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Clerk of the Superior Court
By M. Sepulveda ,Deputy Clerk

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

MARIA GARCIA, on behalf of other aggrieved
employees and the State of California under the
Private Attorneys General Act,

Plaintiffs,

vs.

PINNACLE INTERNATIONAL
DEVELOPMENT, INC., and DOES 1 through
50, inclusive,

Defendants.

Case No. 25CU018480C

**REPRESENTATIVE ACTION
COMPLAINT**

1. Civil Penalties under the Private Attorneys
General Act (Labor Code §§ 2698 *et seq.*)

Action Filed:

1 Plaintiff MARIA GARCIA, on behalf of all other aggrieved employees and the State of
2 California under the Private Attorneys General Act (“Plaintiff”) brings this REPRESENTATIVE
3 ACTION COMPLAINT against Defendants PINNACLE INTERNATIONAL DEVELOPMENT,
4 INC., and DOES 1 through 50, inclusive (collectively “Defendants”), alleging as follows:

5 **INTRODUCTION**

6 1. This is a representative action complaint brought under the California Private Attorneys
7 General Act (Labor Code sections 2968 *et seq.*).

8 2. Defendants failed to pay Plaintiff and the aggrieved employees all minimum and
9 overtime wages due to unlawful policies and practices of unauthorized time editing and off-the-clock
10 work.

11 3. Plaintiff and the aggrieved employees were not always authorized or permitted to take
12 compliant meal and rest periods. Defendants failed to pay all owed premiums for non-compliant meal
13 and rest periods.

14 4. Defendants underpaid Plaintiff’s and the aggrieved employees’ wages by failing to
15 include all forms of remuneration including non-discretionary bonuses and other forms of non-
16 excludable remuneration into the regular rate of pay calculation for overtime, sick pay, and premium
17 wages.

18 5. Defendants failed to credit the aggrieved employees with all vacation time.

19 6. Defendants required Plaintiff and the aggrieved employees to incur costs for work-
20 related purposes without full reimbursement.

21 7. Defendants engaged in retaliatory conduct against aggrieved employees for making
22 bona fide workplace complaints.

23 8. Defendants’ employment policies, practices, and payroll administration systems
24 enabled and facilitated these violations on a company-wide basis with respect to the aggrieved
25 employees.

26 **JURISDICTION & VENUE**

27 9. Jurisdiction of this action is proper in this Court under Article VI, Section 10 of the
28 California Constitution as the causes of action are premised upon violations of California law.

each of DOES 1 through 50 constitutes a legal employer or is otherwise legally responsible in some manner for the acts and omissions alleged herein. This Complaint may be amended to reflect their true names and capacities once ascertained.

17. Upon information and belief, Defendants in this action are employers, co-employers, joint employers, and/or part of an integrated employer enterprise, as each of the Defendants exercised control over the wages, hours, and working conditions of the employees, suffered and permitted them to work, and otherwise engaged them as employees under California law.

18. Upon information and belief, at least some of the Defendants have common ownership, common management, interrelationship of operations, and centralized control over labor relations and are therefore part of an integrated enterprise and thus jointly and severally responsible for the acts and omissions alleged herein, including pursuant to Labor Code sections 558, 558.1, and 1197.1.

19. Upon information and belief, Defendants acted in all respects pertinent to this action as an alter-ego, agent, servant, joint employer, joint venturer, co-conspirator, partner, in an integrated enterprise, or in some other capacity on behalf of all other co-defendants, such that the acts and omissions of each defendant may be legally attributable to all others.

GENERAL ALLEGATIONS

20. Plaintiff and the aggrieved employees worked for Defendants as non-exempt employees compensated on an hourly basis.

21. Defendants failed to pay Plaintiff and the aggrieved employees at the lawful minimum wage rate for all hours worked, resulting in unpaid minimum wages.

22. Specifically, Defendants engaged in an unlawful practice of time editing to avoid paying all minimum wages. The revisions were made without the aggrieved employees' knowledge or consent.

23. Each time Defendants made edits to Plaintiff and the aggrieved employees' time records removing hours worked, this resulted in unpaid minimum wages.

24. Further, Plaintiff and other aggrieved employees regularly had to work through their off-the-clock meal periods because of having to respond to security issues and understaffing. As discussed in more detail in the meal periods section, Plaintiff and the aggrieved employees' meal

1 periods would be interrupted and/or cut short and they would have to return back to work. During the
2 times when Plaintiff and the aggrieved employees were clocked out for a meal period, this issue
3 resulted in unpaid minimum wages.

4 25. Defendants failed to pay Plaintiff and the aggrieved employees overtime wages and the
5 lawful rate of pay for overtime hours worked, resulting in unpaid overtime wages.

6 26. First, as discussed above, Defendants engaged in an unlawful policy and practice of
7 editing Plaintiff's and the aggrieved employees' time records which resulted in unpaid off-the-clock
8 work. To the extent this unlawful practice resulted in unpaid work over 8 hours in a day or 40 hours
9 in a week this resulted in unpaid overtime.

10 27. Second, Defendants failed to pay overtime at the "regular rate of pay." Defendants paid
11 Plaintiff and the aggrieved employees earned bonuses, commissions, and other forms of additional
12 remuneration which Defendants failed to include in the overtime rates in the pay periods when
13 employees earned both.

14 28. An illustrative example of Defendants' regular rate of pay violation as it pertains to
15 overtime is shown on Plaintiff's wage statement for the pay period of 10/25/2024 to 11/13/2024 where
16 Plaintiff earned a \$389.47 bonus for reaching a certain number of units in the same pay period she
17 worked overtime; however, Plaintiff's overtime was paid at a deficient rate. Defendants failed to
18 properly factor the bonus payment into the regular rate of pay. Plaintiff is informed and believes
19 Defendants committed the same regular rate violations with respect to the aggrieved employees.

20 29. Defendants failed to comply with California's paid sick leave laws with respect to the
21 aggrieved employees.

22 30. Because Defendants failed to pay for and record all of Plaintiff's and other aggrieved
23 employees' working hours, Defendants failed to credit them with all of the sick leave hours they
24 actually accrued.

