



Los Angeles Office  
9440 Santa Monica Blvd.  
Beverly Hills, CA 90210

Raymond Wendell, Esq.  
[rwendell@crosnerlegal.com](mailto:rwendell@crosnerlegal.com)  
direct: (424) 478-1693  
office: (866) 276-7637  
fax: (310) 510-6429

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May 2, 2025

**VIA PAGA ONLINE FILING ONLY:**

California Labor & Workforce  
Development Agency  
ATTN: PAGA Administrator  
455 Golden Gate Avenue, 9th Floor  
San Francisco, CA 94102  
[PAGAFilings@dir.ca.gov](mailto:PAGAFilings@dir.ca.gov)

**VIA U.S. CERTIFIED MAIL:**

CSC Lawyers Incorporating Service  
Agent for Service of Process for:  
**Spin Master, Inc**  
Attn: CA Registered Agent Authorized  
Employees: Becky DeGeorge, Koy Saechao,  
Nicole Stauss, Jenn Bautista, Wendy Harris,  
Melissa Dekoven, Carolyn Valle, Kaci  
Ransom, Annette Kuhlman, Brejet Stephens,  
Jerome Suarez, Samantha Wiltz, Parid  
Kurbini, Crystal Collins, Maddie Bright,  
Courtney Shelton, and Brittany Titlow  
2710 Gateway Oaks Drive #150-N  
Sacramento, CA 95833

**Spin Master, Inc**  
Attn: Human Resources / Legal Department  
5880 West Jefferson Boulevard Suite A  
Los Angeles, CA 90016

C T Corporation System  
Agent for Service of Process for:  
**Insight Global, LLC**  
Attn: CA Registered Agent Authorized  
Employees:  
Amanda Garcia, Gabriela Sanchez, Daisy  
Montenegro, Beatrice Casarez-Barrientez,  
Jessie Gastelum, John Montijo, Diana Ruiz,  
Sarai Marin, Emanuel Jacobo, Gladys  
Aguilera, Vivian Imperial, Carlos Paz,  
Alberto Damonte, Peter Cayetano, Elsa  
Montanez, Xenia Perez, Yesenia Carpenter,  
and Jaqueline Mejia  
330 N Brand Blvd #700  
Glendale, CA 91203

**Insight Global, LLC**  
Attn: Human Resources / Legal Department  
1224 Hammond Drive Suite 1500  
Dunwoody, GA 30346

## **AMENDED NOTICE OF PRIVATE ATTORNEYS GENERAL ACT CLAIM**

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To: California Labor and Workforce Development Agency; Spin Master, Inc; and  
Insight Global, LLC  
Date: May 2, 2025  
Subject: *Alexis Ingram v. Spin Master, Inc, et al.*

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### **Introduction**

This office represents PLAINTIFF, Alexis Ingram (hereinafter “PLAINTIFF”) in connection with PLAINTIFF’s claims under the California Labor Code. PLAINTIFF was, at all relevant times herein mentioned, an employee of the following entities and individual managing agents of said entities: Spin Master, Inc and/or Insight Global, LLC (hereinafter, these entities and their managing agents are collectively referred to as “DEFENDANTS”). DEFENDANTS may be contacted directly at the addresses listed above.

Pursuant to California Labor Code sections 2699.3 and 2699.5, PLAINTIFF, on behalf of PLAINTIFF, and on behalf of all current and former non-exempt employees employed directly and/or via a staffing agency by any one or more of the DEFENDANTS at any location in California within one year of the date of this notice (“NON-EXEMPT AGGRIEVED EMPLOYEES”) and on behalf of all current and former exempt employees employed directly and/or via a staffing agency by any one or more of the DEFENDANTS at any location in California within one year of the date of this notice (“EXEMPT AGGRIEVED EMPLOYEES”), hereby gives written notice (“NOTICE”) of PLAINTIFF’s claims against DEFENDANTS.

Said “NON-EXEMPT AGGRIEVED EMPLOYEES” include the following:

- (1) all non-exempt workers who were directly employed by Insight Global, LLC regardless of where those non-exempt workers were assigned or staffed to work – in California at any time within one year of the date of this NOTICE;
- (2) all non-exempt workers who were assigned/staffed to work at Spin Master, Inc by Insight Global, LLC and/or any other staffing/temporary service agencies at any location in California at any time within one year of the date of this NOTICE; and
- (3) all non-exempt workers who were directly employed by Spin Master, Inc to work at any location in California within one year of the date of this NOTICE.

Said “EXEMPT AGGRIEVED EMPLOYEES” include the following:

- (1) all exempt workers who were directly employed by Insight Global, LLC regardless of where those exempt workers were assigned or staffed to work – in California at any time within one year of the date of this NOTICE;
- (2) all exempt workers who were assigned/staffed to work at Spin Master, Inc by Insight Global, LLC and/or any other staffing/temporary service agencies at any location in California at any time within one year of the date of this NOTICE; and
- (3) all exempt workers who were directly employed by Spin Master, Inc to work at any location in California within one year of the date of this NOTICE (“EXEMPT AGGRIEVED EMPLOYEES”),

This NOTICE is being provided via online filing to the California Labor and Workforce Development Agency (“LWDA”) and DEFENDANTS via certified mail to their Agent(s) for Service of Process and/or entity mailing address as provided to the California Secretary of State and/or the address of the Secretary of State of the State of incorporation and/or the entity address as provided on wage statements issued by DEFENDANTS to NON-EXEMPT AGGRIEVED EMPLOYEES.

This NOTICE is sent in compliance with the reporting requirements of California Labor Code sections 2699.3 and 2699.5. This NOTICE further reserves any and all rights by PLAINTIFF to amend this notice to include, amend, or add further charges upon discovery of new violations of any of the provisions of the California Labor Code. In addition, to the extent that entities and/or other individuals are named and charged with violations of the Labor Code—making them liable on an individual basis as permitted by numerous Labor Code sections including, but not limited to sections 558.1 and 1197.1—PLAINTIFF reserves any and all rights to add, substitute, or change the name of employer entities and/or individuals responsible for the violations at issue. Any further amendments and changes to this notice shall relate back to the date of this NOTICE. Consequently, DEFENDANTS are on notice that PLAINTIFF continues its investigation, with the full intent to amend and/or change this notice, to add any undiscovered violations of *any* of the provisions of the California Labor Code—to the extent that are applicable to this case—and to change and/or add the identities of any entities and/or individuals responsible for the violations contained herein. For violations that are curable under § 2699.3(c) and that DEFENDANTS intend to cure within the statutory time period set forth in §§ 2699 and 2699.3(c), the DEFENDANTS shall provide notice including a description of the actions taken to cure. If the alleged violation is not cured within the statutory time period, PLAINTIFF will amend her civil action pursuant to section 2699. For all other violations that are not curable, an action pursuant to section 2699(a) and 2699(f) will commence after the requirements under 2699.3 are fulfilled.

Based on the following summary of facts and theories upon which PLAINTIFF will base PLAINTIFF’s claims, PLAINTIFF requests that the LWDA regard this NOTICE as written notice of PLAINTIFF’s intent to seek civil penalties against DEFENDANTS.

PLAINTIFF, on behalf of PLAINTIFF, NON-EXEMPT AGGRIEVED EMPLOYEES, and EXEMPT AGGRIEVED EMPLOYEES, alleges that the specific provisions of California law that DEFENDANTS have violated, requiring this NOTICE, include but are not limited to: California Labor Code sections 210, 216, 212, 213, 221-224, 226, 226.7, 245-248.6, 432.5, 432.6, 432.7, 510, 512, 558, 558.1, 1174, 1194, 1197, 1197.1, 1198, 1199, 2802, 2810.5, and all applicable Wage Orders.

**The Named Entities Are Joint Employers of PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES**

California courts have recognized that the definition of “employer” for purposes of enforcement of the California Labor Code goes beyond the concept of traditional employment to reach irregular working arrangements for the purpose of preventing evasion and subterfuge of California’s labor laws. *Martinez v. Combs* (2010) 49 Cal.4th 35, 65. As such, anyone who directly or indirectly, or through an agent or any other person, engages, suffers, or permits any person to work or exercises

control over the wages, hours, or working conditions of any person, may be liable for violations of the California Labor Code as to that person.

