

Jonathan M. Genish (State Bar No. 259031)
Barbara DuVan-Clarke (State Bar No. 259268)
BDC@blackstonepc.com
Danielle GruppChang (State Bar No. 313881)
dgruppchang@blackstonepc.com
P.J. Van Ert (State Bar No. 234858)
pjvanert@blackstonepc.com
Annabel Blanchard (State Bar No. 258135)
ablanchard@blackstonepc.com
BLACKSTONE LAW, APC
8383 Wilshire Blvd., Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

Attorneys for Plaintiffs, Ly Hai, Shawn Farden,
Roman Mayne, and Christianna Yousif

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO**

LY HAI, on behalf of himself, those similarly
situated, and/or aggrieved California-based
nonexempt employees,

Plaintiff,

vs.

SUNROAD HS AUTO, INC.; AND DOES 1
THROUGH 100, INCLUSIVE,

Defendants.

Case No.: 37-2022-00025788-CU-0E-CTL

Honorable Judy Bae
Department C-62

**DECLARATION OF JONATHAN M.
GENISH IN SUPPORT OF PLAINTIFFS'
MOTION FOR APPROVAL OF PAGA
SETTLEMENT**

Date: March 28, 2025
Time: 9:10 a.m.
Dept.: C-62

Complaint: June 30, 2022
FAC: October 17, 2024
Trial Date: None Set

1 6. I have considerable experience in handling class and representative action lawsuits
2 throughout my career and have been approved as counsel in a number of cases, including, most
3 recently:

- 4 • *Michael Bravo v. Michels Pacific Energy, Inc.*, Santa Clara County Superior Court,
5 Case No. 22CV403427, approved as class counsel in final settlement of wage and
6 hour class and PAGA action.
- 7 • *Theresa Bendorf, et al. v. Sea World LLC, et al.*, San Diego County Superior Court,
8 Case No. 37-2021-00034922-CU-OE-CTL, approved as class counsel, in association
9 with other counsel, in final settlement of wage and hour class and PAGA action.
- 10 • *Victor De La Cruz v. Northwest Pipe Company*, San Bernardino County Superior
11 Court, Case No. CIVSB2211140, approved as class counsel in final settlement of
12 wage and hour class and PAGA action.
- 13 • *Bobby Birdi v. Lucid USA, Inc.*, Alameda County Superior Court, Case No.
14 21CV003541, approved as class counsel in final settlement of wage and hour class
15 and PAGA action.
- 16 • *Jose Trujillo, et al. v. Producers Dairy Foods, Inc.*, Sacramento County Superior
17 Court, Case No. 34-2022-00313753, approved as counsel in settlement of
18 representative wage and hour action pursuant to PAGA.
- 19 • *David Williams v. Rancho Nicasio, LLC*, Marin County Superior Court, Case No.
20 CIV2203067, approved as class counsel in final settlement of wage and hour class and
21 PAGA action.
- 22 • *Alexander Jackson v. Lifecare Assurance Company*, Los Angeles County Superior
23 Court, Case No. 23STCV26579, approved as counsel in settlement of representative
24 wage and hour action pursuant to PAGA.
- 25 • *Alexis Cardoza v. BHFC Operating LLC*, Los Angeles County Superior Court, Case
26 No. 21STCV34040, approved as counsel in settlement of representative wage and
27 hour action pursuant to PAGA.
- 28 • *Maria Ayala, et al. v. SDH Services West, LLC*, Kern County Superior Court, Case

No. BCV-21-101933, approved as class counsel in final settlement of wage and hour class action.

- *Alfredo Sanchez v. Greenworld, Inc.*, Riverside County Superior Court, Case No. CVRI2105756, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Oscar Bryant v. Midwest Construction Services, Inc. dba Trillium*, San Bernardino County Superior Court, Case No. CIVSB2121529, approved as class counsel in final settlement of wage and hour class action.
- *Matthew Savattieri v. AMI Expeditionary Healthcare, LLC, et al.*, Los Angeles County Superior Court, Case No. 21STCV33372, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Lexy Barajas, et al. v. H. W. Hunter, Inc.*, Los Angeles County Superior Court, Case No. 22STCV01892, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Alejandro Valdez v. C.H.I. Automart, Inc.*, Los Angeles County Superior Court, Case No. 21STCV40168, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Sheizan Bawa v. Meathead Movers, Inc.*, Orange County Superior Court, Case No. 30-2021-01211895-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Tanisha Lopez, et al. v. Restorix Health, Inc.*, Los Angeles County Superior Court, Case No. 21STCV33067, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Perla Soto, et al. v. Nippon Express U.S.A., Inc.*, Los Angeles County Superior Court, Case No. 21STCV24902, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Angel Garcia, et al. v. J&B Investments, Inc., et al.*, San Bernardino County Superior Court, Case No. CIVSB2208601, approved as class counsel, in association with other

counsel, in final settlement of wage and hour class and PAGA action.

- *Sindy Aviles, et al. v. Freeway Insurance Services America, LLC*, Los Angeles County Superior Court, Case No. 21STCV34864, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Alexander Gnaedig, et al. v. Favorite Healthcare Staffing, Inc.*, Los Angeles County Superior Court, Case No. 21STCV20904, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Richard Evans v. My Paint Stop, LLC, et al.*, Contra Costa County Superior Court, Case No. MSC21-01812, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Jose Luis Parada George v. Main Electric Supply Company, LLC, et al.*, Orange County Superior Court, Case No. 30-2021-01220136-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Samia Salazar Yunis v. Sharif Jewelers*, Sacramento County Superior Court, Case No. 34-2020-00290080, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Daniel Analco v. Felix Chevrolet, LP, et al.*, Los Angeles County Superior Court, Case No. 21STCV36654, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Sasha Aiono v. Benefit Cosmetics*, Los Angeles County Superior Court, Case No. 21STCV33719, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.

7. I am currently the managing partner overseeing approximately 500 labor and employment cases, approximately 80% of which include a wage and hour component. The majority of those cases are wage-and-hour putative class actions and/or representative PAGA actions seeking relief on behalf of thousands of California employees. My billable rate is \$1,200 per hour.

Procedural History of the Hai Action

8. Defendants Sunroad HS Auto, Inc., Sunroad Auto, LLC, Sunroad CV Auto, Inc.,

1 Sunroad EC Auto, LLC (formerly known as BCV Auto, Inc.) dba BMW of El Cajon, and Sunroad
2 MV Auto, Inc (“Defendants”) operate car dealerships in and around San Diego, California.
3 Defendants employed Plaintiff Ly Hai (“Plaintiff Hai”) as a non-exempt employee from
4 approximately January 2019 to April 2021. Defendants employed Plaintiff Shawn Farden (“Plaintiff
5 Farden”) as a non-exempt “sales executive” from approximately August 2018 to December 2022.
6 Defendants employed Plaintiff Roman Mayne (“Plaintiff Mayne”) as a non-exempt “service advisor”
7 from approximately February 2022 to April 2023. Defendants employed Plaintiff Christianna Yousif
8 (“Plaintiff Yousif”) as a non-exempt “receptionist” for approximately four (4) months through
9 effective separation date January 24, 2022.

10 9. On April 25, 2022, Plaintiff Hai provided written notice by electronic submission to
11 the Labor and Workforce Development Agency (“LWDA”) and by Certified U.S. Mail to Defendant
12 Sunroad HS Auto, Inc., pursuant to California Labor Code § 2699.3, providing notice of the specific
13 provisions of the California Labor Code which Plaintiff Hai alleged Defendant violated, including
14 the facts and theories to support the allegations. Attached as **Exhibit 1** to this declaration is Plaintiff
15 Hai’s PAGA Notice.

16 10. On June 30, 2022, Plaintiff Hai filed a Class Action Complaint for Damages and
17 Enforcement Action under the Private Attorneys General Act, Cal. Labor Code §§ 2698 *Et Seq.*,
18 alleging six causes of action for (1) Failure to Provide Meal Periods; (2) Failure to Authorize or
19 Permit Rest Periods; (3) Failure to Timely Pay Final Wages; (4) Failure to Provide Itemized Wage
20 Statements; (5) Unfair Competition Law; and (6) Civil Penalties Pursuant to PAGA, in the action
21 entitled *Ly Hai v. Sunroad HS Auto, Inc., et al.*, San Diego County Superior Court Case No. 37-2022-
22 00025788-CU-OE-CTL (“Action”).

23 11. On June 27, 2023, Plaintiff Farden provided written notice by electronic submission
24 to the Labor and Workforce Development Agency (“LWDA”) and by Certified U.S. Mail to
25 Defendant, pursuant to California Labor Code § 2699.3, providing notice of the specific provisions
26 of the California Labor Code which Plaintiff Farden alleged Defendant violated, including the facts
27 and theories to support the allegations. Attached as **Exhibit 2** to this declaration is Plaintiff Farden’s
28 PAGA Notice. On October 15, 2024, Plaintiff Farden and Plaintiff Yousif filed a supplementary

1 notice by electronic submission to the LWDA, and by Certified U.S. Mail to Defendant, pursuant to
2 California Labor Code § 2699.3. Attached as **Exhibit 3** to this declaration is Plaintiff Farden’s and
3 Plaintiff Yousif’s supplemental PAGA Notice.