25 31. Moreover, Defendants failed to pay sick leave at the "regular rate of pay." Plaintiff and
26 the aggrieved employees earned sick pay in the same pay period they earned bonuses and other non-
27 excludable remuneration, and Defendants underpaid those wages due to the regular rate violations
28 addressed above.

1 32. Specifically, Defendants did not pay the aggrieved employees sick leave “in the same
2 manner as the regular rate of pay for the workweek in which the employee uses paid sick leave,
3 whether or not the employee actually worked overtime in that workweek,” as the regular rate should
4 have included bonuses and all other forms of additional nonexcludable remuneration. An illustrative
5 example of this violation is shown in Plaintiff’s wage statement for the pay period of 10/25/2024 to
6 11/13/2024 where Plaintiff earned a \$389.47 bonus for reaching a certain number of units in the same
7 pay period, she utilized sick leave; however, Plaintiff’s sick pay was paid at her base hourly rate.
8 Defendants failed to properly factor the bonus payment into the regular rate of pay for Plaintiff’s sick
9 pay. Plaintiff is informed and believes Defendants committed the same regular rate violations with
10 respect to the aggrieved employees.

11 33. Defendants maintained an unlawful policy and practice of failing to pay all accrued and
12 unused vacation wages upon separation of employment at the lawful rate of pay, resulting in forfeiture
13 of vested vacation time and wages.

14 34. As described above, Defendant failed to record all of the time that Plaintiff and other
15 aggrieved employees worked for Defendant and undercounted their hours worked. Consequently,
16 Defendant failed to credit the aggrieved employees with all vacation time they had actually accrued.
17 Therefore, vacation wages were not paid out at the lawful rate of pay inclusive of all earnings.

18 35. Plaintiff and the aggrieved employees often experienced missed, late, short, and
19 interrupted meal periods in order to keep up with the high demands of the job and as a result of
20 understaffing. For example, Defendants security personnel would often come to Plaintiff during her
21 meal period with questions or requiring assistance in dealing with an emergency, this resulted in
22 Plaintiff’s meal period being interrupted, late, or other non-compliant.

23 36. Each time Plaintiff and the aggrieved employees experienced a non-compliant meal
24 period, they were owed a meal period premium. As a matter of policy and practice, Defendants failed
25 to pay all owed meal period premiums. An illustrative example of this Defendants’ failure to pay all
26 owed meal period premiums is shown in Plaintiff’s time records and wage statements for the period
27 from 07/07/2024 to 07/15/2024 where Plaintiff suffered two short meal periods on 7/7/2024 and
28 7/15/2024 because both meal periods were less than the lawful 30 minutes. However, Defendants

1 failed to pay Plaintiff her corresponding meal period premiums due to these violations. Therefore,
2 Defendants failed to pay Plaintiff and, on information and belief, other aggrieved employees, all meal
3 owed meal period premiums.

4 37. To the extent Defendants ever paid a meal period premium, Defendants violated Labor
5 Code section 226.7 because such premiums were not paid at the regular rate of compensation to the
6 aggrieved employees, which should have factored in bonuses and other forms of non-excludable
7 remuneration.

8 38. Defendants failed to provide all rest periods to which Plaintiff and the aggrieved
9 employees were entitled and further failed to pay all owed rest period premiums.

10 39. For the same reasons Plaintiff and the aggrieved employees experienced non-compliant
11 meal periods, like understaffing, being interrupted by security and customer issues, and the pressure
12 to keep up with the high demands of the job, they also experienced non-complaint rest periods. For
13 example, on one occasion Plaintiff was on a rest break, a fire emergency happened and she was
14 required to return to the desk to deal with it.

15 40. As a matter of policy and practice, Defendants failed to pay all owed rest period
16 premiums. To the extent Defendants paid rest periods, these premiums were underpaid as a result of
17 the Defendants' failure to pay premiums at the regular rate of compensation.

18 41. Defendants required Plaintiff and the aggrieved employees to incur costs for work-
19 related purposes without full reimbursement. In direct consequence of their job duties, Plaintiff and
20 the aggrieved employees unavoidably and necessarily incurred these losses, expenditures, costs, and
21 as a matter of policy and practice.

22 42. Defendants required Plaintiff and the aggrieved employees to utilize their personal cell
23 phone to complete necessary work tasks, such as to communicate with co-workers and management
24 regarding scheduling via the cell phone app WhatsApp. Plaintiff and aggrieved employees received
25 calls, and messages from managers about work hours and switching shifts with other employees and
26 were expected to keep up to date with the group chat on WhatsApp while off-the-clock.

1 43. Plaintiff and the aggrieved employees were not reimbursed for the expenses associated
2 with cell phone usage. Instead, Plaintiff and the aggrieved employees bore the cost of these
3 requirements, without reimbursement.

4 44. Defendants engaged in retaliatory conduct against employees for making bona fide
5 workplace complaints. For example, when Plaintiff complained about having her work breaks
6 interrupted and repeated harassment by the security team, including photographing her. Defendants
7 dismissed her complaints, told her “I’ll look into it”. The situation continued as did Plaintiffs
8 complaints and she was terminated as a result after never receiving a write up or warning.

9 45. These violations create derivative liability for failure to timely pay all wages owed each
10 payday or upon separation of employment.

11 46. Defendants failed to provide accurate itemized wage statements to the aggrieved
12 employees each pay period as a result of the policies and practices set forth in this notice. Defendants
13 violated Labor Code section 226(a)(1) and (5) by not listing the correct “gross wages earned” or “net
14 wages earned,” as the employees earned wages and premiums that were not paid, resulting in an
15 inaccurate reflection, and recording of “gross wages earned” on those wage statements.

16 47. Likewise, in violation of Labor Code section 226(a)(9), Defendants failed to state on
17 employee wage statements each pay period the applicable hourly rates in effect and the number of
18 hours worked at that rate, as Defendants failed to pay all wages and premiums owed to employees.
19 The amounts stated are instead depreciated and underpaid, resulting in an inaccurate reflection on the
20 pay stub.