PLAINTIFF is informed and believes and thereon alleges that at all relevant times DEFENDANTS and unknown entities operated as a single integrated enterprise with common ownership and centralized human resources as set forth herein. Under California law, in determining whether two defendant entities are liable as an integrated enterprise, courts consider four factors: (1) centralized control of labor relations; (2) interrelation of operations; (3) common management; and (4) common ownership or financial control. *Laird v. Capital Cities/ABC, Inc.* (1998) 68 Cal.App.4th 727, 737 (overruled on other grounds, *Reid v. Google, Inc.* (2010) 50 Cal. 4th 512 (2010).)

PLAINTIFF believes and hereon asserts that DEFENDANTS and unknown entities must be classified as joint employers of PLAINTIFF for purposes of liability for civil penalties under PAGA, as the aforementioned entities engaged, suffered and permitted PLAINTIFF to perform services from which they benefited, and furthermore that the aforementioned entities had the right to exercise control over the wages, hours and/or working conditions of PLAINTIFF at all relevant times herein, so as to be considered the joint employers of PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES.

During PLAINTIFF's employment by DEFENDANTS, PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES were jointly employed by DEFENDANTS for purposes of the Wage Orders, under the alternative definitions of "to employ" adopted by the California Supreme Court in *Martinez*, supra. As discussed below, these DEFENDANTS (1) exercised control over wages, hours and working conditions of PLAINTIFF and the NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES; (2) suffered or permitted PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to work for them; and (3) engaged PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to work for them.

DEFENDANTS utilized the same unlawful policies and practices across all of their locations/facilities and subjected all of the NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to these same policies and practices regardless of the location(s) where they worked. Among other things, PLAINTIFF is informed and believes that: (1) there is common ownership in, and financial control, in DEFENDANTS' companies, (2) DEFENDANTS utilize common management, who have control over the day-to-day operations and employment matters, including the power to hire and fire, set schedules, issue employee policies, and determine rates of compensation across its locations in California; (3) DEFENDANTS utilize the same policies and procedures for all California employees, including issuing the same employee handbooks and other form agreements; (4) DEFENDANTS use at least some of the same Human Resources personnel and attorneys to oversee employment matters; and, (6) DEFENDANTS share employees.

PLAINTIFF is informed and believes, and thereon alleges that at all relevant times, DEFENDANTS were the joint employers of PLAINTIFF and the NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES upon whose behalf PLAINTIFF

brings these allegations and causes of action, in that DEFENDANTS exercised sufficient control over PLAINTIFF and the NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES' wages, hours and working conditions, and/or suffered or permitted PLAINTIFF and the NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to work so as to be considered the joint employers of PLAINTIFF and the NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES.

Upon information and belief, PLAINTIFF alleges that DEFENDANTS created a uniform set of policies, practices and/or procedures concerning, inter alia, hourly and overtime pay, time-keeping practices, meal and rest periods, reimbursement of business expenses and other working conditions that were distributed to, and/or applied to PLAINTIFF and the NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES, and further that DEFENDANTS uniformly compensated and controlled the wages of PLAINTIFF and the NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES in a uniform manner. DEFENDANTS collectively represented to PLAINTIFF and the NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES that each was an "at-will" employee of DEFENDANTS, and that DEFENDANTS collectively retained the right to terminate PLAINTIFF's and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES' employment with or without cause. Upon information and belief, DEFENDANTS further collectively represented to PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES in writing the details of their compensation, and the manner in which they were to take meal and rest periods, the procedures required by DEFENDANTS collectively for recordation of hours worked and the policies applicable to PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES by which DEFENDANTS collectively would evaluate the wage rates of PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES.

Moreover, based on information and belief, Insight Global, LLC (hereinafter collectively "Insight Global") hired PLAINTIFF and entered into a written employment agreement with PLAINTIFF. During PLAINTIFF's employment, Insight Global maintained control over many aspects of PLAINTIFF's employment, including, among other things, having the authority to discipline PLAINTIFF, change PLAINTIFF's job assignment, change PLAINTIFF's work hours, change PLAINTIFF's rates of pay, and to terminate PLAINTIFF's employment.

In addition, when PLAINTIFF was first hired, Insight Global provided PLAINTIFF with orientation and training materials. Insight Global issued PLAINTIFF written policies concerning meal periods, rest breaks, timekeeping, hours worked, and payment of PLAINTIFF's wages, with which PLAINTIFF was required to comply. Based on information and belief, among other things, these policies provided that PLAINTIFF's weekly time records be submitted to Insight Global, and Insight Global was supposed to process PLAINTIFF's time records and pay PLAINTIFF for all hours worked. Insight Global exercised ultimate control over the payment of PLAINTIFF's wages, as Insight Global issued PLAINTIFF his paychecks. Finally, Insight Global directed PLAINTIFF to comply with Spin Master, Inc's policies and directions. PLAINTIFF is informed and believes that Insight Global exercised the same control over, applied the same policies and practices, and engaged in the same acts and omissions with regard to the other class members.

Spin Master, Inc similarly suffered or permitted PLAINTIFF to work for them or engaged PLAINTIFF to work for them. PLAINTIFF is informed and believes that Spin Master, Inc entered into a written agreement with Insight Global, pursuant to which Spin Master, Inc paid Insight Global to provide it with workers, including PLAINTIFF, to conduct Spin Master, Inc business operations – namely, to work in Spin Master, Inc’s facilities. Spin Master, Inc suffered or permitted PLAINTIFF to work at Spin Master, Inc and for the entirety of PLAINTIFF's employment.

Spin Master, Inc further exercised control over PLAINTIFF's wages, hours and working conditions. Spin Master, Inc also: (1) set PLAINTIFF's work hours and provided PLAINTIFF with PLAINTIFF's work schedule; (2) provided PLAINTIFF with policies regarding meal periods and rest breaks, with which PLAINTIFF was required to comply; (3) directly supervised PLAINTIFF's work through its employees; (4) assigned PLAINTIFF job duties and trained PLAINTIFF on said job duties; (5) exercised authority to reprimand and counsel PLAINTIFF regarding any work performance and other issues; (6) exercised authority to end PLAINTIFF's work assignment at any time, which essentially equated to a termination of employment as PLAINTIFF was not guaranteed any other job assignments; (7) required PLAINTIFF to use its timekeeping system for purposes of recording time worked; (8) determined whether and when PLAINTIFF would receive meal periods and rest breaks; (9) subjected PLAINTIFF to unlawful schedules for taking meal periods and rest breaks; and, (10) was responsible for recording when PLAINTIFF began and ended work shifts. On information and belief, Spin Master, Inc issued further written policies and practices and guidelines governing PLAINTIFF's working conditions with which PLAINTIFF was required to comply. PLAINTIFF is informed and believes that Spin Master, Inc exercised the same control over, applied the same policies and practices, and engaged in the same acts and omissions with regard to the other NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES.

By reason of their status as joint employers of PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES, they are each liable for civil penalties for violations of the California Labor Code and applicable Wage Orders as to PLAINTIFF, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES.

**DEFENDANTS are Liable for All Temporary Agency Workers**

Labor Code section 2810.3 requires a client employer to share with a labor contractor all civil legal responsibility and civil liability for all workers supplied by that labor contractor in California for the payment of wages. Section 2810.3 prohibits a client employer from shifting to the labor contractor legal duties or liabilities under workplace safety provisions with respect to workers provided by the labor contractor. It defines a client employer as a business entity that obtains or is provided workers to perform labor within the usual course of business from a labor contractor. It defines a labor contractor as an individual or entity that supplies workers, either with or without a contract, to a client employer to perform labor within the client employer’s usual course of business. Spin Master, Inc qualifies as a client employer under Labor Code section 2810.3 for purposes of liability.

## **General Information**

DEFENDANTS own, operate, manage and/or staff its employees to work at the offices, home/remote offices, facilities and/or other location(s) in California, including but not limited to, the offices, home/remote offices, facilities and/or other locations in including but not limited to, Los Angeles County, California. DEFENDANTS, through their various locations, serve the consumer products and/or toy distribution industry.<sup>1</sup>

PLAINTIFF worked for DEFENDANTS as a non-exempt employee with a job title(s) of executive assistant and/or other similar title(s) and/or position(s) from in or around May 2024 through February 28, 2025. PLAINTIFF was assigned by Insight Global to work at Spin Master, Inc's offices, home offices, facilities and/or other locations in Los Angeles, California and other locations. DEFENDANTS assigned PLAINTIFF to work remotely/from PLAINTIFF's home office in Los Angeles, California, approximately two (2) days per week, and assigned PLAINTIFF to work at DEFENDANTS' offices/facilities located in Los Angeles, California, approximately three (3) days per week during PLAINTIFF's employment.

