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Superior Court of California,
County of San Diego

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Clerk of the Superior Court
By B. Ramirez ,Deputy Clerk

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

HALEY CAMERON, on behalf of others
similarly situated and the State of California
under the Private Attorneys General Act,

Plaintiffs,

vs.

CURIEL EATERY INC. and DOES 1 through
50, inclusive,

Defendants.

Case No. 25CU002480C

Judge: Hon. Judy S. Bae
Dept.: 62

CLASS ACTION

**FIRST AMENDED CLASS AND
REPRESENTATIVE ACTION
COMPLAINT**

1. Failure to Pay All Wages Owed
2. Failure to Pay All Overtime Wages
3. Meal Period Violations
4. Rest Period Violations
5. Paid Sick Leave Violations
6. Untimely Payment of Wages
7. Wage Statement Violations
8. Waiting Time Penalties
9. Unfair Competition
10. Unlawful Wage Deductions
11. Civil Penalties under the Private Attorneys General Act (Labor Code §§ 2698 *et seq.*)

Action Filed: January 14, 2025

1 Plaintiff HALEY CAMERON, on behalf of all others similarly situated and the State of
2 California under the Private Attorneys General Act (“Plaintiff”) brings this FIRST AMENDED
3 CLASS AND REPRESENTATIVE ACTION COMPLAINT against Defendants CURIEL EATERY
4 INC. and DOES 1 through 50, inclusive (collectively “Defendants”), alleging as follows:

5 **INTRODUCTION**

6 1. Plaintiff brings the instant class action on behalf of themselves and similarly situated
7 current and former employees of Defendants for a series of systemic violations of the California Labor
8 Code and IWC Wage Orders.

9 2. Defendants failed to pay Plaintiff and other employees for all regular and overtime
10 hours due to their policy and practice of requiring off-the-clock work.

11 3. Defendants failed to provide, authorize, and/or permit the class members to take all
12 meal and rest periods to which they were entitled.

13 4. Defendant maintained an unlawful policy and practice of deducting wages and earnings
14 from Plaintiff and the class members as a result of an unlawful tip policy which resulted in Plaintiff
15 and other class members being taxed on an artificially inflated gross pay which they did not receive.

16 5. Defendants’ employment policies, practices, and payroll administration systems
17 enabled and facilitated these violations on a company-wide basis with respect to the class members.
18 Plaintiff seeks to recover the damages, wages, interest, and penalties, in addition to attorneys’ fees and
19 costs, according to proof.

20 6. **JURISDICTION & VENUE**

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

23 8. The monetary damages and restitution sought exceed the minimal jurisdiction limits of
24 the Superior Court.

25 9. This Court has jurisdiction over Defendants because, upon information and belief,
26 Defendants have sufficient minimum contacts in California, or otherwise intentionally avail
27 themselves to the California economy so as to render the exercise of jurisdiction over them by the
28 California courts consistent with traditional notions of fair play and substantial justice.

10. Venue is proper in this Court under Code of Civil Procedure sections 393(a), 395, and/or 395.5 because, upon information and belief, Defendants conducted business and committed some of the alleged violations in this County.

PARTIES

A. Plaintiff Haley Cameron

11. Plaintiff Cameron is an individual over 18 years of age who worked for Defendants in California as a non-exempt employee from about June 2023 to present. Plaintiff worked as a Server.

12. The State of California, via the Labor and Workforce Development Agency (“LWDA”), is the real party in interest in this 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.”])).

B. Defendants

13. Defendant Curiel Eatery Inc. is a California corporation that maintains operations and conducts business throughout the State of California, including in this county.

14. The true names and capacities, whether individual, corporate, or otherwise, of the parties sued as DOES 1 through 50, are presently unknown, unascertainable, or uncertain, and are sued by such fictitious names under Code of Civil Procedure section 474. Upon information and belief, 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.

15. 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.

16. 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.

17. 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.

CLASS ALLEGATIONS

18. This action is brought individually and on behalf of the following class pursuant to Code of Civil Procedure section 382:

a. All current and former non-exempt employees who worked for Defendants in California at any time from four years (plus the additional 178-day statutory tolling period under Emergency Rule 9) prior to the filing of this action through date of class certification.

19. Plaintiff reserves the right to establish various subclass definitions as appropriate at the class certification stage, according to proof.