21 48. Defendants violated Labor Code section 226(a)(2) by failing to accurately list
22 employees’ “total hours worked,” as the wage statements did not accurately include the
23 uncompensated time Plaintiff and other aggrieved employees worked due to Defendants’ policy and
24 practice of editing time records.

25 49. Plaintiff and other aggrieved employees cannot promptly and easily determine from the
26 wage statement alone the wages paid or earned without reference to other documents or information.
27 Indeed, these wage statement violations are significant because they sow confusion among Plaintiff
28 and other aggrieved employees with respect to what amounts were owed and paid, at what rates, the

number of hours worked, and how those amounts were or should be calculated. The wage statements reflect a false statement of earnings and concealed the underlying problems and underpayments of employee wages.

50. Because of the policies and practices set forth in this notice, including the failure to accurately account for wages earned or hours worked, Defendant failed to accurately maintain records in accordance with Labor Code section 1174 and the IWC Wage Orders.

FIRST CAUSE OF ACTION

CIVIL PENALTIES UNDER THE PRIVATE ATTORNEYS GENERAL ACT

Violation of Labor Code §§ 2698 *et seq.*

(By Plaintiff on Behalf of the State and the Aggrieved Employees Against All Defendants)

51. All outside paragraphs of this Complaint are incorporated into this section.

52. Plaintiff brings this cause of action as a proxy for the State of California on behalf of the following “aggrieved employees” pursuant to the Private Attorneys General Act (“PAGA”), codified as Labor Code section 2698 *et seq.*:

- a. All current and former non-exempt employees who worked for Defendants in California at any time from one year prior to the postmark date of the initial PAGA notice through date of trial.

53. Plaintiff reserves the right to amend, supplement, or add to this description of the aggrieved employees, according to proof.

54. The State of California, via the Labor and Workforce Development Agency (“LWDA”), is the real party in interest in this action with respect to this cause of action. (*Kim v. Reins Int’l California, Inc.* (2020) 9 Cal. 5th 73, 81 [The “government entity on whose behalf the plaintiff files suit is always the real party in interest.”])

55. Labor Code section 2699(a) provides: “Notwithstanding any other provision of law,, any provision of this code that provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency or any of its departments, divisions, commissions, boards, agencies, or employees, for a violation of this code, may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of the employee and other current or former

employees against whom a violation of the same provision was committed pursuant to the procedures specified in Section 2699.3. “

56. Any allegations regarding violations of the IWC Wage Orders are enforceable as violations of Labor Code section 1198, which states: “[t]he employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.”

57. Labor Code section 2699.3 sets forth the procedure for commencing an action for civil penalties under the PAGA.

58. On or about **January 27, 2025**, Plaintiff paid the requisite PAGA filing fee and provided written notice (by online electronic filing with the LWDA and by certified mail to Defendants) of Defendants’ alleged Labor Code violations, including the facts and theories to support the alleged violations.

59. A true and correct copy of Plaintiff’s written PAGA notice, entitled “Notice of Labor Code Violations” is attached hereto as Exhibit 1 and incorporated by reference as though fully set forth herein (the “PAGA notice”).

60. To date, neither Plaintiff nor Plaintiff’s counsel has received a response to Plaintiff’s written PAGA notice from the LWDA.

61. Within 33 calendar days of the postmark date of the notice sent by Plaintiff, neither Plaintiff nor Plaintiff’s counsel has received written notice by certified mail from any defendant providing a description of any actions taken to cure the alleged violations.

62. Now that at least 65 days have passed from Plaintiff notifying Defendants of these violations, without notice of cure from Defendants or notice from the LWDA of its intent to investigate the alleged allegations and issue the appropriate citations to Defendants, Plaintiff exhausted all prerequisites and commenced this civil action under Labor Code section 2699 *et seq.*

63. As set forth in the PAGA notice attached as Exhibit 1 and incorporated into this Complaint, Defendants committed the following violations and are liable for all corresponding civil penalties:

- a. ***Unpaid Hours Worked/Minimum Wage.*** Violation of Labor Code §§ 1194, 1197, 1198; IWC Wage Orders.

- b. ***Unpaid Overtime.*** Violation of Labor Code §§ 510, 1194, 1198; IWC Wage Orders.
- c. ***Unpaid Paid Sick Leave.*** Violation of Labor Code §§ 246 through 248.7.
- d. ***Unpaid Vacation Wages.*** Violation of Labor Code § 227.3.
- e. ***Unpaid Meal Period Premium Wages.*** Violation of Labor Code §§ 226.7, 512, 1198; IWC Wage Orders.
- f. ***Unpaid Rest Period Premium Wages.*** Violation of Labor Code §§ 226.7, 516, 1198; IWC Wage Orders.
- g. ***Untimely Payment of Wages During Employment.*** Violation of Labor Code §§ 204, 204b, 210.
- h. ***Untimely Payment of Wages Upon Separation of Employment.*** Violation of Labor Code §§ 201, 202, 203, 256.
- i. ***Non-Compliant Wage Statements.*** Violation of Labor Code §§ 226, 226.3.
- j. ***Unreimbursed Employee Expenses.*** Violation of Labor Code §§ 2802, 2804.
- k. ***Retaliation.*** Violation of Labor Code §§ 98.6 and 1102.5.
- a. ***Failure to Maintain Accurate Records.*** Violation of Labor Code § 1174; IWC Wage Orders.

64. Plaintiff seeks to collect all recoverable civil penalties for the Labor Code violations alleged in this Complaint and the PAGA notice (including amendments thereto) against Defendants pursuant to Labor Code section 2699(a) and (f), in addition to attorneys' fees, costs, and interest to the extent permitted by law, including under Labor Code section 2699(k).