DEFENDANTS paid PLAINTIFF an hourly rate for time counted by DEFENDANTS as hours worked. Based on information and belief, at times, PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES were also compensated with non-discretionary compensation, including but not limited to, bonus/incentive pay and/or other non-discretionary compensation.

## **Labor Code Violations**

**Recordkeeping Requirement Violations:** California Labor Code section 1174 requires employers to keep "accurate and complete" payroll records showing, among other things, the hours worked daily by PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES. All applicable IWC Wage Orders, section 7 similarly requires employers to keep accurate time records reflecting the times during which allowed meal periods were provided each day.

Based on information and belief, DEFENDANTS failed, and continue to fail, to keep accurate and complete payroll records as required by law, including but not limited to the following records: total daily hours worked, applicable rates of pay, time records showing when PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES began and ended each work period, time records of meal periods, and accurate itemized wage statements.

Based on information and belief, DEFENDANTS failed and continue to fail to keep accurate and complete records showing total hours worked by PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES by virtue of DEFENDANTS' time rounding and/or auto deduction policies and practices and/or other off-the-clock work policies and practices.

DEFENDANTS failed and continue to fail to keep accurate and complete records showing total hours worked by virtue of DEFENDANTS' failure to relieve PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES of all duties and DEFENDANTS' control for unpaid meal periods, resulting in unpaid hours worked.

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<sup>1</sup> See <https://www.spinmaster.com/en-US/> and <https://insightglobal.com>. Last visited on May 2, 2025.

Based on information and belief, DEFENDANTS further failed, and continue to fail, to record the true start and end times of PLAINTIFF's and NON-EXEMPT AGGRIEVED EMPLOYEES' meal periods.

Based on further information and belief, DEFENDANTS further failed and continue to fail, to record the true start and end times of PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES' work shifts.

In particular, and by way of example, DEFENDANTS instructed Plaintiff to indicate on her electronic timecards that she took a daily meal period from exactly 12:00pm to exactly 12:30pm each day. In reality, DEFENDANTS prohibited Plaintiff from taking a duty-free meal period. Rather, DEFENDANTS fostered and enforced a work culture in which all employees, exempt or non-exempt, were expected to remain at their desks and continue working throughout their meal periods. If PLAINTIFF or NON-EXEMPT AGGRIEVED EMPLOYEES attempted to take a duty-free, thirty-minute meal period, they were routinely interrupted and required to return to their desks early. Accordingly, DEFENDANTS prevented PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES from accurately recording their meal periods. In addition, PLAINTIFF was frequently contacted on her personal cell phone after hours and on her days off and was expected to answer these communications immediately and sometimes instructed to perform additional work tasks. She was instructed never to record this work performed during her scheduled time off on her electronic timecards. DEFENDANTS fostered and enforced a work culture requiring employees to work during scheduled time off without recording such work; thus, PLAINTIFF's experience was typical for NON-EXEMPT AGGRIEVED EMPLOYEES, leading to widespread recordkeeping violations.

Additionally, DEFENDANTS failed, and continue to fail to keep accurate records and issue accurate wage statements by not documenting accrued sick time for PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES.

DEFENDANTS' failure to keep "accurate and complete" payroll records for PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES violates Labor Code sections 1174, 1198, 1199, and all applicable IWC Wage Orders, section 7. These violations subject DEFENDANTS to civil penalties under Labor Code sections 558.1, 226.6, 1174.5 and 2699. Each violation of each Labor Code section and Wage Order provision, for each NON-EXEMPT AGGRIEVED EMPLOYEE, results in a separate civil penalty.<sup>2</sup>

**Meal Period Violations:** California law requires employers to provide employees a duty-free, uninterrupted thirty (30) minute meal period when an employee works more than five (5) hours in a workday, and it must be provided within the first five (5) hours the employee works. Lab. Code section 512 (and all applicable IWC Wage Orders), section 11(A) and (C); *Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4<sup>th</sup> 1004. Employers must also provide employees with a second duty-free, uninterrupted thirty (30) minute meal period when an employee works more than (10) hours in a workday, and it must be provided before the end of the 10<sup>th</sup> hour of work. *Ibid.*

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<sup>2</sup> See Lab. Code §2699(f).

Meal periods can be waived, but only under the following circumstances: (1) if an employee's total work period in a day is over five (5) hours but no more than six (6) hours, the required meal period may be waived by mutual consent of the employer and employee, and (2) if an employee's total work period in a day is over ten (10) hours but no more than twelve (12) hours, the required second meal period may be waived by mutual consent of the employer and employee, but only if the first meal period was not waived. *Ibid.* Upon information and belief, PLAINTIFF did not sign a valid meal period waiver throughout PLAINTIFF's employment by DEFENDANTS.

Employers covered by any and all applicable IWC Wage Orders have an obligation to both (1) relieve their employees for at least one meal period for shifts over five hours (see above), and (2) to record having done so. If the employer fails to properly record a valid meal period, it is presumed that no meal period was provided. All applicable IWC Wage Orders, section 7(A)(3) ("Meal periods . . . shall also be recorded"); *Brinker, supra*, 53 Cal.4<sup>th</sup> 1004, 1052-1053, citing section 7(A)(3) ("If an employer's records show no meal period for a given shift over five hours, a rebuttable presumption arises that the employee was not relieved of duty and no meal period was provided").

Employers must pay employees an additional hour of wages at the employees' regular rate of pay for each missed or unlawful meal period (e.g., less than 30 minutes, interrupted meal period, first meal period provided after five (5) hours, second meal period provided after 10 hours). Lab. Code § 226.7; all applicable IWC Wage Orders, §11(B) ("If an employer fails to provide an employee a meal period in accordance with the applicable provision of this Order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the meal period is not provided"); *Brinker, supra*, 53 Cal.4<sup>th</sup> 1004.

PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES consistently worked shifts of five and a one-half (5 ½) hours or more, entitling them to at least one meal period. PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES were never given the opportunity to waive meal periods during work shifts between five and six hours in duration, or to waive a second meal period during work shifts between ten and twelve hours in duration; rather, such meal periods were never authorized at all.

PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES would not receive legally compliant thirty (30) minute first meal breaks. Based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES were consistently unable to take timely, off duty, thirty-minute, uninterrupted meal periods, often being forced to take late meal periods, interrupted meal periods, and/or work through part or all their meal periods due to understaffing, the nature and constraints of their job duties and/or commentary from supervisors pressuring them to take non-compliant meal breaks or skip meal breaks completely.

In particular, and by way of example, DEFENDANTS instructed Plaintiff to indicate on her electronic timecards that she took a daily meal period from exactly 12:00pm to exactly 12:30pm each day. In reality, DEFENDANTS prohibited Plaintiff from taking a duty-free meal period. Rather, DEFENDANTS fostered and enforced a work culture in which all employees, exempt or non-exempt, were expected to remain at their desks and continue working throughout their meal periods. If PLAINTIFF or NON-EXEMPT AGGRIEVED EMPLOYEES attempted to take a

duty-free, thirty-minute meal period, they were routinely interrupted and required to return to their desks early. PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES were required to monitor their cell phones for work-related communications at all times, such that even on the rare occasion that they were permitted to leave their desks during a meal period, the meal period was never truly duty-free.

Based on information and belief, DEFENDANTS had actual and/or constructive knowledge that their policies and practices resulted in the denial of uninterrupted meal periods which were free of DEFENDANTS' control owed to PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES, in violation of California's meal period laws.

Furthermore, per DEFENDANTS' uniform policy and practice, NON-EXEMPT AGGRIEVED EMPLOYEES who worked shifts of more than ten hours did not receive a second legally compliant thirty (30) minute second meal break. For example, as described herein, per DEFENDANTS' unlawful meal period policies and practices, PLAINTIFF was afforded a maximum of a single meal period even during those shifts when PLAINTIFF worked more than ten (10) and/or twelve (12) hours.

Based on information and belief, despite DEFENDANTS' failure to provide lawful meal periods, DEFENDANTS implemented a policy and/or practice of rounding the start and end times of PLAINTIFF's and other NON-EXEMPT AGGRIEVED EMPLOYEES' meal periods and/or automatically deducting at least thirty minutes per shift for missed and/or otherwise unlawful meal periods (including meal periods restricted to DEFENDANTS' premises), despite having actual and/or constructive knowledge that PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES did not receive lawful meal periods.

Moreover, based on information and belief, DEFENDANTS failed to keep accurate records of the true start and end times of PLAINTIFF's and NON-EXEMPT AGGRIEVED EMPLOYEES' meal periods. Rather, DEFENDANTS' policy and practice was to require PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES to record daily meal periods from exactly 12:00pm to 12:30pm, even though meal periods were seldom or never taken at those times.