4 12. On July 7, 2023, Plaintiff Mayne provided written notice by electronic submission to
5 the Labor and Workforce Development Agency (“LWDA”) and by Certified U.S. Mail to Defendant,
6 pursuant to California Labor Code § 2699.3, providing notice of the specific provisions of the
7 California Labor Code which Plaintiff Mayne alleged Defendant violated, including the facts and
8 theories to support the allegations. Attached as **Exhibit 4** to this declaration is Plaintiff Mayne’s
9 PAGA Notice.

10 13. On October 17, 2024, Plaintiff Hai filed a First Amended Complaint adding Plaintiffs
11 Tyler Wayne Sneed, Mohammad Tahbaz, Shawn Farden, Jorge Aguirre, Roman Mayne, and
12 Christianna Yousif and Defendants Sunroad Auto, LLC, Sunroad CV Auto, Inc., Sunroad BCV Auto,
13 Inc. dba Sunroad Enterprises dba BMW of El Cajon, and Sunroad MV Auto, Inc. to the Hai Action .
14 (“First Amended Complaint”).

15 14. On January 21, 2025, the Parties sought leave of the court to file a Second Amended
16 Complaint to correct the name of Defendants (“Sunroad BCV Auto, Inc. dba Sunroad Enterprises”
17 to be changed to “Sunroad EC Auto, LLC (formerly known as BCV Auto, Inc.)”) (“Second Amended
18 Complaint”). The request for leave to file the proposed Second Amended Complaint was combined
19 with a Stipulation for Approval of the PAGA Settlement. The Court denied the Parties’ request, and
20 indicated that the approval of the PAGA settlement must be sought via noticed motion, and also
21 indicated that the Parties may file a second, standalone request for leave to file the Second Amended
22 Complaint. Once filed, the Second Amended Complaint will be the operative complaint in the Hai
23 Action.

24 15. On February 7, 2024, Plaintiff and Defendant (collectively, the “Parties”) attended a
25 formal mediation conducted by Chris Barnes, a neutral and respected mediator with extensive
26 experience in complex wage and hour matters. Though the Parties did not reach an agreement at the
27 mediation, the Parties continued to engage in arms-length settlement discussion. Thereafter, the
28 Parties fully executed a final memorandum of understanding outlining the core elements of the

1 Settlement. The Parties subsequently drafted and executed the long-form Settlement Agreement.

2 **PAGA Counsel's Fees and Costs**

3 16. The Settlement Agreement provides for PAGA Counsel to apply for attorneys' fees
4 in an amount of up to thirty-five percent (35%) of the Gross Settlement Amount (\$168,000) and
5 litigation costs and expenses in an amount not to exceed Twenty-Five Thousand Dollar (\$25,000),
6 which will be paid out of the Gross Settlement Amount, subject to approval by the Court. PAGA
7 Counsel has borne all of the risks and costs of litigation and will not receive any compensation until
8 recovery is obtained. Blackstone Law, APC seeks reimbursement of actual costs and expenses
9 totalling \$2,337.20. Attached hereto as **Exhibit 5** is a true and current list of litigation costs and
10 expenses incurred by Blackstone Law, APC.

11 17. The effectiveness of Blackstone Law, APC's prosecution of this matter has translated
12 into tangible monetary benefits for the Aggrieved Employees as follows: (1) Aggrieved Employees
13 will obtain monetary recovery over a relatively short period of time, as opposed to waiting additional
14 years for the same, or potentially worse, result; (2) a guaranteed result that compares favorably with
15 other representative PAGA actions of this type, given the strengths and weaknesses of the case; and
16 (3) significant savings in PAGA Counsel's fees and/or costs that would have only increased had the
17 case progressed through trial and/or appeals.

18 18. The attorneys of Blackstone Law, APC who worked on this matter are all
19 experienced in litigating wage and hour matters as follows:

20 a. Barbara DuVan-Clarke is a 16-year litigator who joined Blackstone in September
21 2022 as a Senior Trial Attorney and Team Lead, building on her entire career of litigating single-
22 plaintiff employment, catastrophic injury, and class/PAGA matters with well-known plaintiff-side
23 wage and hour law firms in Los Angeles. She earned her Bachelor of Arts degree from the University
24 of California at Los Angeles in 2003, and then obtained her Juris Doctorate from Case Western
25 Reserve University in Cleveland, OH in 2007. Her billable rate is \$1,050 per hour, which is well
26 within the prevailing rate for attorneys with her experience in this area of practice in Southern
27 California. She has been approved at that rate most recently in *Sanchez v Greenworld* earlier in
28 2024. I am personally familiar with Blackstone's roster of hourly clients, and Ms. DuVan-Clarke

1 currently has hourly clients at her \$1,050 rate. Ms. DuVan-Clarke also maintains leadership roles in
2 the California Employment Lawyers' Association ("CELA") and other organizations.

3 b. Alexander K. Spellman is a senior associate attorney who worked on this matter
4 when he worked at Blackstone. He graduated from University of California at Los Angeles in 2001,
5 with a Bachelor of Arts degree in American Literature and Culture. He then obtained his Juris
6 Doctorate from Loyola Law School, graduating in 2006, and was admitted to the California State
7 Bar in July 2007. He practiced exclusively plaintiff's side labor and employment law from 2016
8 through 2024. His hourly rate of \$950 is reasonable based on his education and experience and is in
9 line with the market rate.

10 c. P.J. Van Ert is an accomplished attorney who joined Blackstone in 2023, after having
11 worked at an employment litigation firm for 2 years, and prior to that, having served as a District
12 Attorney for over 13 years. In that role, she was a prolific trial attorney, and it is my understanding
13 that she tried over 50 jury trials to verdict. She graduated from University of California at Davis in
14 2000, with a Bachelor of Arts degree, and from University of California at Los Angeles School of
15 Law with a Juris Doctorate in 2004. She was admitted to the State Bar of California in December
16 2004. Her hourly rate of \$750 is reasonable based on her education and experience and is in line
17 with the market rate.

18 d. Annabel Blanchard is an experienced attorney who joined Blackstone in January
19 2024, from a highly reputable plaintiff's side employment law firm, and prior to that, provided legal
20 support and advocacy for families and adults with special needs. She graduated from University of
21 California at Berkeley with a Bachelor of Arts degree in 2001, and from Southwestern University
22 School of Law with a Juris Doctorate in 2008. She was admitted to the State Bar of California in
23 December 2008. Her hourly rate of \$750 is reasonable based on her education and experience and
24 is in line with the market rate.

25 19. Blackstone Law, APC has spent approximately 106.4 total hours litigating this
26 matter. To date, our total fees incurred amount to \$102,455.00. Each attorney who worked on this
27 matter engaged in a multitude of tasks, including communicating with the clients and defense
28 counsel; investigating the facts and researching applicable legal issues; drafting pleadings, informal

discovery requests, and joint statements; reviewing documents; preparing for and attending mediation; and facilitating the settlement by drafting the settlement documents and motion papers for obtaining settlement approval. A summary of PAGA Counsel's lodestar for each attorney who worked on this case is as follows:

<u>Attorney</u>	<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
Jonathan M. Genish	Managing Partner	16.9	\$1,200	\$20,280
Barbara DuVan-Clarke	Senior Trial Attorney/Team Lead	33.1	\$1,050	\$34,755
Alexander K. Spellman	Senior Associate	25.6	\$950	\$24,320
P.J. Van Ert	Associate	16.3	\$750	\$12,225
Annabel Blanchard	Associate	14.5	\$750	\$10,875

20. We expect to spend an additional 5 hours (\$4,050) in connection with reviewing the Motion, preparing for the approval hearing, and managing the Settlement through its conclusion, including anticipated communications with defense counsel, the Administrator, other Plaintiffs' counsel, and our clients. Based thereon, the total amount of Blackstone's fees through closure of this case are estimated to be approximately \$106,505.00.

Enhancement Awards

21. As part of the Settlement Agreement, Plaintiffs respectfully request reasonable Service Awards of Seven Thousand Five Hundred Dollars *each*, in the aggregate amount of \$45,000. The Service Awards are eminently reasonable given the time and effort Plaintiffs spent on this matter, and the benefit to the other PAGA Employees and the State of California as a result of Plaintiffs' actions. The Declarations of Plaintiffs submitted herewith detail their work and efforts in bringing and litigating this matter through resolution, and support the requested Service Awards.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on March 5, 2025, at Beverly Hills, California.