PRAYER

Plaintiff prays for judgment as follows:

- a. For recovery of damages in amount according to proof;
- b. For all recoverable pre- and post-judgment interest;
- c. For this action to be maintained as a representative action under the PAGA;

- 1 d. For Plaintiff and counsel of record to be provided with all enforcement capability as if
2 the action were brought by the State of California or the California Division of Labor
3 Enforcement;
4 e. For recovery of all civil penalties and other recoverable amounts under the PAGA;
5 f. For reasonable attorneys' fees and costs of suit, including expert fees, to the extent
6 permitted by law, associated with the PAGA claims pursuant to Labor Code § 2699,
7 and Code of Civil Procedure section 1021.5 and any other applicable sections; and
8 g. For such other relief the Court deems just and proper.

9
10 Dated: April 9, 2025

Ferraro Vega Employment Lawyers, Inc.

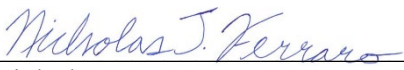
11 
12 _____
13 Nicholas J. Ferraro
14 Dorota A. James
15 *Attorneys for Plaintiff Maria Garcia*

EXHIBIT 1

Notice of Labor Code Violations

FERRARO VEGA
SAN DIEGO EMPLOYMENT LAWYERS

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January 27, 2025

NOTICE OF LABOR CODE VIOLATIONS
CALIFORNIA LABOR CODE SECTIONS 2698 *et seq.*

VIA CERTIFIED U.S. MAIL
- Electronic Return Receipt -

**Pinnacle International Development,
Inc.**
300-911 Homer Street
Vancouver, British Columbia V6B 2W6
Canada

- PAGA Notice & Filing Fee -
Submitted electronically to the Labor and
Workforce Development Agency

**Pinnacle International Development,
Inc.**
c/o David L Dick
12750 High Bluff Drive Ste 250
San Diego, CA 92130

Dear LWDA Officer and Company Representatives:

This letter serves as written notice under Labor Code section 2699.3 on behalf of **MARIA GARCIA** (“Plaintiff(s)”) and all other “aggrieved employees” of the following “Defendant(s)”:

PINNACLE INTERNATIONAL DEVELOPMENT, INC.;

Defendant(s) shall mean and include the foregoing in addition to any other related employer entities, individuals under Labor Code sections 558 and 558.1, and all others who may be later added upon further investigation and discovery as liable employers.

This office serves as legal counsel for Plaintiff. If the California Labor and Workforce Development Agency (“LWDA”) does not investigate the facts, allegations, and violations set forth in this notice within the statutorily prescribed 65-day period under Labor Code section 2699.3, Plaintiff intends to commence a civil action against Defendants as a proxy and agent of the State of California under the Private Attorneys General Act (“PAGA”). “PAGA allows

an ‘aggrieved employee’—a person affected by at least one Labor Code violation committed by an employer—to pursue penalties for all the Labor Code violations committed by that employer.” *Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal. App. 5th 745, 751; *Kim v. Reins International California, Inc.* (2020) 9 Cal. 73, 79. Plaintiff maintains standing to pursue these claims against Defendants as an aggrieved employee.

Through this notice, Plaintiff requests that Defendants complete an internal investigation and audit of the wage and hour and employment practices at issue and make a good faith effort to correct any violations. Plaintiff attempts to identify the non-compliant policies and practices affecting the aggrieved employees so that the parties may resolve the underlying damages and penalties in judgment or settlement approved by the Superior Court of California under Labor Code section 2699(s). Defendants are notified that any attempt to resolve this case should be conducted in coordination with Plaintiff’s counsel to protect the interests of Plaintiff, the aggrieved employees, and the State of California via the LWDA. Plaintiff advises Defendants this letter should be also considered a reasonable attempt at settlement of this matter, subject to an exchange of additional documents and information. *Graham v. Daimler Chrysler Corp.* (2004) 24 Cal. 4th 553, 561.

- BACKGROUND -

Defendants employed Plaintiff during the PAGA Period in the position of Concierge from about August 29, 2022 to November 13, 2024. During their employment Plaintiff and the other aggrieved employees were subject to the wage and hour and employment protections set forth in the California Labor Code and IWC Wage Orders.

Through this notice, Plaintiff informs the LWDA of the Labor Code violations set forth herein. The “aggrieved employees” include Plaintiff and the following individuals:

All current and former non-exempt employees who worked for Defendants in the State of California during one-year period preceding the date of this notice through the current date and the date of trial in any pending action (the “aggrieved employees” and the “PAGA Period”).

Plaintiff reserves the right to expand or narrow the definition of the “aggrieved employees” in the forthcoming civil action. Furthermore, Plaintiff seeks all recoverable civil penalties for Defendants’ violations and reserves the right to supplement this notice as further investigation is completed and further facts, witnesses, and violations are uncovered.

- PAGA CLAIMS -

Unpaid Hours Worked/Minimum Wage Violation of Labor Code §§ 1194, 1197, 1198; IWC Wage Orders

Defendants violated Labor Code sections 1194, 1197, and 1198, along with the California Minimum Wage Order, the applicable local minimum wage ordinances, and the “Hours and

Days of Work” and “Minimum Wages” sections of the applicable IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 1194 renders it unlawful for an employee to receive less than the legal minimum wage for hours worked in California. Labor Code section 1197 further mandates that “[t]he minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a lower wage than the minimum so fixed is unlawful.” Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The California Minimum Wage Order and the applicable sections of the IWC Wage Orders further require payment of minimum wages for all hours worked. The “Minimum Wages” sections of the applicable IWC Wage Order provide that “[e]very employer shall pay to each employee, on the established payday for the period involved, not less than the applicable minimum wage for all hours worked in the payroll period, whether the remuneration is measured by time, piece, commission, or otherwise.” The foregoing California wage laws require payment of “not less than the applicable minimum wage *for all hours worked* in the payroll period” and California law does not allow averaging of pay over the hours worked in the pay period, even if the total pay results in an average above the minimum wage. *Armenta v. Osmose, Inc.* (2005) 135 Cal. App. 3d 314, 324.

Defendants failed to pay Plaintiff and the aggrieved employees at the lawful minimum wage rate for all hours worked, resulting in unpaid minimum wages. Specifically, Defendants engaged in an unlawful practice of time editing to avoid paying all minimum wages. The revisions were made without the aggrieved employees’ knowledge or consent.