Based on information and belief, DEFENDANTS failed to instruct PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES as to the timing and duty-free nature of meal periods. Based on further information and belief, DEFENDANTS did not have a compliant written meal break policy, nor did DEFENDANTS have any sort of compliant policy in practice. Liability for the NON-EXEMPT AGGRIEVED EMPLOYEES can be established by evidence that an employer adopted a uniform corporate break policy that failed to give full effect to California law and the applicable Wage Order requirements. The fact that employees may legally waive meal breaks does not affect this result. *Brinker, supra*, 53 Cal.4th 1004.

PLAINTIFF is further informed and believes and thereon alleges that DEFENDANTS had actual and/or constructive knowledge that their policies and practices resulted in the denial of lawful meal periods owed to PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES, in violation of California's meal period laws.

DEFENDANTS failed to pay PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES, an additional hour of wages at their respective regular rates of compensation for each workday a lawful meal period was not provided. DEFENDANTS either failed to pay a meal period premium at all for each workday a lawful meal period was not provided and/or failed to pay the proper meal period premium for failure to incorporate all non-discretionary remuneration, including but not limited to, bonuses, commission pay, shift differential pay and/or other non-discretionary compensation into the regular rate or compensation for purposes of calculating the owed meal period premium.

The aforementioned conduct results in violations of Labor Code sections 226.7, 512, and 1198-1199, and all applicable IWC Wage Orders, section 11(A) and (C) along with all applicable IWC Wage Orders. These violations subject DEFENDANTS to civil penalties under Labor Code sections 558.1, 558 and 2699, and all applicable IWC Wage Orders, section 20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE for each pay period during which the referenced statutes and Wage Order provisions were violated.<sup>3</sup> DEFENDANTS' failure to provide duty-free meal periods, and their requirement that meal periods be recorded even though they were not taken, ultimately result in further violations, such as violations of Labor Code sections 1174, 1199, 226.6, discussed above, and other violations discussed below.

**Rest Period Violations:** California law requires employers to provide employees a paid, duty-free ten (10) minute rest period for each four (4) hours worked, or major fraction thereof. *See* applicable IWC Wage Order, §12(A). In *Brinker v. Restaurant Corp.*, 53 Cal.4<sup>th</sup> 1004 (2012), the California Supreme Court held that employees are entitled to a 10-minute paid rest period for shifts from 3 ½ to 6 hours in length, two 10-minute rest periods for shifts more than 6 hours up to 10 hours, and three 10-minute rest periods for shifts of more than 10 hours up to 14 hours. (*Id.* at 1029). The rest period requirement obligates employers to permit and authorize employees to take off-duty rest periods, meaning employers must relieve employees of all duties and relinquish control over how employees spend their time. *Augustus v. ABM Security Services, Inc.*, (2016) 5 Cal.5<sup>th</sup> 257, 269. Employers must pay employees an additional hour of wages at the employee's regular rate of pay for each missed or improper rest period (e.g., less than 10 minutes, interrupted rest period, rest period(s) at improper time(s) during shift(s)). Lab. Code §226.7; applicable IWC Wage Order, §12(B) ("If an employer fails to provide an employee a rest period in accordance with the applicable provisions of this Order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each work day that the rest period is not provided").

Moreover, under California law rest periods must be a "net" ten minutes in a suitable rest area. *Id.* at 268 (relying on January 3, 1986 and February 22, 2002 DLSE Letters wherein the DLSE ruled that the net ten-minute language for rest periods means ten minutes of time in a rest area and cannot include time it takes to get to and from the rest area). The employer must show that it clearly

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<sup>3</sup> See Lab. Code §2699(f); Lab. Code §558 (establishing that the civil penalty is "for each underpaid employee for each pay period for which the employee was underpaid"); All applicable IWC Wage Orders, §20 (establishing that "[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid").

articulates the right to a net ten minutes, which means it must clearly communicate what “net” ten minutes means (i.e., regardless of what happens along the way to and from a rest area, employees are entitled to a full ten minutes of rest in the rest area). *Id.*; see also, *Bufile v. Dollar Fin. Grp., Inc.*, (2008) 162 Cal. App. 4th 1193, 1199 (the “onus is on the employer to clearly communicate the authorization and permission [to take rest periods] to their employees.”).

DEFENDANTS did not properly authorize and provide PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES with legally compliant rest periods at a rate of every four (4) hours worked or major fraction thereof, that insofar as practicable, are provided in the middle of the work period, as required by law.

In particular, and by way of example, PLAINTIFF was never informed that she had the right to take a ten-minute, duty-free rest period every four hours or major fraction thereof. She was never provided training or instruction regarding her rest period rights under California law. Instead, DEFENDANTS fostered and enforced a work culture in which PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES were discouraged or prohibited from taking breaks during the workday and were expected to be at their computers, ready to respond immediately to communications and assignments.

By the same token, other NON-EXEMPT AGGRIEVED EMPLOYEES were not adequately informed, authorized, instructed about, nor permitted an opportunity to take proper rest breaks per California law. Based on information and belief, DEFENDANTS had no policy in place nor instruction as to the taking of duty-free rest periods. Based on information and belief, DEFENDANTS did not have a compliant written rest period policy, nor did DEFENDANTS have any sort of compliant rest period policy in practice. If DEFENDANTS did have a compliant written rest period policy, it was not consistently provided to NON-EXEMPT AGGRIEVED EMPLOYEES or their supervisors, and it was not followed.

Frequently, PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES were unable to take compliant rest periods due to their need to complete assigned job duties and monitor work devices. PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES’ rest periods were interrupted, cut short, on duty, restricted to premises and/or late due to understaffing, the nature and constraints of their job duties, and/or due to commentary from supervisors/ managers pressuring NON-EXEMPT AGGRIEVED EMPLOYEES to skip rest breaks completely or otherwise take non-compliant rest periods. Furthermore, PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES were denied the right to take a third rest period when they worked shifts lasting more than ten (10) hours, in violation of California rest period laws.

Furthermore, DEFENDANTS failed to pay a rest period premium for each day in which NON-EXEMPT AGGRIEVED EMPLOYEES experienced a missed or otherwise unlawful rest period in violation of California law. *Bluford v. Safeway Stores, Inc.* (2013) 216 Cal. App. 4th 864, 872. DEFENDANTS failed to pay PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES, an additional hour of wages at their respective regular rates of pay for each workday a proper rest period was not provided. DEFENDANTS either failed to pay a rest period premium at all for each workday a lawful rest period was not provided and/or failed to pay the proper rest period premium for failure to incorporate all non-discretionary remuneration, including

but not limited to, bonuses, commission pay, shift differential pay, and/or other non-discretionary compensation into the regular rate of compensation for purposes of calculating the owed rest period premium.

The aforementioned conduct results in violations of Labor Code sections 226.7, and 1198-1199, and all applicable IWC Wage Orders, §12(A). These violations subject DEFENDANTS to civil penalties under Labor Code sections 558, 2699, and all applicable IWC Wage Orders, §20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE for each pay period during which the referenced statutes and Wage Order provisions were violated.<sup>4</sup>

**Minimum Wage Violations:** “Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorneys’ fees, and costs of suit.” Labor Code section 1194.

Labor Code section 1197 states the California requirement that employees must be paid at least the minimum wage fixed by the Commission, and any payment of less than the minimum wage is unlawful. The minimum wage standard applies to each hour employees worked for which they were not paid. Pursuant to section 4 of the applicable Wage Order, “Every employer shall pay to each employee .... not less than the applicable minimum wage for all hours worked in the payroll period...” The applicable Wage Order defines “hours worked” as “the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.” *See* §2 of all applicable Wage Orders. Therefore, employers are required to pay employees for all time spent subject to the control of the employer and all time the employee is suffered or permitted to work. An employer’s failure to pay for any particular hour worked by an employee is unlawful even if averaging an employee’s total pay over all hours worked, paid or not, results in an average hourly wage above minimum wage. *Armenta v. Osmose, Inc.* (2005) 135 Cal.App.4th 314, 324. Furthermore, “in any action under Section 98, 1193.6, 1194, or 1197.1 to recover wages because of the payment of a wage less than the minimum wage fixed by an order of the commission or by statute, an employee shall be entitled to recover liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon...” *Cal. Lab. Code* § 1194.2.