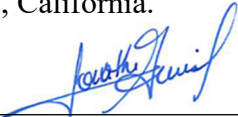

Jonathan M. Genish

EXHIBIT 1



300 W. Glenoaks Boulevard, Suite 300, Glendale, California 91202
Tel (818) 630-7280 | Fax (888) 879-1697 | www.jlglawyers.com

April 25, 2022

Via Online Filing:

California Labor and Workforce Development Agency
800 Capitol Mall
Suite 5000 MIC-55
Sacramento, CA 95814

Via Certified Mail:

Sunroad HS Auto, Inc.
DBA Kearny Mesa Hyundai
c/o Blake L. Fillmore, Agent for Service of Process
4445 Eastgate Mall, Ste 400
San Diego, CA 92121

***Re: Notice of Violations of California Labor Code §§ 226.7 and 512; Violations of
IWC Wage Order No. 4-2001(11) and (12); and Pursuant to the California Private
Attorneys General Act (PAGA)***

Sir and/or Madam:

This office has been retained to represent Ly Hai (hereinafter, “Plaintiff” or “Mr. Ly”), on behalf of himself and all others similarly situated, with respect to matters arising out of his and their employment with Sunroad HS Auto, Inc. DBA Kearny Mesa Hyundai (hereinafter, “Defendant”) in the State of California.

The purpose of this letter is to comply with the statutory exhaustion requirements of Cal. Lab. Code §2699.3 prior to commencing an action pursuant to Private Attorneys General Act of 2004 (“PAGA”), pursuant to Cal. Lab. Code §§ 2698 and 2699, *et seq.* Plaintiff, on behalf of himself and all similarly situated aggrieved employees, intends to file a complaint in the California Superior Court seeking lost wages, interest, penalties, attorneys’ fees, costs of suit, and any and all other relief available under California law, including but not limited to the PAGA. As noted above,

this letter is being copied via Certified Mail to the Defendants via their agents for service of process.¹

Based on the below summary of the facts and legal theories upon which Mr. Ly bases his claims, Mr. Ly requests that the LWDA regard this Notice as written notice pursuant to Labor Code § 2699.3 of his intent to seek civil penalties against Defendant.

Mr. Ly and the Aggrieved Employees

At all relevant times, Mr. Ly was a non-exempt employee for Defendant from in or around January 2019 to on or around April 30, 2021. Through this time, he and the aggrieved employees were intentionally denied meal periods and rest periods and was not paid meal and/or rest premiums for the same to which he was legally entitled.

At all relevant times, Mr Ly was an “aggrieved employee” under PAGA. *See* Cal. Lab. Code § 2699(c) (defining an “aggrieved employee” as “any person who was employed by the alleged violator and against whom one or more of the alleged violations was committed.”). Mr. Ly seeks recovery for the Labor Code and IWC Wage Order violations set forth herein on behalf of himself and other current and former employees, including but not limited to other aggrieved employees who were non-exempt and employed by Defendant in the State of California within one year of the filing of this Notice and who were subject to Labor Code and IWC Wage Order violations.

Labor Code and IWC Wage Order Violations

Failure to Provide Meal Periods or Pay Meal Period Premiums:

Under California law, employees are entitled to an uninterrupted, duty-free 30-minute meal period, when an employee works more than five hours in a workday. Cal. Lab. Code §§ 226.7, 512; IWC Wage Order No. 4-2001(11)(A) (“Wage Order 4”). An employee’s first meal period must commence no later than the end of his/her fifth hour of work. *Brinker Restaurant Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041 (2012) (“*Brinker*”). An employer must also provide a second 30-minute meal period for an employee working more than ten hours in a workday, to commence no later than the end of his/her tenth hour of work. Cal. Lab. Code §§ 226.7, 512; *Brinker*, 53 Cal. 4th at 1049. An employer who fails to provide a compliant meal period must pay the employee one additional hour of work at the employee’s regular rate of pay. Cal. Lab. Code §§ 226.7, 512; Wage Order 4.

¹ To the extent that any of the entities and/or persons receiving a copy of this letter are represented by counsel, please direct any and all inquiries regarding this matter to your attorney. This notice is only being sent to you for purposes of satisfying the administrative exhaustion requirements of the California Labor Code. Please direct any and all communication to this office, and do not communicate with Plaintiff directly.

Defendant has failed to maintain a company meal period policy compliant with California law. On a myriad of occasions during the relevant period, Mr. Ly and other aggrieved employees were not authorized or permitted to take proper uninterrupted, duty free 30-minute meal periods at the required time. On all such occasions, Defendants also failed to pay meal period premiums in accordance with state law. Upon information and belief, Defendant has adopted a uniform meal period policy and company practices that violate the California Labor Code and applicable Wage Orders to cheat their workers and maximize their own profits.

The aforementioned conduct results in violations of Labor Code §§ 226.7 & 512 and Wage Order 4-2001(11)(A) & (D). These violations subject consolidated to civil penalties under Labor Code §§ 558 & 2699 and Wage Order 5. Each violation results in a separate civil penalty for each aggrieved employee for each pay period during the relevant time period. Cal. Lab. Code § 2699(f). An employer is also liable for costs and attorneys' fees. Cal. Lab. Code § 2699(g). Defendant's owners, directors, officers and/or managing agents may also be held personally liable under Labor Code §§ 558 and 558.1.

Failure to Provide Rest Periods or Pay Rest Period Premiums:

Under California law, employees are entitled to a 10-minute rest period for every 4 hours worked. Cal. Lab. Code §§ 226.7, 512; Wage Order 4. Employees must be entitled to take 10 minutes' rest for shifts from 3.5 to 6 hours; 20 minutes for shifts of more than 6 hours up to 10 hours; 30 minutes for shifts of more than 10 hours up to 14 hours; and so on. *Brinker*, 53 Cal. 4th at 1029. An employer who fails to provide compliant rest periods must pay the employee one additional hour of work at the employee's regular rate of pay. Cal. Labor Code §§ 226.7, 512; Wage Order 4-2001(12)(B).

Defendant has failed to maintain a company rest period policy compliant with California law. On a myriad of occasions during the relevant period, Mr. Ly and other aggrieved employees were not authorized or permitted to take proper, timely rest periods for every 4 hours worked. On such occasions, Defendants failed to pay rest period premiums in accordance with state law. To the contrary, upon information and belief, Defendants have adopted a uniform rest period policy and company practices that violate the California Labor Code and Wage Order 4-2001 to cheat their workers and maximize their own profits.

The aforementioned conduct results in violations of Labor Code §§ 226.7 & 512 and IWC Wage Order 4-2001(11)(A) and (D). These violations subject Consolidated to civil penalties under Labor Code §§ 558 and 2699 and Wage Order 4. Each violation results in a separate civil penalty for each aggrieved employee for each pay period during the relevant time period. Cal. Lab. Code § 2699(f). An employer is also liable for costs and attorneys' fees. Cal. Lab. Code § 2699(g).

///

///

///

Defendant's owners, directors, officers and/or managing agents may also be held personally liable under Labor Code §§ 558 and 558.1.

Sincerely,

Barbara DuVan-Clarke

Barbara DuVan-Clarke, Esq.
Senior Attorney, Jaurigue Law Group

EXHIBIT 2

June 27, 2023

PAGA Claim Notice Via Online Electronic Submission

California Labor & Workforce Development Agency

800 Capitol Mall, Suite 5000 (MIC-55)

Sacramento, CA 95814

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

RE: *Shawn Farden v. Sunroad Auto Holding Corp.*

Dear Representative:

This office represents Shawn Farden (“Claimant”) with respect to his claims under the California Labor Code against Sunroad Auto Holding Corp. (including any and all affiliates, subsidiaries, parents, directors, and officers thereof) (collectively referred to herein as “Employers”). This letter is being sent simultaneously to Employers by certified mail.

Employers employed Claimant from approximately August 2018 to December 2022 as a non-exempt, hourly-paid employee. During his employment with Employers, Claimant was employed as a Sales Executive at the 4797 Convoy St, San Diego, CA 92111 location.

Claimant intends to bring a representative action seeking penalties for violations of the California Labor Code which are recoverable under the Labor Code Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* (“PAGA”). Claimant is seeking penalties on behalf of himself and in a representative capacity on behalf of the State of California and all current and former hourly-paid and/or non-exempt employees who worked for Employers in the State of California during the relevant statutory period (“Aggrieved Employees”). This letter is being sent in compliance with California Labor Code section 2699.3, and shall serve as Claimant’s notice of the provisions of the California Labor Code alleged to have been violated, including the facts and theories in support thereof.

As detailed below, Employers violated several of California’s wage and hour laws during Claimant’s employment, including but not limited to California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, and the Industrial Welfare Commission Wage Orders (“IWC Wage Order”) including, *inter alia*, IWC Wage Order No. 4-2001. The claims made on behalf of Claimant and Aggrieved Employees are based upon the following facts and theories:

1. FAILURE TO PAY FOR ALL TIME WORKED AT CORRECT RATES OF PAY, INCLUDING MINIMUM WAGES, STRAIGHT TIME WAGES, AND OVERTIME COMPENSATION

Employers have engaged in numerous unlawful practices which resulted in the failure to pay Claimant and other Aggrieved Employees for all time worked at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation.