Each time Defendants made edits to Plaintiff and the aggrieved employees’ time records removing hours worked, this resulted in unpaid minimum wages.

Further, Plaintiff and other aggrieved employees regularly had to work through their off-the-clock meal periods because of having to respond to security issues and understaffing. As discussed in more detail in the meal periods section, Plaintiff and the aggrieved employees’ meal periods would be interrupted and/or cut short and they would have to return back to work. During the times when Plaintiff and the aggrieved employees were clocked out for a meal period, this issue resulted in unpaid minimum wages.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Overtime
Violation of Labor Code §§ 510, 1194, 1198; IWC Wage Orders

Defendants violated Labor Code sections 510, 1194, and 1198, along with the “Hours and Days of Work” sections of the applicable IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 510 requires “[a]ny work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee;” and “any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee;” and “any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee.” Labor Code section 1194 renders it unlawful for an employee to receive less than the legal overtime rate for overtime hours worked in California. Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The IWC Wage Orders further require payment of overtime wages for all overtime hours worked, including the “Hours and Days of Work” sections.

Defendants failed to pay Plaintiff and the aggrieved employees overtime wages and the lawful rate of pay for overtime hours worked, resulting in unpaid overtime wages.

First, as discussed in the “Unpaid Hours Worked” section above, Defendants engaged in an unlawful policy and practice of editing Plaintiff’s and the aggrieved employees’ time records which resulted in unpaid off-the-clock work. To the extent this unlawful practice resulted in unpaid work over 8 hours in a day or 40 hours in a week this resulted in unpaid overtime.

Second, Defendants failed to pay overtime at the “regular rate of pay.” Defendants paid Plaintiff and the aggrieved employees earned bonuses, commissions, and other forms of additional remuneration which Defendants failed to include in the overtime rates in the pay periods when employees earned both.

An illustrative example of Defendants’ regular rate of pay violation as it pertains to overtime is shown below:

Pay Type	Pay Rate	Hours (Units)	Gross Pay	YTD Hours (Units)	YTD Gross Pay
REG HRS	22.0000	109.05	2399.10	1735.04	38170.88
OT HRS	33.0000	0.28	9.24	21.61	713.13
SICK HRS	22.0000	8.00	176.00	40.00	880.00
HOL HRS	22.0000	8.00	176.00	64.00	1408.00
VAC					
Dollars	22.0000	0.00	659.99	64.00	2067.99
BONUS \$		0.00	389.47	0.00	2107.63

Extract from Plaintiff's Wage Statement for the period 10/25/2024 to 11/13/2024.

Here, Plaintiff earned a \$389.47 bonus ("BONUS \$") for reaching a certain number of units in the same pay period she worked overtime; however, Plaintiff's overtime was paid at a deficient rate. Defendants failed to properly factor the bonus payment into the regular rate of pay. Plaintiff is informed and believes Defendants committed the same regular rate violations with respect to the aggrieved employees.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Paid Sick Leave **Violation of Labor Code §§ 246 through 248.7**

Defendants violated Labor Code sections 246 through 248.7 with respect to the aggrieved employees.

Labor Code section 246 requires employers to provide paid sick leave to its workforce on the terms set forth in the statute. Employers must comply with the accrual, use, and notice provisions of Labor Code sections 246, 246.5, 247, and must further ensure that they maintain the paid sick leave records required by Labor Code section 247.5. Employers have the option of providing 24 hours of paid sick leave to employees or to allow employees to accrue paid sick leave each pay period. If an employer chooses the accrual method, employees must accrue sick leave at a rate of one hour for every thirty hours worked in a given pay period as set forth in Labor Code section 246(b)(1). Under the accrual method, employees must begin accruing paid sick leave at the commencement of employment.

Employers must pay sick leave in accordance with one of the three permissible methods provided in Labor Code section 246(l): (1) "the same manner as the regular rate of pay for the workweek;" (2) "by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days;" or (3) "for exempt employee ... in the same manner as the employer calculates wages for other forms of paid leave time." Labor Code sections 248.6 and 248.7 similarly require paid sick leave to be

paid at a regular rate-based calculation in excess of the base hourly rate and at the lawful accrual rate.

Under Labor Code section 246(i), employers must provide employees “with written notice of the amount of paid sick leave available ... for use on either the employee’s itemized wage statement ... or in a separate writing provided on the designated pay date with the employee’s payment of wages.”

Defendants failed to comply with California’s paid sick leave laws with respect to the aggrieved employees.

Because Defendants failed to pay for and record all of Plaintiff and other aggrieved employees’ working hours, Defendants failed to credit them with all of the sick leave hours they actually accrued.

Moreover, Defendants failed to pay sick leave at the “regular rate of pay.” Plaintiff and the aggrieved employees earned sick pay in the same pay period they earned bonuses and other non-excludable remuneration, and Defendants underpaid those wages due to the regular rate violations addressed above. Specifically, Defendants did not pay the aggrieved employees sick leave “in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick leave, whether or not the employee actually worked overtime in that workweek,” as the regular rate should have included bonuses and all other forms of additional nonexcludable remuneration. An illustrative example of this violation is shown below:

Pay Type	Pay Rate	Hours (Units)	Gross Pay	YTD Hours (Units)	YTD Gross Pay
REG HRS	22.0000	109.05	2399.10	1735.04	38170.88
OT HRS	33.0000	0.28	9.24	21.61	713.13
SICK HRS	22.0000	8.00	176.00	40.00	880.00
HOL HRS	22.0000	8.00	176.00	64.00	1408.00
VAC					
Dollars	22.0000	0.00	659.99	64.00	2067.99
BONUS \$		0.00	389.47	0.00	2107.63

Extract of Plaintiff’s Wage Statement for the period 10/25/2024 to 11/13/2024.