DEFENDANTS failed to compensate PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES for all hours worked. In particular, and by way of example, PLAINTIFF was frequently contacted on her personal cell phone after hours and on her days off and was expected to answer these communications immediately and sometimes instructed to perform additional work tasks. PLAINTIFF might be contacted by her managers or coworkers at any time of the day or night and was effectively always on call. She was instructed never to record this work

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<sup>4</sup> See Lab. Code §2699(f) and All applicable IWC Wage Orders, §20 (establishing that “[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid”).

performed during her scheduled time off on her electronic timecards. DEFENDANTS fostered and enforced a work culture requiring employees to work during scheduled time off without recording or receiving compensation for such work; thus, PLAINTIFF's experience was typical for NON-EXEMPT AGGRIEVED EMPLOYEES, leading to widespread minimum wage violations.

Based on information and belief, DEFENDANTS implemented a policy and/or practice of rounding meal period start and end times and/or automatically deducting at least thirty/sixty minutes per shift for meal periods, despite having actual and/or constructive knowledge that PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES were subject to DEFENDANTS' control during purported meal periods and/or were otherwise not afforded with lawful meal periods, depriving PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES of all wages owed.

Additionally, as explained herein, DEFENDANTS required PLAINTIFF to monitor a work communication device during unpaid meal periods and at times PLAINTIFF was required to take interrupted unpaid meal periods and/or shortened unpaid meal periods due to including but not limited to, the need to respond to work-related calls and/or messages, resulting in DEFENDANTS' failure to compensate PLAINTIFF for all hours worked and the underpayment of minimum wages and overtime wages.

PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES were not paid for all hours worked due to DEFENDANTS' policy and/or practice of paying according to scheduled hours worked instead of actual time worked, and/or mandated off-the clock work policies and/or practices.

For example, as explained herein, DEFENDANTS issued wage statements to NON-EXEMPT AGGRIEVED EMPLOYEES that demonstrate DEFENDANTS rounded NON-EXEMPT AGGRIEVED EMPLOYEES' total hours worked to at least the nearest quarter, half and/or whole hour during many if not all pay periods during their employments, resulting in DEFENDANTS' failure to compensate NON-EXEMPT AGGRIEVED EMPLOYEES for all hours worked and the underpayment of wages owed to NON-EXEMPT AGGRIEVED EMPLOYEES.

For example, DEFENDANTS' wage statements issued to PLAINTIFF demonstrate DEFENDANTS rounded PLAINTIFF's total hours worked to at least the nearest quarter, half, and/or whole hour during various if not all pay periods, resulting in DEFENDANTS' failure to compensate PLAINTIFF for all hours worked and the underpayment of minimum wages and overtime wages owed to PLAINTIFF. For example, DEFENDANTS' wage statements for PLAINTIFF for including but not limited to, the following pay periods evidence rounding of PLAINTIFF's total hours worked to at least the nearest quarter, half and/or whole hour: pay period beginning on September 15, 2024 and ending on September 21, 2024 showing precisely 16.000000 regular hours and precisely 5.000000 overtime hours; pay period beginning December 8, 2024 and ending on December 14, 2024 showing precisely 40.000000 regular hours and precisely 11.500000 overtime hours; pay period beginning on December 15, 2024 and ending on December 21, 2024 showing precisely 40.000000 regular hours and precisely 9.750000 overtime hours; pay period

beginning on December 22, 2024 and ending on December 28, 2024, showing precisely 8.000000 regular hours and precisely 1.000000 overtime hours.

Based on information and belief, DEFENDANTS' time/pay records for PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES consistently show the same precise shift start time and same precise shift end times and/or show shift start and end times that are rounded to at least the nearest quarter hour.

Based on information and belief, DEFENDANTS unlawfully edited time records to reflect scheduled shift start and end times rather than actual hours worked and/or instructed PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES to record their scheduled shift start time and end times and/or to round their recorded hours worked regardless of when PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES actually started and stopped working on those days, which resulted in off-the-clock work and the underpayment of wages owed to PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES.

For example, based on information and belief, DEFENDANTS did not provide any mechanism for/instruct PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES to record on a daily basis their actual shift start and end times, and DEFENDANTS did not record PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES true shift start and end times. Rather, DEFENDANTS instructed PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES to record/input at the end of each week that they started working at precisely their scheduled shift start times and stopped working each day at precisely their scheduled shift end time(s) and/or to round/shave time off their recorded total hours, which did not account for pre-shift and/or post-shift off-the-clock work, which was unrecorded and uncompensated.

Based on information and belief, DEFENDANTS failed to pay AGGRIEVED EMPLOYEES for time they were required to spend completing orientation, policy questionnaires, time spent completing the onboarding process and/or time spent reviewing various documents and policies provided by DEFENDANTS. Based on information and belief, this work time was completed off-the-clock and was not compensated. For example, based on information and belief, DEFENDANTS required AGGRIEVED EMPLOYEES to review and sign various types of policies and documents, including but not limited to, training documents, employment/company policy documents, among other documents, but they were not paid for all time spent reviewing and/or completing certification as directed by DEFENDANTS.

Based on further information and belief, DEFENDANTS implemented a time-rounding system that as applied systematically deprived PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES of compensable time because the time-rounding system implemented by DEFENDANTS would almost always, if not always, result in understating actual compensable work time. DEFENDANTS' failure to pay for all time worked by virtue of their time-rounding practices resulted in the underpayment of minimum wages owed to PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES as well as unpaid overtime wages for those NON-EXEMPT AGGRIEVED EMPLOYEES who worked more than eight (8) hours in a day and/or more than forty (40) hours in a week.

For example, based on information and belief, DEFENDANTS' wage statements and/or time records for PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES demonstrate DEFENDANTS implemented a time-rounding system that rounded PLAINTIFF's and other NON-EXEMPT AGGRIEVED EMPLOYEES' total hours worked to at least the nearest quarter, half and/or whole hour during many if not all pay periods during their respective employments which resulted in DEFENDANTS' failure to compensate PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES for all hours worked and the underpayment of wages owed to PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES.

Based on information and belief, many, if not all of DEFENDANTS' time records and/or wage statements for PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES demonstrate DEFENDANTS implemented a time-rounded system that rounded PLAINTIFF's and other NON-EXEMPT AGGRIEVED EMPLOYEES' total hours worked to at least the nearest quarter, half and/or whole hour during many if not all pay periods during their respective employments which resulted in DEFENDANTS' failure to compensate PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES for all hours worked and the underpayment of wages owed to PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES.

DEFENDANTS' failure to pay for all time worked by virtue of their time rounding policies and practices, on-call requirements, failure to provide lawful meal periods, and/or other off-the-clock work practices and policies, resulted in the underpayment of minimum wages owed to PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES as well as unpaid overtime wages for those NON-EXEMPT AGGRIEVED EMPLOYEES who worked more than eight (8) hours in a day and/or more than forty (40) hours in a week.

Based on information and belief, DEFENDANTS had actual and/or constructive knowledge that their time rounding policies/practices, on-call requirements, failure to provide lawful meal periods and/or other off-the-clock work resulted in the underpayment of minimum wages owed to PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES, in violation of California's minimum wage laws.

These violations subject DEFENDANTS to civil penalties under Labor Code sections 558, 558.1, 1197.1 and all applicable IWC Wage Orders, §20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE, for each pay period during which the referenced statutes and Wage Order provisions were violated.<sup>5</sup>

**Overtime Violations:** California law requires employers to pay overtime equal to one and one-half times the regular hourly rate of pay for each hour worked beyond eight (8) hours per workday and each hour worked beyond forty (40) hours per work week. Lab. Code §510; IWC Wage Order

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<sup>5</sup> See Lab. Code §1197.1(a) (establishing that the civil penalty is “for each underpaid employee for each pay period for which the employee was underpaid”); All applicable IWC Wage Orders, §20 (establishing that “[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid”).

All applicable IWC Wage Orders §3. Employers must pay overtime equal to double the regular hourly rate of pay for each hour worked beyond twelve (12) hours per workday and for all hours worked in excess of eight (8) hours on the seventh consecutive day of work in a work week. *Ibid.*

Based on information and belief, DEFENDANTS violated California's overtime laws by, among other things, failing to correctly calculate, or record, the total number of hours worked by PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES and not paying proper overtime rates for overtime worked by virtue of same.