California Labor Code sections 1194, 1197, and 1197.1 and IWC Wage Order No. 4-2001 require employers to pay at least the legal minimum wage to their employees. California Labor Code sections 510 and 1198 and IWC Wage Order No. 4-2001 further require employers to pay no less than one and one-half times the regular rate of pay of the employee for hours worked in excess of eight (8) hours in one workday, for hours worked in excess of forty (40) hours in one workweek, and for the first eight (8) hours worked on the seventh day of work in any one workweek, and to pay no less than twice the regular rate of pay of the employee for hours worked in excess of twelve (12) hours in one workday and for any work in excess of eight (8) hours on any seventh day of a workweek.

Throughout the relevant time period, Employers regularly required Claimant and other Aggrieved Employees to perform work off-the-clock. This off-the-clock work included, amongst other things, requiring Claimant and other Aggrieved Employees to take customer calls, generate price quotes, and help customers with purchases while off-the-clock. Employers failed to compensate Claimant and other Aggrieved Employees for any of this off-the-clock work, in violation of California law.

In addition, Employers utilized time rounding practices that resulted in the systematic underpayment of wages (including minimum wages, straight time wages and overtime wages) to Claimant and Aggrieved Employees.

Employers also failed to accurately record the actual time worked by Claimant and Aggrieved Employees. Moreover, the uncompensated work described herein was often performed when Claimant and other Aggrieved Employees had already worked eight (8) hours in a day and/or forty (40) hours in week resulting in a failure to pay overtime compensation. Finally, Employers failed to pay overtime to Claimant and Aggrieved Employees for all overtime hours worked based on regular rates of pay correctly calculated to include all applicable remuneration, including non-discretionary commissions, non-discretionary bonuses, and non-discretionary performance pay.

As a result of the foregoing practices, Employers have failed to pay Claimant and other Aggrieved Employees for all wages earned at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation. Accordingly, Employers violated IWC Wage Order No. 4-2001 and California Labor Code sections 204, 510, 1194, 1197, 1197.1 and 1198.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 4-2001; penalties pursuant to California Labor Code sections 558, 1197.1, and 1199; and attorneys' fees and costs.

2. FAILURE TO PROVIDE MEAL PERIODS AND PAY MEAL PERIOD PREMIUMS

California law requires employers to provide employees with an opportunity to take an uninterrupted meal period of no less than thirty (30) minutes before the end of the fifth hour of work when an employee works more than five (5) hours in a day. Cal. Lab. Code §§ 226.7, 512(a). A second meal period of no less than thirty (30) minutes must be provided before the end of the tenth hour of work when an employee works more than ten (10) hours in a day. Cal. Lab. Code §§ 226.7, 512(a). When an employer fails to provide a meal or rest period, an hour of pay at the employee's regular rate of compensation is owed to the employee. Cal. Lab. Code § 226.7(c).

During the relevant time period, Employers failed to provide Claimant and other Aggrieved Employees with legally-compliant 30-minute meal periods. Claimant and other Aggrieved Employees were required by Employers to work more than five (5) hours per day, but were not provided with uninterrupted 30-minute meal periods. Further, Claimant and other Aggrieved Employees were not provided with a second uninterrupted 30-minute meal period when they worked over ten (10) hours per day. Employers regularly required Claimant and other Aggrieved Employees to work through their first and second meal periods, to take their first meal period after their fifth (5th) hour of work, and/or to take their second meal periods after their tenth (10th) hour of work. Meal periods, when provided, were oftentimes interrupted or cut short.

Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Claimant and other Aggrieved Employees from taking timely, complete and duty-free meal periods because, amongst other reasons: (1) Employers did not have legally-compliant policies regarding the provision and timing of meal periods or systematically disregarded its own purported meal period policies; (2) Employers' management at various levels failed and refused to implement and enforce legally compliant meal period policies and practices; (3) Employers failed to adequately inform and train Claimant and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free meal periods; (4) Employers failed to adequately inform and train Claimant and other Aggrieved Employees about their right to premium wages for non-compliant meal periods; (5) Employers failed to ensure that there was adequate staffing to allow Claimant and other Aggrieved Employees to take timely, uninterrupted, and duty-free meal periods; (6) Employers required Claimant and other Aggrieved Employees to respond to work-related requests at all times, including during meal periods; and (7) Employers' policy and culture prevented Claimant and other Aggrieved Employees from taking timely, uninterrupted, and duty-free meal periods because of the priority placed on maximizing profits over employees' right to receive timely, uninterrupted, and duty-free meal periods.

Claimant and other Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the meal periods which were not provided to them in compliance with California law. Accordingly, Employers violated IWC Wage Order No. 4-2001 and California Labor Code sections 226.7, 512(a) and 1198.

Claimants and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 4-2001; penalties pursuant to California Labor Code sections 558 and 1199; and attorneys' fees and costs.

3. FAILURE TO AUTHORIZE AND PERMIT REST PERIODS AND PAY REST PERIOD PREMIUMS

California law requires employers to authorize and permit employees to take an uninterrupted rest period of no less than ten (10) minutes rest for every four (4) hours, or major fraction thereof, worked. Cal. Lab. Code § 226.7. When an employer fails to authorize and permit a rest period, an hour of pay at the employee's regular rate of compensation is owed to the employee. Cal. Lab. Code § 226.7(c).

Employers failed to authorize and permit Claimant and other Aggrieved Employees to take legally-compliant 10-minute rest periods. Employers required Claimant and other Aggrieved Employees to work through rest periods. Claimant and Aggrieved Employees were not provided with uninterrupted, duty-free rest periods when they worked more than four (4) hours or a major fraction thereof. Further, Claimant and other Aggrieved Employees were not provided with a second uninterrupted, duty-free rest period when they worked more than six (6) hours in a day, or a third uninterrupted, duty-free rest period after working more than ten (10) hours in day. In the rare event that a rest period was taken, it was frequently interrupted or cut short. Moreover, Claimant and other Aggrieved Employees were not completely relieved of duty as required by *Augustus v. ABM Security Services, Inc.*, 2 Cal.5th 257 (2016).

Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Claimant and other Aggrieved Employees from taking timely and complete rest periods because, amongst other reasons: (1) Employers did not have legally-compliant policies regarding the provision and timing of rest periods or systematically disregarded its own purported rest period policies; (2) Employers' management at various levels failed and refused to implement and enforce legally compliant rest period policies and practices; (3) Employers failed to adequately inform and train Claimant and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free rest periods; (4) Employers failed to adequately inform and train Claimant and other Aggrieved Employees about their right to premium wages for non-compliant rest periods; (5) Employers failed to ensure that there was adequate staffing to allow Claimant and

other Aggrieved Employees to take timely, uninterrupted, and duty-free rest periods; (6) Employers required Claimant and other Aggrieved Employees to respond to work-related requests at all times, including during rest periods; and (7) Employers' policy and culture prevented Claimant and other Aggrieved Employees from taking timely, uninterrupted, and duty-free rest periods because of the priority placed on completing job requirements over employees' right to receive rest periods.

Claimant and other Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the rest periods which were not provided to them in compliance with California law. Accordingly, Employers violated IWC Wage Order No. 4-2001 and California Labor Code sections 226.7, and 1198.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 4-2001; California Labor Code sections 558 and 1199 penalties; and attorneys' fees and costs.

4. FAILURE TO TIMELY PAY WAGES DURING EMPLOYMENT

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, Employers have failed to timely pay all wages earned because Claimant and other Aggrieved Employees were not paid all the wages they were owed including, *inter alia*, overtime compensation, straight time wages, minimum wages, and meal and rest period premiums. Accordingly, Employers violated California Labor Code section 204(a).

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 210 and 1199; and attorneys' fees and costs.

5. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

California Labor Code section 226(a) requires an employer semimonthly or at the time of each payment of wages to furnish wage statements to its employees setting forth, *inter alia*, (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all

deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (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, and (8) the name and address of the legal entity that is the employer.

As a result of the practices described herein, the wage statements provided to Claimant and other Aggrieved Employees failed to include the actual hours worked (including time spent working off-the-clock), the actual gross wages earned (including wages owed for time spent working off the clock and meal and rest period premiums), and the correct rates of pay. The wage statements provided to Claimant and other Aggrieved Employees also failed to include the name of the legal entity that employed Claimant and the Aggrieved Employees. Accordingly, Employers violated California Labor Code section 226(a).

Claimant and Aggrieved Employees will therefore seek PAGA default penalties; penalties pursuant to California Labor Code section 226.3; and attorneys' fees and costs.

6. FAILURE TO MAINTAIN ACCURATE RECORDS

California Labor Code section 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case, shall be kept on file for not less than two years. During the relevant time period, Employers have failed to maintain accurate records relating to Claimant and other Aggrieved Employees' work periods, meal periods, total daily hours worked, and total hours worked per payroll period. Accordingly, Employers violated IWC Wage Order No. 4-2001 and California Labor Code sections 1198.5 and 1174(d).

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 4-2001; California Labor Code section 1174.5 penalties; and attorneys' fees and costs.