Here, Plaintiff earned a \$389.47 bonus (“BONUS \$”) for reaching a certain number of units in the same pay period she utilized sick leave; however, Plaintiff’s sick pay was paid at her base hourly rate. Defendants failed to properly factor the bonus payment into the regular rate of pay for Plaintiff’s sick pay. Plaintiff is informed and believes Defendants committed the same regular rate violations with respect to the aggrieved employees.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Vacation Wages
Violation of Labor Code §§ 227.3

Defendants violated Labor Code section 227.3 with respect to the aggrieved employees.

Labor Code section 227.3 requires “whenever a contract of employment or employer policy provides for paid vacations, and an employee is terminated without having taken off his vested vacation time, all vested vacation shall be paid to him as wages at his final rate in accordance with such contract of employment or employer policy respecting eligibility or time served; provided, however, that an employment contract or employer policy shall not provide for forfeiture of vested vacation time upon termination.”

Defendants maintained an unlawful policy and practice of failing to pay all accrued and unused vacation wages upon separation of employment at the lawful rate of pay, resulting in forfeiture of vested vacation time and wages. As described above, Defendant failed to record all of the time that Plaintiff and other aggrieved employees worked for Defendant and undercounted their hours worked. Consequently, Defendant failed to credit the aggrieved employees with all vacation time they had actually accrued. Therefore, vacation wages were not paid out at the lawful rate of pay inclusive of all earnings.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Meal Period Premium Wages
Violation of Labor Code §§ 226.7, 512, 1198; IWC Wage Orders

Defendants violated Labor Code sections 226.7, 512, and 1198, along with the related sections of the IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 512 and the IWC Wage Orders require that employers provide an uninterrupted 30-minute meal period after no more than five hours of work and a second meal period after no more than 10 hours of work. *See Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal. 4th 1004, 1049. Labor Code section 226.7 requires that if a meal period is late, missed, short, or interrupted, the employer must pay one additional hour of pay at the employee’s “regular rate” of compensation. *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal. 5th 858, 862 (“We hold that the terms are synonymous: “regular rate of compensation” under section 226.7(c), like “regular rate of pay” under section 510(a), encompasses all nondiscretionary payments, not just hourly wages”). “[T]ime records showing noncompliant meal periods raise a rebuttable presumption of meal period violations, including at the summary judgment stage.”

Donohue v. AMN Services, LLC (2021) 11 Cal. 5th 58, 61. Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The IWC Wage Orders, including Section 11 (Meal Periods), further require one uninterrupted 30-minute meal period after no more than five hours of work and a second meal period after no more than 10 hours of work and an additional hour of pay at the employee’s regular rate of compensation for each workday that a compliant meal period is not provided. Pursuant to Section 11(A) of the IWC Wage Orders, the California Supreme Court has held that the on-duty meal period exception is “exceedingly narrow” and applies only when (1) “the nature of the work prevents the employee from being relieved of all duty” and (2) *both* “the employer and employee have agreed, in writing, to the on-duty meal period.” *Augustus v. AMB Security Services, Inc.* (2016) 2 Cal. 5th 257, 266-276 (emphasis added). If these two requirements are not met, then the employer owes the employee one hour of premium pay for each non-compliant meal period taken under the purported on-duty meal arrangement. *Naranjo v. Spectrum Security Services, Inc.* (2019) 40 Cal. 5th 444, 459.

Plaintiff and the aggrieved employees often experienced missed, late, short, and interrupted meal periods in order to keep up with the high demands of the job and as a result of understaffing. For example, Defendants security personnel would often come to Plaintiff during her meal period with questions or requiring assistance in dealing with an emergency, this resulted in Plaintiff’s meal period being interrupted, late, or other non-compliant.

Each time Plaintiff and the aggrieved employees experienced a non-compliant meal period, they were owed a meal period premium. As a matter of policy and practice, Defendants failed to pay all owed meal period premiums. An illustrative example of this Defendants’ failure to pay all owed meal period premiums is shown below:

1:42 AM	7:18 AM	05:26	00:10	00:00	00:00		00:42
10:32 PM	1:08 AM	02:36	00:00	00:00	00:00	08:12	00:00
1:36 AM	7:32 AM	05:24	00:32	00:00	00:00		00:28
10:24 PM	1:16 AM	02:52	00:00	00:00	00:00	02:52	00:00
1:41 AM	7:44 AM	05:08	00:55	00:00	00:00		00:25
10:34 PM	1:02 AM	02:28	00:00	00:00	00:00	08:31	00:00

Extract of Plaintiff’s time records for 7/7/2024 and 7/15/2024.

Pay Type	Pay Rate	Hours (Units)	Gross Pay	YTD Hours (Units)	YTD Gross Pay
REG HRS	22.0000	68.06	1497.32	1057.10	23256.20
OT HRS	33.0000	2.72	89.76	13.71	452.43
SICK HRS	22.0000	8.00	176.00	24.00	528.00
HOL HRS	22.0000	8.00	176.00	48.00	1056.00
VAC	22.0000	8.00	176.00	32.00	704.00
Dollars					
BONUS \$		0.00	137.50	0.00	1025.00

Extract of Plaintiff's wage statement for the period from 7/1/2024 to 7/15/2024.

Here, Plaintiff suffered two short meal periods on 7/7/2024 and 7/15/2024 because both meal periods were less than the lawful 30 minutes. However, Defendants failed to pay Plaintiff her corresponding meal period premiums due to these violations. Therefore, Defendants failed to pay Plaintiff and, on information and belief, other aggrieved employees, all meal owed meal period premiums.

To the extent Defendants ever paid a meal period premium, Defendants violated Labor Code section 226.7 because such premiums were not paid at the regular rate of compensation to the aggrieved employees, which should have factored in bonuses and other forms of non-excludable remuneration.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Rest Period Premium Wages **Violation of Labor Code §§ 226.7, 516, 1198; IWC Wage Orders**

Defendants violated Labor Code sections 226.7, 516, and 1198, and the related sections of the IWC Wage Orders with respect to Plaintiff and the aggrieved employees.