In particular, and by way of example, PLAINTIFF was frequently contacted on her personal cell phone after hours and on her days off and was expected to answer these communications immediately and sometimes instructed to perform additional work tasks. PLAINTIFF might be contacted by her managers or coworkers at any time of the day or night and was effectively always on call. She was instructed never to record this work performed during her scheduled time off on her electronic timecards. DEFENDANTS fostered and enforced a work culture requiring employees to work during scheduled time off without recording or receiving compensation for such work; thus, PLAINTIFF's experience was typical for NON-EXEMPT AGGRIEVED EMPLOYEES, leading to widespread minimum wage violations.

Moreover, DEFENDANTS' time rounding policies and practices for meal periods and shift start times and shift end times, payment according to scheduled hours worked rather than actual time worked, off-the-clock/unpaid work completed during meal periods and/or time spent restricted to DEFENDANTS' premises and/or subject to DEFENDANTS' control during off-the-clock meal periods (described above), and/or other off-the-clock work resulted in the failure to account for all hours worked and thus the denial of minimum wages as well as overtime wages owed to PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES who worked more than eight (8) hours in a day or more than forty (40) hours in a week.

Based on information and belief, DEFENDANTS failed and continue to fail to pay a premium wage rate for all hours worked beyond eight (8) hours in a day or beyond forty (40) hours in a week.

Based on information and belief, DEFENDANTS failed and continue to fail to pay twice NON-EXEMPT AGGRIEVED EMPLOYEES' regular rate(s) of pay for time worked beyond twelve (12) hours per workday and for time worked beyond eight (8) hours on the seventh consecutive day of work in a work week, in violation of California's overtime laws.

Based on information and belief, DEFENDANTS failed to incorporate all non-discretionary remuneration, including but not limited to, non-discretionary piece-rate compensation, commission pay, shift differential pay, bonus pay, multiple base rates of pay and/or other non-discretionary pay into the regular rate of pay used to calculate the owed overtime rate(s), resulting in the miscalculation and underpayment of overtime wages owed to PLAINTIFF and other NON-

This conduct results in violations of Labor Code sections 218.5, 510, 558, 558.1, 1198-1199, and all applicable IWC Wage Orders, §12(A). These violations subject DEFENDANTS to civil penalties under Labor Code sections 558, 558.1, 218.5, and 2699, and all applicable IWC Wage

Orders, §20. Each violation of each Labor Code section and Wage Order provision results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE, for each pay period during which the referenced statutes and Wage Order provisions were violated.<sup>6</sup>

**Violation of California Labor Code §§ 245-248.5:** Throughout the relevant time period, DEFENDANTS failed to provide proper paid sick leave to PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES. DEFENDANTS either failed to provide paid sick leave at all or improperly calculated the sick leave accrual and the sick leave rate of pay owed to PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES by failing to base the accrued sick leave hours on the correct number of hours worked (as a result of the rounding policies and practices for meal periods and/or shift start and end times/other required off-the-clock work, including but not limited to work completed during unpaid meal periods) and by failing to incorporate multiple rates of pay and/or all non-discretionary remuneration, including but not limited to, non-discretionary bonuses, shift differential pay, commission and/or piece-rate compensation and/or other non-discretionary compensation into the sick leave pay rate calculation.

Based on information and belief, DEFENDANTS further failed to provide notice of the correct sick leave amount balance available to PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES on their wage statements or other written statements.

Based on information and belief, DEFENDANTS failed to put NON-EXEMPT AGGRIEVED on notice of their paid sick leave rights—or thereby putting their entitlement to sick leave in a Labor Code section 2810.5 notice. In addition, DEFENDANTS failed to maintain accurate records of used sick leave and the balance of paid sick leave left to the NON-EXEMPT AGGRIEVED EMPLOYEE throughout the relevant time period.

Based on information and belief, throughout the relevant period, DEFENDANTS failed to provide notice of sick leave amount balance left for PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES, thus affecting their intelligent exercise of their paid sick leave. But for this failure, PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES would have used their paid sick leave at least prior to their respective separations, for as on several occasions thereafter, he or she would have been entitled to use the banked sick leave and earn appropriate compensation.

This illegal retention of paid sick leave is unlawful, and PLAINTIFF seeks all forms of injunctive relief, restitution, and declaratory relief as permitted by California law, on behalf of PLAINTIFF and all NON-EXEMPT AGGRIEVED EMPLOYEES.

In violation of Labor Code section 247.5, DEFENDANTS failed to maintain records documenting the hours worked and paid sick days accrued and used by PLAINTIFF and all NON-EXEMPT AGGRIEVED EMPLOYEES, permitting the presumption that PLAINTIFF and all NON-

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<sup>6</sup> See Lab. Code §2699(f); Lab. Code §558 (establishing that the civil penalty is “for each underpaid employee for each pay period for which the employee was underpaid”); All applicable Wage Orders, §20 (establishing that “[i]n addition to any other civil penalties provided by law, any employer or any other person acting on behalf of the employer who violates, or causes to be violated, the provisions of this order, shall be subject to the civil penalty...for each underpaid employee for each pay period during which the employee was underpaid”).

EXEMPT AGGRIEVED EMPLOYEES were entitled to the maximum number of hours accruable under this article.

Upon information and belief, DEFENDANTS further failed and continue to fail to comply with Labor Code section 246, by failing to provide PLAINTIFF and all NON-EXEMPT AGGRIEVED EMPLOYEES with a Labor Code section 226 wage statement, or separate writing containing the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, at the time it pays wages.

DEFENDANTS unlawfully retained and continue to retain paid sick leave that should have been paid but was not, as a result of DEFENDANTS' failure to properly institute a paid sick leave program.

On information and belief, PLAINTIFF alleges that all of these practices were experienced and continue to be experienced by other NON-EXEMPT AGGRIEVED EMPLOYEES.

PLAINTIFF requests all appropriate relief under the PAGA and these statutes, including but not limited to the restitution of earned paid sick leave that could have been used, but was not due to DEFENDANTS' sole failure to institute such a paid sick leave entitlement or paid sick leave bank as required by California law.

Accordingly, PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES are entitled to injunctive relief, attorney's fees, declaratory relief, restitution, and penalties as permitted by law. PLAINTIFF requests all relief pursuant to the aforementioned code provisions, including but not limited to Labor Code sections 233 and 234, which incorporates the paid sick leave requirements.

**Refusal to Make Payment:** Labor Code section 216 declares unlawful an employer's refusal to pay wages due and payable and/or denial of the validity of any claim to wages due.

DEFENDANTS violated and continue to violate Labor Code section 216 by failing to pay PLAINTIFF and all NON-EXEMPT AGGRIEVED EMPLOYEES for all hours worked at the proper wage rate and by failing to pay PLAINTIFF and all NON-EXEMPT AGGRIEVED EMPLOYEES an additional hour of pay for each meal and/or rest period not provided or that was invalid. *Gould v. Maryland Sound Industries, Inc.* (1995) 31 Cal.App.4th 1137, 1154-1155.

These violations subject DEFENDANTS to civil penalties under Labor Code section 225.5. Each violation results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE, for each pay period during which the statute's provisions were violated.<sup>7</sup>

**Wage Statement Violations:** California law requires every employer semi-monthly or at the time of each payment of wages to furnish each of his or her employees with an accurate itemized wage statement in writing that contains the following: (1) gross wages earned; (2) total hours worked by

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<sup>7</sup> Labor Code § 225.5 (establishing that “[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who unlawfully withholds wages due any employee in violation of sections 212, 216, 221, 222, or 223 shall be subject to a civil penalty...for each failure to pay each employee”) (emphasis added).

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; (5) net wages earned; (6) the inclusive dates of the period for which the employee is paid; (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number; (8) the name and address of the legal entity that is the employer; and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. Cal. Lab. Code. section 226(a).

As DEFENDANTS failed to provide PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES with meal and rest periods that complied with Labor Code section 226.7, the wage statements DEFENDANTS issued to PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES failed and continue to fail to correctly set forth (a) the gross wages earned, in violation of Labor Code section 226(a)(1); (b) the total hours worked by the employee in violation of Labor Code section 226(a)(2); (c) the net wages earned, in violation of Labor Code section 226(a)(5); and (d) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee, in violation of Labor Code section 226(a)(9).

DEFENDANTS' issued wage statements to PLAINTIFF and all NON-EXEMPT AGGRIEVED EMPLOYEES that also failed to indicate the earned gross and net wages earned during the pay period, the correct applicable rates of pay for all hours worked, and the "total hours worked" by PLAINTIFF and all NON-EXEMPT AGGRIEVED EMPLOYEES (by virtue of rounded time entries, automatic deduction for meal periods/failure to relieve NON-EXEMPT AGGRIEVED EMPLOYEES of all duties and employer control during unpaid meal periods, payment according to scheduled hours worked rather than actual hours worked, and/or other off-the-clock work policies and practices described above), which results in a violation of Labor Code section 226(a).