7. FAILURE TO REIMBURSE NECESSARY EXPENDITURES

California Labor Code sections 2800 and 2802 require an employer to reimburse its employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. IWC Wage Order No. 4-2001 requires employers to provide employees with the tools or equipment necessary for the performance of their job. During the relevant time period,

Claimant and Aggrieved Employees incurred necessary business-related expenses and costs that were not fully reimbursed by Employers. These costs include but are not limited to the purchase of dress code compliant uniforms and the usage of personal cell phones for business-related purposes.

Accordingly, Employers violated IWC Order No. 4-2001 and California Labor Code sections 2800 and 2802. Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 4-2001; and attorneys' fees and costs.

8. FAILURE TO TIMELY PAY ALL WAGES UPON TERMINATION OF EMPLOYMENT

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

During the relevant time period, upon the termination of employment (including but not limited to when they were temporarily laid off, laid off, discharged, and/or resigned), Aggrieved Employees were not paid all wages due to them within twenty-four (24) hours or even within seventy-two (72) hours for those who resigned. Specifically, as a result of Employers' practices of requiring Aggrieved Employees to work off-the-clock without compensation, failing to pay proper overtime compensation, unlawful rounding practices, failure to properly calculate regular rates, and failure to accurately record all hours actually worked, Employers failed to pay Aggrieved Employees for all straight time wage, minimum wages and overtime compensation owed to them upon termination of their employment. Employers also failed to pay Aggrieved Employees for meal period premiums and rest period premiums they were owed, amongst other wages. Accordingly, Employers violated California Labor Code sections 201 and 202.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to California Labor Code sections 203 and 1199; and attorneys' fees and costs.

Employers are in direct violation of numerous California wage and hour laws including but not limited to said sections stated above. We hereby provide notice under the California Labor Code Private Attorneys General Act of 2004, California Labor Code Sections 2698, et seq., and specifically ask for an investigation, or if the agency does not intend to investigate the alleged violations, a letter confirming the same so that we may allege a cause of action under PAGA against Employers for the violations discussed in this letter.

This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3. By law, an employee alleging a violation of one of the above referenced sections must notify his or her employer and the Labor and Workforce Development Agency (LWDA) before he or she can invoke the provisions of Sections 2699, et seq., by seeking redress in court. Cal. Lab. Code § 2699.3(a)(1). The LWDA must then notify the employer and the employee within 60 calendar days regarding whether it intends to investigate the alleged violation. Cal. Lab. Code § 2699.3(a)(2)(B). If the LWDA advises it will not investigate, or if no notice is provided within 65 calendar days, the employee may file a lawsuit invoking the provisions under Labor Code § 2699. Cal. Lab. Code § 2699.3(a)(2)(A). It is Claimant's intention to file a civil complaint and to bring the appropriate claims under California Labor Code § 2699 on behalf of themselves, the State of California and all Aggrieved Employees should your office not address Employers' alleged violations within this time.

If you have any questions or require additional information, please do not hesitate to contact my office. Thank you for your attention to this matter.

BLACKSTONE LAW

Patricia J. Van Ert

Patricia J. Van Ert, Esq.

cc: By U.S. Certified Mail, Return Receipt Requested

Sunroad Auto Holding Corp.
8620 Spectrum Center Blvd. Suite 1100
San Diego, CA 92123

Sunroad Auto Holding Corp.
ATTN: Blake L. Fillmore, Agent for Service of Process
8620 Spectrum Center Blvd. Suite 1100
San Diego, CA 92123

EXHIBIT 3

October 15, 2024

Amended PAGA Claim Notice Via Online Electronic Submission

California Labor & Workforce Development Agency

800 Capitol Mall, Suite 5000 (MIC-55)

Sacramento, CA 95814

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

RE: *Shawn Farden & Christianna Yousif v. Sunroad Auto Holding Corp.; Sunroad BCV Auto, Inc. dba BMW of El Cajon and aka Sunroad Enterprises*

Dear Representative:

This office represents Shawn Farden and Christianna Yousif (“Claimants”) with respect to their claims under the California Labor Code against Sunroad Auto Holding Corp., and Sunroad BCV Auto, Inc. dba BMW of El Cajon and aka Sunroad Enterprises (including any and all affiliates, subsidiaries, parents, directors, and officers thereof) (collectively referred to herein as “Employers”). This letter is being sent simultaneously to Employers by certified mail.

Employers employed Claimant Shawn Farden from approximately August 2018 to December 2022 as a non-exempt, hourly-paid employee. During his employment with Employers, Claimant was employed as a Sales Executive at the 4797 Convoy St, San Diego, CA 92111 location. Employers employed Claimant Christianna Yousif from approximately December 2021 to approximately March 2022 as non-exempt, hourly-paid receptionist at the 720 El Cajon Blvd, El Cajon, CA 92020 location. Employers have specifically agreed, in the case of Claimant Christianna Yousif, to waive the requirement of Labor Code 2699(c)(1) that an employee must have experienced a violation within the year preceding the filing of their notice.

Claimants intend to bring a representative action seeking penalties for violations of the California Labor Code which are recoverable under the Labor Code Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* (“PAGA”). Claimants are seeking penalties on behalf of themselves and in a representative capacity on behalf of the State of California and all current and former hourly-paid and/or non-exempt employees who worked for Employers in the State of California during the relevant statutory period (“Aggrieved Employees”). Employers have specifically agreed to waive the requirement of Labor Code 2699(c)(1) that Claimants must have personally suffered each of the violations alleged in order to represent other aggrieved employees who have suffered some or all of the violations alleged herein. This letter is being sent

in compliance with California Labor Code section 2699.3, and shall serve as Claimants' notice of the provisions of the California Labor Code alleged to have been violated, including the facts and theories in support thereof.

As detailed below, Employers violated several of California's wage and hour laws during Claimant's employment, including but not limited to California Labor Code sections 201, 201.3, 202, 203, 204, 218.5, 218.6, 226(a), 226.2, 226.3, 226.7, 227.3, 233, 246 through 248.7, 256, 510, 512(a), 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1197.14, 1198, 1199, 2800, 2802 and 2804, and the Industrial Welfare Commission Wage Orders ("IWC Wage Order") including, *inter alia*, IWC Wage Order No. 4-2001. The claims made on behalf of Claimants and Aggrieved Employees are based upon the following facts and theories

1. FAILURE TO PAY FOR ALL TIME WORKED AT CORRECT RATES OF PAY, INCLUDING MINIMUM WAGES, STRAIGHT TIME WAGES, AND OVERTIME COMPENSATION

Employers have engaged in numerous unlawful practices which resulted in the failure to pay Claimants and other Aggrieved Employees for all time worked at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation.

California Labor Code sections 1194, 1197, and 1197.1 and IWC Wage Order No. 4-2001 require employers to pay at least the legal minimum wage to their employees. California Labor Code sections 510 and 1198 and IWC Wage Order No. 4-2001 further require employers to pay no less than one and one-half times the regular rate of pay of the employee for hours worked in excess of eight (8) hours in one workday, for hours worked in excess of forty (40) hours in one workweek, and for the first eight (8) hours worked on the seventh day of work in any one workweek, and to pay no less than twice the regular rate of pay of the employee for hours worked in excess of twelve (12) hours in one workday and for any work in excess of eight (8) hours on any seventh day of a workweek.

Throughout the relevant time period, Employers regularly required Claimants and other Aggrieved Employees to perform work off-the-clock. This off-the-clock work included, amongst other things, requiring Claimants and other Aggrieved Employees to take customer calls, generate price quotes, and help customers with purchases while off-the-clock. Employers failed to compensate Claimants and other Aggrieved Employees for any of this off-the-clock work, in violation of California law.

In addition, Employers utilized time rounding practices that resulted in the systematic underpayment of wages (including minimum wages, straight time wages and overtime wages) to Claimants and Aggrieved Employees.

Employers also failed to accurately record the actual time worked by Claimants and Aggrieved Employees. Moreover, the uncompensated work described herein was often performed

when Claimants and other Aggrieved Employees had already worked eight (8) hours in a day and/or forty (40) hours in week resulting in a failure to pay overtime compensation. Finally, Employers failed to pay overtime to Claimants and Aggrieved Employees for all overtime hours worked based on regular rates of pay correctly calculated to include all applicable remuneration, including non-discretionary commissions, non-discretionary bonuses, and non-discretionary performance pay.

As a result of the foregoing practices, Employers have failed to pay Claimants and other Aggrieved Employees for all wages earned at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation. Accordingly, Employers violated IWC Wage Order No. 4-2001 and California Labor Code sections 204, 510, 1194, 1197, 1197.1 and 1198.

Claimants and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 4-2001; penalties pursuant to California Labor Code sections 558, 1197.1, and 1199; and attorneys' fees and costs.

2. FAILURE TO PROVIDE MEAL PERIODS AND PAY MEAL PERIOD PREMIUMS

California law requires employers to provide employees with an opportunity to take an uninterrupted meal period of no less than thirty (30) minutes before the end of the fifth hour of work when an employee works more than five (5) hours in a day. Cal. Lab. Code §§ 226.7, 512(a). A second meal period of no less than thirty (30) minutes must be provided before the end of the tenth hour of work when an employee works more than ten (10) hours in a day. Cal. Lab. Code §§ 226.7, 512(a). When an employer fails to provide a meal or rest period, an hour of pay at the employee's regular rate of compensation is owed to the employee. Cal. Lab. Code § 226.7(c).