Labor Code sections 226.7 and 516 and the IWC Wage Orders require that employers authorize and permit an uninterrupted 10-minute rest period for each four-hour period (or major fraction thereof) that an employee works. Labor Code section 226.7 requires that if a rest period is non-compliant, the employer must pay one additional hour of pay at the employee's "regular rate" of compensation. *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal. 5th 858, 862 ("We hold that the terms are synonymous: "regular rate of compensation" under section 226.7(c), like "regular rate of pay" under section 510(a), encompasses all nondiscretionary payments, not just hourly wages"). Labor Code section 1198 renders "employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]" unlawful. The IWC Wage Orders, including Section 12 (Rest Periods), further require one uninterrupted 10-minute rest period

for each four-hour period (or major fraction thereof) worked and an additional hour of pay at the employee's regular rate of compensation for each workday that a compliant rest period is not authorized or permitted.

Defendants failed to provide all rest periods to which Plaintiff and the aggrieved employees were entitled and further failed to pay all owed rest period premiums. For the same reasons Plaintiff and the aggrieved employees experienced non-compliant meal periods, like understaffing, being interrupted by security and customer issues, and the pressure to keep up with the high demands of the job, they also experienced non-complaint rest periods. For example, on one occasion Plaintiff was on a rest break a fire emergency happened and she was required to return to the desk to deal with it.

As a matter of policy and practice, Defendants failed to pay all owed rest period premiums. To the extent Defendants paid rest periods, these premiums were underpaid as a result of the Defendants' failure to pay premiums at the regular rate of compensation.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Untimely Payment of Wages During Employment **Violation of Labor Code §§ 204, 204b, 210**

Defendants violated Labor Code sections 204 and/or 204b and 210, as applicable, with respect to Plaintiff and the aggrieved employees.

Labor Code section 204(a) requires payment of "all wages" for non-exempt employees at least twice each calendar month. Labor Code section 204(d) states all wages due must be paid "not more than seven calendar days following the close of the payroll period." Labor Code section 204b applies to employees paid on a weekly basis and also requires the payment for all labor within the required pay periods. Labor Code section 210 provides "every person who fails to pay the wages of an employee as provided in Section ... 204 ... shall be subject to a civil penalty" of \$100 for an initial violation and \$200 plus 25% of the amount unlawfully withheld for a subsequent violation.

Because Defendants failed to pay all wages and premiums in each pay period in which such wages were earned at the lawful rate, Defendants violated Labor Code section 204 and/or 204b (for weekly employees, as applicable). Defendants violated Labor Code sections 204 and 204b by failing to pay all wages and premiums owed on the regular pay days scheduled each pay period within seven calendar days of the close of the payroll period, as a result of the policies and practices set forth in this notice. Indeed, Defendants failed to pay all regular, overtime, premiums, sick leave, and other earnings on time each payday.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Untimely Payment of Wages Upon Separation of Employment
Violation of Labor Code §§ 201, 202, 203, 256

Defendants violated Labor Code sections 201, 202, and 203 with respect to the aggrieved employees by failing to pay all wages and premiums owed upon termination of employment.

Labor Code section 201 requires that if an employer fires an employee, the wages must be paid immediately. Labor Code section 202 requires that if an employee quits without providing 72 hours' notice, his or her wages must be paid no later than 72 hours thereafter. Labor Code section 202 states that if an employee provides 72 hours' notice, the final wages are payable upon his or her final day of employment. Labor Code section 203 requires an employer who fails to comply with Labor Code sections 201 or 202 to pay a waiting time penalty for each employee, up to a period of 30 days additional compensation.

Defendants failed to pay all wages and premiums owed to aggrieved employees during their employment as set forth in this notice, and also failed to timely pay those amounts to departing employees upon separation of employment. Defendants did not pay waiting time penalties for the late payments. As a result, Defendants violated Labor Code sections 201, 202, and 203.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Non-Compliant Wage Statements
Violation of Labor Code §§ 226, 226.3

Defendants violated Labor Code sections 226(a) and 226.3 with respect to the aggrieved employees by failing to furnish itemized wage statements each pay period that accurately list all information required by Labor Code section 226(a)(1) through (9).

Labor Code section 226(a) requires an employer to furnish wage statements to employees semimonthly or at the time of each payment of wages, "an accurate itemized statement in writing showing:" (1) gross wages earned, (2) total hours worked, (3) the number of piece rate units earned and applicable piece-rate in effect, (4) all deductions, (5) net wages earned, (6) the inclusive dates of the pay period, (7) the name of the employee and last four digits of SSN or an EIN, (8) the name and address of the legal name of the employer, and (9) all applicable hourly rates in effect during the pay period and the number of hours worked at each hourly rate by the employee.

Defendants failed to provide accurate itemized wage statements to the aggrieved employees each pay period as a result of the policies and practices set forth in this notice. Defendants violated Labor Code section 226(a)(1) and (5) by not listing the correct “gross wages earned” or “net wages earned,” as the employees earned wages and premiums that were not paid, resulting in an inaccurate reflection, and recording of “gross wages earned” on those wage statements. Likewise, in violation of Labor Code section 226(a)(9), Defendants failed to state on employee wage statements each pay period the applicable hourly rates in effect and the number of hours worked at that rate, as Defendants failed to pay all wages and premiums owed to employees. The amounts stated are instead depreciated and underpaid, resulting in an inaccurate reflection on the pay stub.

Defendants violated Labor Code section 226(a)(2) by failing to accurately list employees’ “total hours worked,” as the wage statements did not accurately include the uncompensated time Plaintiff and other aggrieved employees worked due to Defendants’ policy and practice of editing time records.

Plaintiff and other aggrieved employees cannot promptly and easily determine from the wage statement alone the wages paid or earned without reference to other documents or information. Indeed, these wage statement violations are significant because they sow confusion among Plaintiff and other aggrieved employees with respect to what amounts were owed and paid, at what rates, the number of hours worked, and how those amounts were or should be calculated. The wage statements reflect a false statement of earnings and concealed the underlying problems and underpayments of employee wages.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unreimbursed Employee Expenses **Violation of Labor Code §§ 2802, 2804**

Defendants violated Labor Code section 2802 with respect to the aggrieved employees by failing to reimburse the aggrieved employees for all necessary expenditures or losses incurred as part of their job duties.

