFiled - Joint Statment IN# 13707996	\$32.25		Unbilled				
03/17/2026	LDS	Legal Document Server - EFiled - Status Conference Statement IN# 14283191	\$32.25		Unbilled				
		Total:	<u>\$5,893.48</u>	<u>\$0.00</u>					
		Balance:	<u>\$5,893.48</u>						
Total Fees Billed- -----		\$0.00							
Total Fees Unbilled : -----		\$0.00							
Total Fees Received : -----		\$0.00							
Total Soft Cost Billed : -----		\$0.00							
Total Soft Cost Unbilled : -----		\$0.00							
Total Soft Cost Received : -----		\$0.00							
Total Hard Cost Billed : -----		\$0.00							
Total Hard Cost Unbilled : -----		\$5,893.48							
Total Hard Cost Received : -----		\$0.00							
Total Taxes Billed : -----		\$0.00							
Total Taxes Unbilled : -----		\$0.00							
Total Taxes Received : -----		\$0.00							
Total Late Charges Billed : -----		\$0.00							
Total Late Charges Unbilled: -----		\$0.00							
Total Late Charges Received : -----		\$0.00							
Trust Balance: -----		\$0.00							

Matter Billing Detail

Report Date: 5/15/2026
Report Time: 11:05AM
Page: 1 of 2
User ID: Gonzales

JAMES HAWKINS APLC

Date Range: 01/01/1900 to 05/16/2026
Client: VELYNES001 - Jerry Velyines
Matter: VOLTMANAGEMENT1 - Volt Management Corp PAGA Gusmer Enterprise - Jerry Velyines v. Volt Manage

Date	Expense Code	Description	Debit	Credit	Billing Status	On Hold	Invoice Number	Check Number	Payee
		Balance Forward:	\$0.00						
08/30/2021	FIL	Filing Fee LWDA Filing Fee	\$75.00		Unbilled				
08/30/2021	POS	Postage LWDA Letter and Amended Letter sent to Agents (6)	\$53.94		Unbilled				
11/03/2021	ONE	One Legal Services-Complaint,Civil Case Cover Sheet,Summons - In#03640443	\$1,492.00		Unbilled				
12/21/2021	POS	Postage - 11.02.2021 Ntc of Amended LWDA Letter to Agent(s) via Certified Mail	\$50.16		Unbilled				
01/03/2022	FST	First Legal Network - Process branch same day- complaint, initial docs, order ADR, Process forward same day , complaint, initial docs, order, ADR IN#30185317	\$536.53		Unbilled				
04/02/2022	ONE	One Legal Services-Status Conference Statement - In#03970915	\$15.19		Unbilled				
04/06/2022	CRT	Court Documents - 04.06.22 needed to pull min order off docket	\$7.50		Unbilled				
01/03/2023	FST	First Legal Network - E-Filing - Case Management Statement IN# 30224217	\$39.50		Unbilled				
03/29/2023	ARB	Arbitration FEE (via Credit Card)	\$414.00		Unbilled				
09/26/2023	FST	First Legal Network - Filing - Joint Arbitration Status Conference IN# 30252348	\$39.35		Unbilled				
10/04/2023	FST	First Legal Network - Filing- Notice of remote Appearance, Order IN# 30256289	\$35.75		Unbilled				
04/17/2024	FST	First Legal Network - E-Filing - Joint Status Conference Statement IN# 30279435	\$41.70		Unbilled				
01/02/2025	LDS	Legal Document Server - EFiling - Cm Statement IN# 13457075	\$35.94		Unbilled				
02/10/2025	LDS	Legal Document Server - E-Filing - Statement In# 11293494	\$30.95		Unbilled				
04/09/2025	LDS	Legal Document Server - EFiling - Statement IN# 11701783	\$35.20		Unbilled				
10/03/2025	LDS	Legal Document Server - EFiling - Cm Statement In# 13032487	\$35.94		Unbilled				
11/13/2025	LDS	Legal Document Server - EFiling - Stip and Order IN# 13330338	\$55.94		Unbilled				
12/03/2025	LDS	Legal Document Server - EFiling - Amended Complaint - Claim IN# 13379208	\$35.94		Unbilled				
02/20/2026	LDS	Legal Document Server - EFiling - Statement In# 14041761	\$35.94		Unbilled				

Matter Billing Detail

JAMES HAWKINS APLC

Date	Expense Code	Description	Debit	Credit	Billing Status	On Hold	Invoice Number	Check Number	Payee
05/15/2026	FF	Filing Fee- estimated Motion for Approval PAGA Settlement,Proposed order, Ntc of enrty of Judgment	\$187.32		Unbilled				
Total:			\$3,253.79	\$0.00					
Balance:			\$3,253.79						
Total Fees Billed- -----			\$0.00						
Total Fees Unbilled : -----			\$0.00						
Total Fees Received : -----			\$0.00						
Total Soft Cost Billed : -----			\$0.00						
Total Soft Cost Unbilled : -----			\$0.00						
Total Soft Cost Received : -----			\$0.00						
Total Hard Cost Billed : -----			\$0.00						
Total Hard Cost Unbilled : -----			\$3,253.79						
Total Hard Cost Received : -----			\$0.00						
Total Taxes Billed : -----			\$0.00						
Total Taxes Unbilled : -----			\$0.00						
Total Taxes Received : -----			\$0.00						
Total Late Charges Billed : -----			\$0.00						
Total Late Charges Unbilled: -----			\$0.00						
Total Late Charges Received : -----			\$0.00						
Trust Balance: -----			\$0.00						

EXHIBIT 10



State of California
Labor and Workforce Development Agency /
Department of Industrial Relations

Private Attorneys General Act (PAGA) – Filing

Other Document

PAGA Number (LWDA-CM-): *

Please enter only the numbers after "LWDA-CM-" in the following format, "XXXXXXXXXX-XX".

[Search for PAGA Case number](#)

Your Information (Person Who is Filing)

Your First Name *

Your Last Name *

Your Email Address *

Your Street Name, Number and Suite/Apt *

Your Mobile Phone Number

Your City *

Your Work Phone Number

Your State *

Your Zip/Postal Code *

Documents

Other Document *

 Ex. 1, 2026-0... executed).pdf

Other Attachment (if any)

 No file chosen

[Add Another Attachment](#)

Should you have questions regarding this online form, please contact PAGInfo@dir.ca.gov

IMPORTANT NOTICE OF REDACTION RESPONSIBILITY: All filers must redact: Social Security or taxpayer identification numbers; personal addresses, personal telephone numbers, personal email addresses, dates of birth; names of minor children; & financial account numbers. This requirement applies to all documents, including attachments.

☒ **I understand that, if I file, I must comply with the redaction rules consistent with this notice.**

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[Click Here](#) to Search Case

Irma Ceja

From: DIR PAGA Unit <no-reply@formassembly.com>
Sent: Wednesday, May 20, 2026 3:20 PM
To: Irma Ceja
Subject: Thank you for your Other Response or Document Submission

05/20/2026 03:20:02 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Other Response or Document Submission If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

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