During the relevant time period, Employers failed to provide Claimants and other Aggrieved Employees with legally-compliant 30-minute meal periods. Claimants and other Aggrieved Employees were required by Employers to work more than five (5) hours per day, but were not provided with uninterrupted 30-minute meal periods. Further, Claimants and other Aggrieved Employees were not provided with a second uninterrupted 30-minute meal period when they worked over ten (10) hours per day. Employers regularly required Claimants and other Aggrieved Employees to work through their first and second meal periods, to take their first meal period after their fifth (5th) hour of work, and/or to take their second meal periods after their tenth (10th) hour of work. Meal periods, when provided, were oftentimes interrupted or cut short.

Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Claimants and other Aggrieved Employees from taking timely, complete and duty-free meal periods because, amongst other reasons: (1) Employers did not have legally-compliant policies regarding the provision and timing of meal periods or systematically disregarded its own purported meal period policies; (2) Employers' management at various levels

failed and refused to implement and enforce legally compliant meal period policies and practices; (3) Employers failed to adequately inform and train Claimants and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free meal periods; (4) Employers failed to adequately inform and train Claimants and other Aggrieved Employees about their right to premium wages for non-compliant meal periods; (5) Employers failed to ensure that there was adequate staffing to allow Claimants and other Aggrieved Employees to take timely, uninterrupted, and duty-free meal periods; (6) Employers required Claimants and other Aggrieved Employees to respond to work-related requests at all times, including during meal periods; and (7) Employers' policy and culture prevented Claimants and other Aggrieved Employees from taking timely, uninterrupted, and duty-free meal periods because of the priority placed on maximizing profits over employees' right to receive timely, uninterrupted, and duty-free meal periods.

Claimants and other Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the meal periods which were not provided to them in compliance with California law. Accordingly, Employers violated IWC Wage Order No. 4-2001 and California Labor Code sections 226.7, 512(a) and 1198.

Claimants and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 4-2001; penalties pursuant to California Labor Code sections 558 and 1199; and attorneys' fees and costs.

3. FAILURE TO AUTHORIZE AND PERMIT REST PERIODS AND PAY REST PERIOD PREMIUMS

California law requires employers to authorize and permit employees to take an uninterrupted rest period of no less than ten (10) minutes rest for every four (4) hours, or major fraction thereof, worked. Cal. Lab. Code § 226.7. When an employer fails to authorize and permit a rest period, an hour of pay at the employee's regular rate of compensation is owed to the employee. Cal. Lab. Code § 226.7(c).

Employers failed to authorize and permit Claimants and other Aggrieved Employees to take legally-compliant 10-minute rest periods. Employers required Claimants and other Aggrieved Employees to work through rest periods. Claimants and Aggrieved Employees were not provided with uninterrupted, duty-free rest periods when they worked more than four (4) hours or a major fraction thereof. Further, Claimants and other Aggrieved Employees were not provided with a second uninterrupted, duty-free rest period when they worked more than six (6) hours in a day, or a third uninterrupted, duty-free rest period after working more than ten (10) hours in day. In the rare event that a rest period was taken, it was frequently interrupted or cut short. Moreover, Claimants and other Aggrieved Employees were not completely relieved of duty as required by

Augustus v. ABM Security Services, Inc., 2 Cal.5th 257 (2016).

Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Claimants and other Aggrieved Employees from taking timely and complete rest periods because, amongst other reasons: (1) Employers did not have legally-compliant policies regarding the provision and timing of rest periods or systematically disregarded its own purported rest period policies; (2) Employers' management at various levels failed and refused to implement and enforce legally compliant rest period policies and practices; (3) Employers failed to adequately inform and train Claimants and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free rest periods; (4) Employers failed to adequately inform and train Claimants and other Aggrieved Employees about their right to premium wages for non-compliant rest periods; (5) Employers failed to ensure that there was adequate staffing to allow Claimants and other Aggrieved Employees to take timely, uninterrupted, and duty-free rest periods; (6) Employers required Claimants and other Aggrieved Employees to respond to work-related requests at all times, including during rest periods; and (7) Employers' policy and culture prevented Claimants and other Aggrieved Employees from taking timely, uninterrupted, and duty-free rest periods because of the priority placed on completing job requirements over employees' right to receive rest periods.

Claimants and other Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the rest periods which were not provided to them in compliance with California law. Accordingly, Employers violated IWC Wage Order No. 4-2001 and California Labor Code sections 226.7, and 1198.

Claimants and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 4-2001; California Labor Code sections 558 and 1199 penalties; and attorneys' fees and costs.

4. FAILURE TO TIMELY PAY WAGES DURING EMPLOYMENT

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, Employers have failed to timely pay all wages earned because Claimants and other Aggrieved Employees were not paid all the wages they were owed including, *inter alia*, overtime compensation, straight time wages, minimum

wages, and meal and rest period premiums. Accordingly, Employers violated California Labor Code section 204(a).

Claimants and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 210 and 1199; and attorneys' fees and costs.

5. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

California Labor Code section 226(a) requires an employer semimonthly or at the time of each payment of wages to furnish wage statements to its employees setting forth, *inter alia*, (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (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, and (8) the name and address of the legal entity that is the employer.

As a result of the practices described herein, the wage statements provided to Claimants and other Aggrieved Employees failed to include the actual hours worked (including time spent working off-the-clock), the actual gross wages earned (including wages owed for time spent working off the clock and meal and rest period premiums), and the correct rates of pay. The wage statements provided to Claimants and other Aggrieved Employees also failed to include the name of the legal entity that employed each of the Claimants and the Aggrieved Employees. Accordingly, Employers violated California Labor Code section 226(a).

Claimants and Aggrieved Employees will therefore seek PAGA default penalties; penalties pursuant to California Labor Code section 226.3; and attorneys' fees and costs.

6. FAILURE TO MAINTAIN ACCURATE RECORDS

California Labor Code section 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case, shall be kept on file for not less than two years. During the relevant time period, Employers have failed to maintain accurate records relating to Claimants and other Aggrieved Employees' work periods, meal periods, total daily hours worked, and total hours worked per payroll period. Accordingly, Employers violated IWC Wage Order No. 4-2001 and

California Labor Code sections 1198.5 and 1174(d).

Claimants and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 4-2001; California Labor Code section 1174.5 penalties; and attorneys' fees and costs.

7. FAILURE TO REIMBURSE NECESSARY EXPENDITURES

California Labor Code sections 2800 and 2802 require an employer to reimburse its employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. IWC Wage Order No. 4-2001 requires employers to provide employees with the tools or equipment necessary for the performance of their job. During the relevant time period, Claimants and Aggrieved Employees incurred necessary business-related expenses and costs that were not fully reimbursed by Employers. These costs include but are not limited to the purchase of dress code compliant uniforms and the usage of personal cell phones for business-related purposes.

Accordingly, Employers violated IWC Order No. 4-2001 and California Labor Code sections 2800 and 2802. Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 4-2001; and attorneys' fees and costs.

8. FAILURE TO TIMELY PAY ALL WAGES UPON TERMINATION OF EMPLOYMENT

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

During the relevant time period, upon the termination of employment (including but not limited to when they were temporarily laid off, laid off, discharged, and/or resigned), Aggrieved Employees were not paid all wages due to them within twenty-four (24) hours or even within seventy-two (72) hours for those who resigned. Specifically, as a result of Employers' practices of requiring Aggrieved Employees to work off-the-clock without compensation, failing to pay proper overtime compensation, unlawful rounding practices, failure to properly calculate regular rates, and failure to accurately record all hours actually worked, Employers failed to pay Aggrieved Employees for all straight time wage, minimum wages and overtime compensation owed to them upon termination of their employment. Employers also failed to pay Aggrieved Employees for

meal period premiums and rest period premiums they were owed, amongst other wages. Accordingly, Employers violated California Labor Code sections 201 and 202.

Claimants and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to California Labor Code sections 203 and 1199; and attorneys' fees and costs.

Employers are in direct violation of numerous California wage and hour laws including but not limited to said sections stated above. We hereby provide notice under the California Labor Code Private Attorneys General Act of 2004, California Labor Code Sections 2698, et seq., and specifically ask for an investigation, or if the agency does not intend to investigate the alleged violations, a letter confirming the same so that we may allege a cause of action under PAGA against Employers for the violations discussed in this letter.