Labor Code section 2802 requires an employer to “indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer, even though unlawful, unless the employee, at the time of obeying the directions, believed them to be unlawful.” *See, e.g., Espinoza v. West Coast Tomato Growers, LLC*, 2016 WL 4468175 at *4, n.2 (S.D. Cal. Aug. 24, 2016, No. 14-CV-2984 W (KSC)).

Labor Code section 2804 affirms that “[a]ny contract or agreement, express or implied, made by any employee to waive the benefits of this article or any part thereof, is null and void, and

this article shall not deprive any employee or his personal representative of any right or remedy to which he is entitled under the laws of this State.”

Defendants required Plaintiff and the aggrieved employees to incur costs for work-related purposes without full reimbursement. In direct consequence of their job duties, Plaintiff and the aggrieved employees unavoidably and necessarily incurred these losses, expenditures, costs, and as a matter of policy and practice.

Defendants required Plaintiff and the aggrieved employees to utilize their personal cell phone to complete necessary work tasks, such as to communicate with co-workers and management regarding scheduling via the cell phone app WhatsApp. Plaintiff and aggrieved employees received calls, and messages from managers about work hours and switching shifts with other employees and were expected to keep up to date with the group chat on WhatsApp while off-the-clock. Plaintiff and the aggrieved employees were not reimbursed for the expenses associated with cell phone usage. Instead, Plaintiff and the aggrieved employees bore the cost of these requirements, without reimbursement.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Retaliation **Violation of Labor Code §§ 98.6 and 1102.5**

Defendants violated Labor Code sections 98.6 and 1102.5 by retaliating against Plaintiff for making complaints about workplace conditions.

Section 98.6 provides that an employer shall not “discriminate, retaliate, or take any adverse action against any employee or applicant for employment because the employee or applicant engaged in any conduct delineated in this chapter, including the conduct described in subdivision (k) of Section 96, and Chapter 5 (commencing with Section 1101) of Part 3 of Division 2, or because the employee or applicant for employment has filed a bona fide complaint or claim or instituted or caused to be instituted any proceeding under or relating to their rights that are under the jurisdiction of the Labor Commissioner, made a written or oral complaint that they are owed unpaid wages, or because the employee has initiated any action or notice pursuant to Section 2699, or has testified or is about to testify in a proceeding pursuant to that section, or because of the exercise by the employee or applicant for employment on behalf of themselves or others of any rights afforded them.”

Section 1102.5 provides that no employer, or person acting on behalf of an employer, shall “make, adopt, or enforce any rule, regulation, or policy preventing an employee from disclosing information to a government or law enforcement agency, to a person with authority over the employee, or to another employee who has authority to investigate, discover, or correct the violation or noncompliance, or from providing information to, or testifying before,

any public body conducting an investigation, hearing, or inquiry, if the employee has reasonable cause to believe that the information discloses a violation of state or federal statute, or a violation of or noncompliance with a local, state, or federal rule or regulation, regardless of whether disclosing the information is part of the employee's job duties.”

Defendants engaged in retaliatory conduct against employees for making bona fide workplace complaints. For example, when Plaintiff complained about having her work breaks interrupted and repeated harassment by the security team, including photographing her. Defendants dismissed her complaints, told her “I’ll look into it”. The situation continued as did Plaintiffs complaints and she was terminated as a result after never receiving a write up or warning.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Failure to Maintain Accurate Records **Violation of Labor Code § 1174; IWC Wage Orders**

Defendants violated Labor Code sections 1174 and the IWC Wage Orders by failing to maintain accurate employee payroll records with respect to Plaintiff and other aggrieved employees.

Labor Code section 1174 requires that employers maintain accurate “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.” Section 7(A) of the IWC Wage Orders, which may be enforced through Labor Code section 1198, mandates similar recordkeeping obligations.

Because of the policies and practices set forth in this notice, including the failure to accurately account for wages earned or hours worked, Defendants failed to accurately maintain records in accordance with Labor Code section 1174 and the IWC Wage Orders.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Attorneys’ Fees and Costs **Labor Code § 2699(k)(1)**

Plaintiff has been compelled to retain the services of counsel to protect the interests of other aggrieved employees and the State of California. Plaintiff continues to incur attorneys’ fees and costs, which are recoverable under California law, including Labor Code section 2699(k)(1).

- LITIGATION HOLD NOTICE -

This letter imposes a duty upon all defendants and their respective employees, officers, directors, executives, attorneys, human resource and payroll personnel, accountants, and other agents to preserve all physical and electronic evidence, including electronically stored information and emails, which relate to the employment of Plaintiff and the aggrieved employees specified in this notice. Evidence includes, but is not limited to, Defendants' written employment and payroll policies and handbooks; the aggrieved employees' personnel files and payroll records, such as paystubs, time records, wage statements, compensation reports, as well as the underlying electronically data in Excel or similar format. Memoranda and internal and external correspondence relating to the subject matter of this notice shall also be maintained. Failure to preserve and retain relevant evidence may constitute spoliation of evidence and result in an adverse inference or sanctions.

If you have any questions regarding the scope of your obligations to preserve evidence, please consult your legal counsel and always err on the side of caution. Periodic or regularly scheduled purges or deletions of information covered by this hold must be suspended immediately.

- CONCLUSION -

If the LWDA does not pursue enforcement, Plaintiff intends to bring representative claims on behalf of the State of California and the aggrieved employees seeking civil penalties for violations of the Labor Code and the IWC Wage Orders, along with attorneys' fees, costs, interest, and other appropriate relief.

Please advise if the LWDA intends to investigate any of the factual or legal allegations set forth in this notice. Defendants may contact Plaintiff's counsel with any questions regarding this letter or the forthcoming lawsuit.

Sincerely,



Xavier L. Woodford
/JG/

Cc Plaintiff Maria Garcia

Eric M. Fox – Counsel for Defendants
eric.fox@ogletree.com