Failure to list all hours worked on a wage statement, gives rise to an inference of injury under Labor Code Section 226 (*Maldonado v. Epsilon Plastics, Inc.*, (2018) 22 Cal.App.5th 1308, 1337).

Based on information and belief, wage statements issued by DEFENDANTS failed to list the inclusive dates and/or correct inclusive dates of the pay period for which the NON-EXEMPT AGGRIEVED EMPLOYEE or EXEMPT AGGRIEVED EMPLOYEE is being paid, in violation of Labor Code section 226(a)(2) and/or Labor Code section (a)(6).

For example, based on information and belief, at times, DEFENDANTS issued wage statements to NON-EXEMPT AGGRIEVED EMPLOYEES containing payment for hours worked during previous pay periods, yet DEFENDANTS' wage statements do not include the inclusive dates of the accurate pay period for pay, further failing to list the total hours worked for the pay period, including but not limited to, the total hours worked for the pay period the pay corresponds with.

For example, wage statements issued by DEFENDANTS to PLAINTIFF contain categories for "OT Retro-Hourly" Pay and "Retro Pay- Hourly" yet DEFENDANTS' wage statements do not include the inclusive dates of the accurate pay period for the pay listed, further failing to list the total hours worked for the pay period, including but not limited to, the total hours worked for the pay period the pay corresponds with, in violation of Labor Code Section 226(a)(2) and/or

226(a)(6). Based on information and belief, DEFENDANTS issued wage statements to NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES that fail to accurately list all deductions, in violation of Labor Code section 226(a)(4).

For example, as described herein, DEFENDANTS regularly failed to reimburse PLAINTIFF for business expenses, including but not limited to, for cell phone/data usage each pay period and for home office expenses, including internet, thereby deducting business costs from PLAINTIFF's earned wages each pay period, in violation of including but not limited to, Labor Code Section 221, and further failing to itemize these deductions for business costs, on PLAINTIFF's wage statements. As such, DEFENDANTS issued wage statements to PLAINTIFF that failed to accurately list all deductions, in violation of Labor Code section 226(a)(4).

DEFENDANTS' failure to accurately list all hours worked on all wage statements caused confusion to PLAINTIFF and caused and continue to cause confusion to the NON-EXEMPT AGGRIEVED EMPLOYEES over whether they received all wages owed to them. PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES were injured by DEFENDANTS' failure to provide accurate wage statements.

In addition, because of the violations detailed above, including but not limited to, not paying regular and overtime wages for all hours worked, not paying all sick leave wages at the proper rates, and failing to provide meal and rest break premiums, DEFENDANTS have violated California Labor Code § 226 by willfully failing to furnish PLAINTIFF and all NON-EXEMPT AGGRIEVED EMPLOYEES with accurate, itemized wage statements. As described herein, based on information and belief, DEFENDANTS also failed to incorporate all forms of non-discretionary compensation earned during the pay period into the overtime pay rate calculation, and as such, failed to display the proper overtime rate(s) for each hour of overtime worked by PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES.

Based on information and belief, wage statements issued by DEFENDANTS failed to list all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee, in violation of Labor Code section 226(a)(9) due to DEFENDANTS' failure to list an overtime rate category at all and/or failure to list a category containing the proper overtime rate.

Moreover, based on information and belief, DEFENDANTS issued wage statements to PLAINTIFF, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES that further violate Labor Code section 226(a), by among other things, failing to list the correct name and/or address of the legal entity that is the employer.

As a result, the wage statements provided to PLAINTIFF, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES were not accurate and did not include all of the statutorily required information.

These violations subject DEFENDANTS to civil penalties under Labor Code section 226. Each violation results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE

and each EXEMPT AGGRIEVED EMPLOYEE, for each pay period during which the statute provisions were violated.<sup>8</sup>

**Standard Conditions of Labor Violations:** Together, Labor Code sections 1198 and 1199 make unlawful any employment of any employee under conditions of labor prohibited by the Wage Orders, and any violation, refusal, or neglect to comply with any provision within Part 4, Chapter 1 of the Labor Code, including sections 1174, 1197, and 1198, or order or ruling of the commission.

Therefore, DEFENDANTS' violations, including but not limited to, with respect to meal periods, rest periods, recordkeeping provisions, minimum wages and overtime wages, business expenses, and other violations described herein result in separate violations of sections 1198 and 1199, which subject DEFENDANTS to civil penalties under Labor Code sections 1197.1 and 2699.

**Statutory Wage Violations:** Labor Code section 223 makes it unlawful for an employer to secretly pay wages lower than required by statute while purporting to pay legal wages.

As described above, DEFENDANTS willfully and systematically denied PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES of minimum and overtime wage compensation for all hours worked which resulted in the payment of less than statutorily required wages owed to them. DEFENDANTS acted with the intent to deprive them of statutory wages, including, but not limited to, overtime wages and minimum wages, to which they were entitled to under California law.

Thus, DEFENDANTS paid PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES lower wages than those they were entitled to while purporting that PLAINTIFF and all NON-EXEMPT AGGRIEVED EMPLOYEES were properly paid. As such, PLAINTIFF and all NON-EXEMPT AGGRIEVED EMPLOYEES are entitled to recover penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code § 2699(f)-(g).

**Business Expense Violations:** California law requires employers to indemnify their employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of their duties or of their obedience to the directions of the employer. *See* Cal. Lab. Code § 2802(a) and all applicable Wage Orders, § 9 (b). Furthermore, "for purposes of [section 2802], the term 'necessary expenditure or losses' shall include all reasonable costs, including, but not limited to, attorneys' fees incurred by the employee enforcing the rights granted by this section."

Among other things, under California law, when tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft. *See* applicable IWC Wage Order, § 9 (b).

Among other things, under California law, when employees must use their personal cellphones for work-related purposes, the employer must reimburse them for a reasonable percentage of their cell phone bills. *See Cochran v. Schwan's Home Services, Inc.* (2014) 228 Cal.App.4th 1137, 1140.

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<sup>8</sup> See Lab. Code §226.3 (establishing that the civil penalty is "per employee per violation").

To show liability, an employee will only need to show that he or she was required to use their personal cellphone for work-related purposes and not reimbursed for the use. *Id.* 1144-1145

Further, “any 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 to under the laws of this State.” *See* Cal. Lab. Code § 2804.

Based on information and belief, PLAINTIFF and NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES were improperly required to provide and maintain work tools that are supposed to be the responsibility of the employer.

In particular, and by way of example, DEFENDANTS hired PLAINTIFF for the express purpose of working a hybrid work schedule in which she worked in the office on Tuesdays, Wednesdays, and Thursdays and worked from home on Mondays and Fridays. In fact, DEFENDANTS’ Los Angeles office where PLAINTIFF was based was not open on Mondays and Fridays, and/or did not accommodate employees on those days. In spite of expressly hiring PLAINTIFF to work a hybrid schedule and work remotely on Mondays and Fridays, DEFENDANTS did not reimburse PLAINTIFF for the necessary expenses of working remotely, including home internet and other utilities, and home office supplies. In addition, even on days when PLAINTIFF worked in DEFENDANTS’ Los Angeles office, she was required to use her personal cell phone for work-related communications and was never reimbursed for the reasonable costs of such cell phone and data use.

Based on information and belief, DEFENDANTS shifted the costs of doing business onto NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES by requiring them to pay for their business expenses including but not limited to home internet and other utilities, home office supplies, personal cell phone use, and personal vehicles.

For example, based on information and belief, NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES were required to receive and respond to work-related calls and/or messages from supervisors and/or other employees regarding scheduling and/or other work tasks but were not reimbursed by DEFENDANTS at all and/or in full for these business expenses.

Based on information and belief, DEFENDANTS required PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES to work remotely, including but not limited to, from their homes. As a result of working from home, PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES were required to use their home internet, electricity, and other utilities in the discharge of their job duties. Based on information and belief, DEFENDANTS lacked and continue to lack a policy to reimburse employees who regularly increased utility expenses as a result of working from home. PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES’ and/or EXEMPT AGGRIEVED EMPLOYEES’ increased utility and internet expenses were expenses for which DEFENDANTS were required to reimburse PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED

EMPLOYEES a reasonable percentage based on their required business use because said expenses were necessarily incurred by PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES as a direct consequence of the discharge of their duties of employment. However, DEFENDANTS failed to reimburse PLAINTIFF, other NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES at all and/or in full for these business expenses incurred as a result of being required to work from their homes, in violation of California law.