This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3. By law, an employee alleging a violation of one of the above referenced sections must notify his or her employer and the Labor and Workforce Development Agency (LWDA) before he or she can invoke the provisions of Sections 2699, et seq., by seeking redress in court. Cal. Lab. Code § 2699.3(a)(1). The LWDA must then notify the employer and the employee within 60 calendar days regarding whether it intends to investigate the alleged violation. Cal. Lab. Code § 2699.3(a)(2)(B). If the LWDA advises it will not investigate, or if no notice is provided within 65 calendar days, the employee may file a lawsuit invoking the provisions under Labor Code § 2699. Cal. Lab. Code § 2699.3(a)(2)(A). It is Claimants' intention to file a civil complaint and to bring the appropriate claims under California Labor Code § 2699 on behalf of themselves, the State of California and all Aggrieved Employees should your office not address Employers' alleged violations within this time.

If you have any questions or require additional information, please do not hesitate to contact my office. Thank you for your attention to this matter.

BLACKSTONE LAW

Barbara DuVan-Clarke, Esq.

cc: By U.S. Certified Mail, Return Receipt Requested

Sunroad Auto Holding Corp.
8620 Spectrum Center Blvd. Suite 1100
San Diego, CA 92123

Sunroad Auto Holding Corp.
ATTN: Blake L. Fillmore, Agent for Service of Process
8620 Spectrum Center Blvd. Suite 1100
San Diego, CA 92123

EXHIBIT 4

July 7, 2023

PAGA Claim Notice Via Online Electronic Submission

California Labor & Workforce Development Agency

800 Capitol Mall, Suite 5000 (MIC-55)

Sacramento, CA 95814

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

RE: *Roman Mayne v. Sunroad MV Auto, Inc.*

Dear Representative:

This office represents Roman Mayne (“Claimant”) with respect to his claims under the California Labor Code against Sunroad MV Auto, Inc. dba San Diego Chrysler Dodge Jeep Ram (including any and all affiliates, subsidiaries, parents, directors, and officers thereof) (collectively referred to herein as “Employers”). This letter is being sent simultaneously to Employers by certified mail.

Employers employed Claimant from approximately February 1, 2022, to April 1, 2023, as a non-exempt, hourly-paid employee. During his employment with Employers, Claimant was employed as a Service Advisor at the 777 Camino del Rio S, San Diego, California 92108 location.

Claimant intends to bring a representative action seeking penalties for violations of the California Labor Code which are recoverable under the Labor Code Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* (“PAGA”). Claimant is seeking penalties on behalf of himself and in a representative capacity on behalf of the State of California and all current and former hourly-paid and/or non-exempt employees who worked for Employers in the State of California during the relevant statutory period (“Aggrieved Employees”). This letter is being sent in compliance with California Labor Code section 2699.3, and shall serve as Claimant’s notice of the provisions of the California Labor Code alleged to have been violated, including the facts and theories in support thereof.

As detailed below, Employers violated several of California’s wage and hour laws during Claimant’s employment, including but not limited to California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, and the Industrial Welfare Commission Wage Orders (“IWC Wage Order”) including, *inter alia*, IWC Wage Order No. 16-2001. The claims made on behalf of Claimant and Aggrieved Employees are based upon the following facts and theories:

1. FAILURE TO PAY FOR ALL TIME WORKED AT CORRECT RATES OF PAY, INCLUDING MINIMUM WAGES, STRAIGHT TIME WAGES, AND OVERTIME COMPENSATION

Employers have engaged in numerous unlawful practices which resulted in the failure to pay Claimant and other Aggrieved Employees for all time worked at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation.

California Labor Code sections 1194, 1197, and 1197.1 and IWC Wage Order No. 16-2001 require employers to pay at least the legal minimum wage to their employees. California Labor Code sections 510 and 1198 and IWC Wage Order No. 16-2001 further require employers to pay no less than one and one-half times the regular rate of pay of the employee for hours worked in excess of eight (8) hours in one workday, for hours worked in excess of forty (40) hours in one workweek, and for the first eight (8) hours worked on the seventh day of work in any one workweek, and to pay no less than twice the regular rate of pay of the employee for hours worked in excess of twelve (12) hours in one workday and for any work in excess of eight (8) hours on any seventh day of a workweek.

Throughout the relevant time period, Employers regularly required Claimant and other Aggrieved Employees to perform work off-the-clock. This off-the-clock work included, amongst other things, requiring Claimant and other Aggrieved Employees to continue with maintenance checks, client services, and car returns while not clocked in or during purported meal and rest periods. Employers failed to compensate Claimant and other Aggrieved Employees for any of this off-the-clock work, in violation of California law.

In addition, Employers utilized time rounding practices that resulted in the systematic underpayment of wages (including minimum wages, straight time wages and overtime wages) to Claimant and Aggrieved Employees.

Employers also failed to accurately record the actual time worked by Claimant and Aggrieved Employees. Moreover, the uncompensated work described herein was often performed when Claimant and other Aggrieved Employees had already worked eight (8) hours in a day and/or forty (40) hours in week resulting in a failure to pay overtime compensation. Finally, Employers failed to pay overtime to Claimant and Aggrieved Employees for all overtime hours worked based on regular rates of pay correctly calculated to include all applicable remuneration, including non-discretionary commissions, non-discretionary bonuses, and non-discretionary performance pay.

As a result of the foregoing practices, Employers have failed to pay Claimant and other Aggrieved Employees for all wages earned at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation. Accordingly, Employers violated IWC Wage Order No. 16-2001 and California Labor Code sections 204, 510, 1194, 1197, 1197.1 and 1198.

///

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 16-2001; penalties pursuant to California Labor Code sections 558, 1197.1, and 1199; and attorneys' fees and costs.

2. FAILURE TO PROVIDE MEAL PERIODS AND PAY MEAL PERIOD PREMIUMS

California law requires employers to provide employees with an opportunity to take an uninterrupted meal period of no less than thirty (30) minutes before the end of the fifth hour of work when an employee works more than five (5) hours in a day. Cal. Lab. Code §§ 226.7, 512(a). A second meal period of no less than thirty (30) minutes rest must be provided before the end of the tenth hour of work when an employee works more than ten (10) hours in a day. Cal. Lab. Code §§ 226.7, 512(a). When an employer fails to provide a meal or rest period, an hour of pay at the employee's regular rate of compensation is owed to the employee. Cal. Lab. Code § 226.7(c).

During the relevant time period, Employers failed to provide Claimant and other Aggrieved Employees with legally-compliant 30-minute meal periods. Claimant and other Aggrieved Employees were required by Employers to work more than five (5) hours per day, but were not provided with uninterrupted 30-minute meal periods. Further, Claimant and other Aggrieved Employees were not provided with a second uninterrupted 30-minute meal period when they worked over ten (10) hours per day. Employers regularly required Claimant and other Aggrieved Employees to work through their first and second meal periods, to take their first meal period after their fifth (5th) hour of work, and/or to take their second meal periods after their tenth (10th) hour of work. Meal periods, when provided, were oftentimes interrupted or cut short.

Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Claimant and other Aggrieved Employees from taking timely, complete and duty-free meal periods because, amongst other reasons: (1) Employers did not have legally-compliant policies regarding the provision and timing of meal periods or systematically disregarded its own purported meal period policies; (2) Employers' management at various levels failed and refused to implement and enforce legally compliant meal period policies and practices; (3) Employers failed to adequately inform and train Claimant and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free meal periods; (4) Employers failed to adequately inform and train Claimant and other Aggrieved Employees about their right to premium wages for non-compliant meal periods; (5) Employers failed to ensure that there was adequate staffing to allow Claimant and other Aggrieved Employees to take timely, uninterrupted, and duty-free meal periods; (6) Employers required Claimant and other Aggrieved Employees to respond to work-related requests at all times, including during meal periods; and (7) Employers' policy and culture prevented Claimant and other Aggrieved Employees from taking timely, uninterrupted, and duty-free meal periods because of the priority placed on maximizing profits over employees' right to receive timely, uninterrupted, and duty-free meal periods.

Claimant and other Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the meal periods which were not provided to them in compliance with California law. Accordingly, Employers violated IWC Wage Order No. 16-2001 and California Labor Code sections 226.7, 512(a) and 1198.

Claimants and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 16-2001; penalties pursuant to California Labor Code sections 558 and 1199; and attorneys' fees and costs.

3. FAILURE TO AUTHORIZE AND PERMIT REST PERIODS AND PAY REST PERIOD PREMIUMS

California law requires employers to authorize and permit employees to take an uninterrupted rest period of no less than ten (10) minutes rest for every four (4) hours, or major fraction thereof, worked. Cal. Lab. Code § 226.7. When an employer fails to authorize and permit a rest period, an hour of pay at the employee's regular rate of compensation is owed to the employee. Cal. Lab. Code § 226.7(c).

Employers failed to authorize and permit Claimant and other Aggrieved Employees to take legally-compliant 10-minute rest periods. Employers required Claimant and other Aggrieved Employees to work through rest periods. Claimant and Aggrieved Employees were not provided with uninterrupted, duty-free rest periods when they worked more than four (4) hours or a major fraction thereof. Further, Claimant and other Aggrieved Employees were not provided with a second uninterrupted, duty-free rest period when they worked more than six (6) hours in a day, or a third uninterrupted, duty-free rest period after working more than ten (10) hours in day. In the rare event that a rest period was taken, it was frequently interrupted or cut short. Moreover, Claimant and other Aggrieved Employees were not completely relieved of duty as required by *Augustus v. ABM Security Services, Inc.*, 2 Cal.5th 257 (2016).

Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Claimant and other Aggrieved Employees from taking timely and complete rest periods because, amongst other reasons: (1) Employers did not have legally-compliant policies regarding the provision and timing of rest periods or systematically disregarded its own purported rest period policies; (2) Employers' management at various levels failed and refused to implement and enforce legally compliant rest period policies and practices; (3) Employers failed to adequately inform and train Claimant and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free rest periods; (4) Employers failed to adequately inform and train Claimant and other Aggrieved Employees about their right to premium wages for non-compliant rest periods; (5) Employers failed to ensure that there was adequate staffing to allow Claimant and other Aggrieved Employees to take timely, uninterrupted, and duty-free rest periods; (6)

Employers required Claimant and other Aggrieved Employees to respond to work-related requests at all times, including during rest periods; and (7) Employers' policy and culture prevented Claimant and other Aggrieved Employees from taking timely, uninterrupted, and duty-free rest periods because of the priority placed on completing job requirements over employees' right to receive rest periods.

Claimant and other Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the rest periods which were not provided to them in compliance with California law. Accordingly, Employers violated IWC Wage Order No. 16-2001 and California Labor Code sections 226.7, and 1198.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 16-2001; California Labor Code sections 558 and 1199 penalties; and attorneys' fees and costs.

4. FAILURE TO TIMELY PAY WAGES DURING EMPLOYMENT

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, Employers have failed to timely pay all wages earned because Claimant and other Aggrieved Employees were not paid all the wages they were owed including, *inter alia*, overtime compensation, straight time wages, minimum wages, and meal and rest period premiums. Accordingly, Employers violated California Labor Code section 204(a).

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 210 and 1199; and attorneys' fees and costs.

5. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

California Labor Code section 226(a) requires an employer semimonthly or at the time of each payment of wages to furnish wage statements to its employees setting forth, *inter alia*, (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all

deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (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, and (8) the name and address of the legal entity that is the employer.

As a result of the practices described herein, the wage statements provided to Claimant and other Aggrieved Employees failed to include the actual hours worked (including time spent working off-the-clock), the actual gross wages earned (including wages owed for time spent working off the clock and meal and rest period premiums), and the correct rates of pay. The wage statements provided to Claimant and other Aggrieved Employees also failed to include the name of the legal entity that employed Claimant and the Aggrieved Employees. Accordingly, Employers violated California Labor Code section 226(a).

Claimant and Aggrieved Employees will therefore seek PAGA default penalties; penalties pursuant to California Labor Code section 226.3; and attorneys' fees and costs.

6. FAILURE TO MAINTAIN ACCURATE RECORDS

California Labor Code section 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case, shall be kept on file for not less than two years. During the relevant time period, Employers have failed to maintain accurate records relating to Claimant and other Aggrieved Employees' work periods, meal periods, total daily hours worked, and total hours worked per payroll period. Accordingly, Employers violated IWC Wage Order No. 16-2001 and California Labor Code sections 1198.5 and 1174(d).

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 16-2001; California Labor Code section 1174.5 penalties; and attorneys' fees and costs.

7. FAILURE TO REIMBURSE NECESSARY EXPENDITURES

California Labor Code sections 2800 and 2802 require an employer to reimburse its employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. IWC Wage Order No. 16-2001 requires employers to provide employees with the tools or equipment necessary for the performance of their job. During the relevant time period,

Claimant and Aggrieved Employees incurred necessary business-related expenses and costs that were not fully reimbursed by Employers. These costs include but are not limited to the purchase of dress code compliant clothing, office supplies, and the usage of personal cell phones for work-related purposes.

Accordingly, Employers violated IWC Order No. 16-2001 and California Labor Code sections 2800 and 2802. Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph 20(A) of IWC Wage Order No. 16-2001; and attorneys' fees and costs.

8. FAILURE TO TIMELY PAY ALL WAGES UPON TERMINATION OF EMPLOYMENT

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

During the relevant time period, upon the termination of employment (including but not limited to when they were temporarily laid off, laid off, discharged, and/or resigned), Aggrieved Employees were not paid all wages due to them within twenty-four (24) hours or even within seventy-two (72) hours for those who resigned. Specifically, as a result of Employers' practices of requiring Aggrieved Employees to work off-the-clock without compensation, failing to pay proper overtime compensation, unlawful rounding practices, failure to properly calculate regular rates, and failure to accurately record all hours actually worked, Employers failed to pay Aggrieved Employees for all straight time wage, minimum wages and overtime compensation owed to them upon termination of their employment. Employers also failed to pay Aggrieved Employees for meal period premiums and rest period premiums they were owed, amongst other wages. Accordingly, Employers violated California Labor Code sections 201 and 202.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to California Labor Code sections 203 and 1199; and attorneys' fees and costs.

Employers are in direct violation of numerous California wage and hour laws including but not limited to said sections stated above. We hereby provide notice under the California Labor Code Private Attorneys General Act of 2004, California Labor Code Sections 2698, et seq., and specifically ask for an investigation, or if the agency does not intend to investigate the alleged violations, a letter confirming the same so that we may allege a cause of action under PAGA against Employers for the violations discussed in this letter.

This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3. By law, an employee alleging a violation of one of the above referenced sections must notify his or her employer and the Labor and Workforce Development Agency (LWDA) before he or she can invoke the provisions of Sections 2699, et seq., by seeking redress in court. Cal. Lab. Code § 2699.3(a)(1). The LWDA must then notify the employer and the employee within 60 calendar days regarding whether it intends to investigate the alleged violation. Cal. Lab. Code § 2699.3(a)(2)(B). If the LWDA advises it will not investigate, or if no notice is provided within 65 calendar days, the employee may file a lawsuit invoking the provisions under Labor Code § 2699. Cal. Lab. Code § 2699.3(a)(2)(A). It is Claimant's intention to file a civil complaint and to bring the appropriate claims under California Labor Code § 2699 on behalf of themselves, the State of California and all Aggrieved Employees should your office not address Employers' alleged violations within this time.

If you have any questions or require additional information, please do not hesitate to contact my office. Thank you for your attention to this matter.

BLACKSTONE LAW

Patricia J. Van Ert

Patricia J. Van Ert, Esq.

cc: By U.S. Certified Mail, Return Receipt Requested

Sunroad MV Auto, Inc.
8620 Spectrum Center Blvd. Suite 1100
San Diego, CA 92123

Sunroad MV Auto, Inc.
ATTN: Blake L. Fillmore, Agent for Service of Process
8620 Spectrum Center Blvd. Suite 1100
San Diego, CA 92123

EXHIBIT 5

Date	Type of Expense	Description of Expense	Amount
10/31/2022	Filing	First Legal filing fee-Substitution of attorney	\$36.50
12/31/2022	Filing	First Legal filing fee-Case management statement	\$36.50
1/27/2023	Filing	Court docket download-Defendant's answer to the complaint	\$7.00
1/31/2023	Filing	First Legal filing fee-Stipulation	\$38.75
2/28/2023	Filing	First Legal filing fee-Stipulation	\$20.80
5/22/2023	Mailing	Certified mail—Welcome package Mayne Roman	\$1.50
6/27/2023	Filing	LWDA Notice—Shawn Farden	\$75.00
6/27/2023	Mailing	Certified mail—Sunroad Auto Holding Corp	\$8.10
6/27/2023	Mailing	Certified mail—Sunroad Auto Holding Corp, attn Blake Filmore	\$8.10
6/30/2023	Mailing	Certified mail—Welcome package Shawn Farden	\$1.50
7/5/2023	Mailing	Certified mail—Records Request Shawn Farden	\$8.10
7/7/2023	Filing	LWDA Notice—Mayne Roman	\$75.00
7/7/2023	Mailing	Certified mail—Sunroad Auto Holding Corp, attn Blake Filmore/ Mayne Roman	\$8.10
7/7/2023	Mailing	Certified mail—PAGA Letter Notice to Sunroad MV Auto Inc	\$8.10
7/21/2023	Mailing	Certified mail—Records request	\$8.53
7/21/2023	Mailing	Certified mail—Records request Mayne Roman	\$8.53
2/27/2024	Filing	Filing fee-Case Management Statement	\$59.95
3/7/2024	Filing	Court download-Minute orders, Ntc of case assignment, stipulation, NAR, Notice of Lien	\$22.00
5/13/2024	Filing	Filing fee-Notice of Remote Appearance	\$59.95
7/26/2024	Filing	Fees-Case from JLG	\$1,705.45
10/16/2024	Mailing	PAGA Letter to Sunroad Auto Holding Corp	\$9.92
10/16/2024	Mailing	PAGA Letter to Sunroad Auto Holding Corp-Agent for service	\$9.92
12/25/2024	Filing	Joint Status Conference Statement	\$59.95
12/18/2024	Filing	Amended Complaint and POS	\$59.95

Total: **\$2,337.20**