As a pattern and practice, DEFENDANTS regularly failed to reimburse and indemnify NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES for business expenses. Pursuant to California Labor Code section 2802, PLAINTIFF, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES were entitled to be reimbursed for all reasonable expenses associated with carrying out DEFENDANTS' orders and/or carrying out the duties assigned by DEFENDANTS.

As described herein, DEFENDANTS regularly failed to reimburse and indemnify PLAINTIFF, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES for all reasonable expenses associated with carrying out their job duties. DEFENDANTS' failure to provide PLAINTIFF, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES with full reimbursement for all reasonable expenses associated with carrying out their duties required that PLAINTIFF, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES subsidize and/or carry the burden of business expenses in violation of Labor Code section 2802.

**Unlawful Deductions:** Labor Code section 221 prohibits an employer from "collect[ing] or receiv[ing] from an employee any part of wages theretofore paid by said employer to said employee." Based on information and belief DEFENDANTS made unlawful deductions from NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES paychecks during the relevant period including without limitation, deducting business costs, including without limitation, expenses/costs for data usage/ the cost of cell phone/internet use/other business expenses as described herein.

For example, DEFENDANTS regularly failed to reimburse PLAINTIFF for business expenses, including but not limited to, for cell phone/data usage each pay period, thereby deducting business costs from PLAINTIFF's earned wages each pay period, in violation of including but not limited to, Labor Code Section 221. In addition, section 13 of the agreement PLAINTIFF was required to sign as a condition of continued employment unlawfully purports to give DEFENDANTS the right to take deductions from employees' paychecks in circumstances not authorized under California law. On information and belief, other NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES were required to sign the same or substantially similar agreement as a condition of hiring or continued employment.

The above-described practices are in violation of including but not limited to, Labor Code Sections 221-222 and/or 224 which subjects DEFENDANTS to civil penalties under Labor Code Section 2699.

**Unlawful Agreements and/or Unlawful Waivers:** Labor Code section 432.5 provides that “no employer...shall require any employee or applicant for employment to agree, in writing, to any term or condition which is known by such employer...to be prohibited by law.” Based on information and belief, DEFENDANTS required PLAINTIFF, NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to agree in writing to unlawful conditions of employment including but not limited to unlawful releases, unlawful waivers, and/or other unlawful agreements as a condition of obtaining and/or continuing employment in violation of Labor Code sections 432.5, 432.6, and/or 232.5.

In particular, and by way of example, after PLAINTIFF had already worked approximately one week for DEFENDANTS, DEFENDANTS required her, as a condition of continued employment and payment for work already performed, to execute a nonnegotiable agreement containing multiple unlawful terms, including but not limited to the following:

- Section 5, which illegally reserves the right for DEFENDANTS to withhold compensation due to employees, in violation of section 204 of the Labor Code;
- Section 11, entitled “Confidentiality and Data Security,” which literally prohibits employees from using any skills or knowledge they learned during their employment with DEFENDANTS in any subsequent employment for the rest of their lives, in violation of California Business and Professions Code sections 16600 and 16600.1;
- Section 11, which also prohibits or unduly burdens employees’ right to discuss working conditions among themselves, in violation of section 232.5 of the Labor Code and the National Labor Relations Act, 29 U.S.C. § 157;
- Section 13, which unlawfully purports to give DEFENDANTS the right to take deductions from employees’ paychecks in circumstances not authorized under California law, in violation of sections 221, 222, 223, 224, and 2802 of the Labor Code;
- Section 14, which unlawfully imposes a definition of “employer” that is at odds with the definition under California law.

On information and belief, DEFENDANTS required other NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES to sign the same or substantially similar nonnegotiable agreement as a condition of hiring or continued employment, containing the same or substantially similar unlawful terms. Accordingly, DEFENDANTS are liable for penalties under Labor Code sections 432.5, 432.6, and 232.5.

**Untimely Payment During Employment:** Labor Code section 204 expressly requires employers who pay employees on a weekly, biweekly, or semimonthly basis to pay all wages “not more than seven calendar days following the close of the payroll period.”

DEFENDANTS maintained facially noncompliant policies regarding the timing of payment. In particular, and by way of example, section 5 of the nonnegotiable agreement that PLAINTIFF was required to execute as a condition of continued employment unlawfully purports to give

DEFENDANTS the right to withhold payment for work performed in circumstances not authorized under California law. On information and belief, other NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES were required to sign the same or substantially similar agreement as a condition of hiring or continued employment.

In addition, on at least one occasion, DEFENDANTS unlawfully withheld compensation from PLAINTIFF for work performed until the following pay period because PLAINTIFF was unable to log into the electronic timekeeping system and submitted her timecards by email.

DEFENDANTS' written policy, which was also adhered to in practice, of withholding compensation from NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES past seven days in circumstances not authorized under California law violations Labor Code section 204, and DEFENDANTS are liable for penalties therefor.

**Untimely Payment Upon Termination:** Labor Code section 201 provides "[i]f an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately." DEFENDANTS did not comply. DEFENDANTS discharged PLAINTIFF on February 27, 2025 but did not pay PLAINTIFF's final wages until February 28, 2025. On information and belief, DEFENDANTS maintained a practice of paying NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES after their date of discharge, in violation of Labor Code section 201, and DEFENDANTS are liable for penalties therefor.

**Unlawful Retaliation for Protected Activity:** California law prohibits employers from taking any adverse action against an employee for exercising their rights under the Labor Code, including by submitting a PAGA notice or filing a civil lawsuit for Labor Code violations. Lab. Code §§ 98.6, 1102.5. DEFENDANTS terminated PLAINTIFF'S employment in retaliation for submitting a PAGA notice letter and/or filing a civil lawsuit for Labor Code violations. On information and belief, DEFENDANTS have taken adverse action against other NON-EXEMPT AGGRIEVED EMPLOYEES and/or EXEMPT AGGRIEVED EMPLOYEES in retaliation for exercising their rights under the Labor Code. Accordingly, DEFENDANTS are liable for penalties for violations of Labor Code sections 98.6 and 1102.5.

### **Conclusion**

DEFENDANTS have violated the above-referenced California Labor Code provisions, the applicable IWC Wage Order, including but not limited to all applicable Wage Orders, as well as other laws, and is liable for all applicable premium wages, statutory and civil penalties, interest, attorneys' fees, and costs. The civil penalties PLAINTIFF and other NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES seek to recover include, but are not limited to, the statutory and civil penalties specified above.

Labor Code § 2699.3 requires that a claimant send a certified letter (i.e. this NOTICE) to the employer in question and file an online claim to the LWDA setting forth the claims and the basis for the claims, thereby giving the LWDA an opportunity to investigate the claims and/or take any action it deems appropriate.

The purpose of this NOTICE is to satisfy the requirements created by Labor Code §§ 2699, 2699.3(a), 2699.3(b), 2699.3(c), and 2699.5, prior to seeking penalties and premium wages allowed by law for the aforementioned statutory violations in a civil action. We look forward to determining whether the LWDA intends to take any action in reference to these claims. We kindly ask that you respond to this NOTICE according to the time frame contemplated by the code.

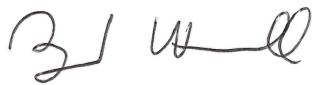
If the LWDA elects not to take any action with respect to any of the foregoing claims, PLAINTIFF will seek these penalties in a civil action, on behalf of PLAINTIFF and all NON-EXEMPT AGGRIEVED EMPLOYEES and EXEMPT AGGRIEVED EMPLOYEES of DEFENDANTS within one year of the date of this letter as allowed by law.

Please advise if your office intends to investigate any of the factual and legal allegations and provide notice within sixty-five days of the date of this NOTICE to our office and to that of other charged parties. Thank you for your attention to this matter. If you have any questions, please contact me at the phone number or address below:

Raymond Wendell, Esq.  
Crosner Legal, PC  
9440 Santa Monica Blvd., Ste. 301  
Beverly Hills, CA 90210  
Main: 866.276.7637  
Fax: 310.510.6429  
Email: [rwendell@crosnerlegal.com](mailto:rwendell@crosnerlegal.com)

Thank you for your attention to this matter.

Best Regards,

A handwritten signature in dark ink, appearing to read 'RW', is positioned above the typed name.

Raymond Wendell, Esq.  
CROSNER LEGAL, PC