20. The class is ascertainable and shares a well-defined community of interest in this litigation:

a. Numerosity: The class is estimated to exceed 50 individuals, although the precise membership of the entire class is unknown at this time. The class is so numerous that joinder of all class members is impracticable. The identities of class members are ascertainable by inspection of Defendants' employment and payroll records.

b. Typicality: Plaintiff's claims are typical of the claims of the other class members. They were subject to the same policies and practices of Defendants, which resulted in losses to the class. Proof of common unlawful business practices, which Plaintiff experienced, will establish the right of the class to recover on the causes of action alleged herein.

c. Adequacy: Plaintiff is an adequate class representative; will take all necessary steps to protect the class members' interests adequately and fairly; has no interest antagonistic to other class members; and is represented by attorneys

who have substantial experience prosecuting, defending, resolving, and litigating wage and hour class, collective, and representative actions in California state and federal courts.

d. Superiority: A class action is superior to other means for adjudicating this dispute. Individual joinder is impractical. Class treatment will allow for common issues to be resolved in a single forum, simultaneously, and without duplication of effort and expense.

e. Public Policy Considerations: Certification of this lawsuit as a class action advances the State of California's strong public interest in ensuring its approximately millions of employed residents are properly paid the wages they earned for the hours they worked. Class actions provide a mechanism for enforcement of labor laws and allow for vindication of employee rights by unnamed class members.

21. Common questions of law and fact as to the class members predominate over questions affecting only individual members. The common questions of law and fact exist as to whether the employment policies and practices formulated by Defendants and applied to the class members constitute violations of California law.

GENERAL ALLEGATIONS

22. Defendants failed to pay Plaintiff and the class members at the lawful minimum wage rate for all hours worked, resulting in unpaid minimum wages.

23. Defendants engaged in an unlawful policy and practice of requiring Plaintiff and the class members to complete work while off-the-clock, resulting in unpaid minimum wages.

24. Specifically, Defendants required Plaintiff and the class members to complete training including sexual harassment training and training to obtain their food handler's card while off-the-clock.

25. Defendants further failed to retroactively input the hours spent completing each training course or otherwise compensate Plaintiff and the class members, resulting in unpaid wages.

26. Defendants failed to pay Plaintiff and the class members overtime wages and the lawful

1 rate of pay for overtime hours worked, resulting in unpaid overtime wages.

2 27. To the extent that Defendants policy and practice of requiring off-the-clock training
3 resulted in unpaid hours worked over 8 hours in a day or 40 hours in a week, this resulted in unpaid
4 overtime.

5 28. Defendants maintained an unlawful policy and practice of deducting wages and
6 earnings from Plaintiff and the class members.

7 29. Defendants erroneously included in Plaintiff's wage statements tips that she did not
8 claim/earn.

9 30. As a result, the misappropriated tips increased Plaintiff's gross pay for that pay period
10 and Plaintiff paid a higher tax amount.

11 31. After realizing the error, Plaintiff met with Defendants and Defendants' account
12 regarding the error, but it has not been rectified.

13 32. As a result, Defendants have engaged in an unlawful wage deduction practice.

14 33. On information and belief, Defendants' practice of misappropriating tips was common
15 to all class members.

16 34. Defendants failed to comply with California's paid sick leave laws

17 35. Due to Defendants' unlawful policy of requiring off-the-clock training, Defendants
18 failed to properly credit Plaintiff and the class members with their full accrued sick leave.

19 36. The failure to calculate and pay sick leave at one of the lawful rates set forth in Labor
20 Code §§ 246(l)(1)-(3) and 247 *et seq.* was applied as a matter of common policy and practice to class
21 members.

22 37. Plaintiff and the class members routinely experienced missed, late, short, and
23 interrupted meal periods due to pressure from Defendants to keep up with high demands of the job.

24 38. Due to the high demands in the restaurant industry, Plaintiff and, on information and
25 belief, the class members would work through the meal periods in order to continue to serve the needs
26 of the customers, including taking orders, delivering orders, and completing back of house tasks. As
27 such, Plaintiff and the class members would often work during their unpaid meal period, or otherwise
28 experience a noncompliant meal period.

39. As a matter of common policy and practice, Defendants failed to pay Plaintiff and the class members meal period premiums for the missed, late, short, and interrupted meal periods.

40. Specifically, Plaintiff's time records show facial missed meal periods with no corresponding meal period premium on the wage statements.

41. For example, Plaintiff's time records on April 18, 2024 reveal Plaintiff worked over five (5) hours without a compliant meal period. Plaintiff's wage statement for the pay period from April 15, 2024 to April 29, 2024 show she was not paid a meal period premium during this pay period.

42. Each time Plaintiff and the class members experienced a noncompliant meal period, they were owed a meal period premium. However, as a matter of policy and practice, Defendants failed to pay Plaintiff and other class members a meal period premium in violation of Labor Code section 226.7.

43. Similarly, Defendants had a policy and practice of regularly denying these employees from taking compliant, uninterrupted rest periods.

44. As stated in the above sections, due to the high demands of the job and the pressure to keep up with the heavy workload, Plaintiff and other class members were very rarely, if at all, authorized or permitted to take all their rest periods. Further, Defendants had a policy and practice of not paying rest period premiums to employees who were unable to take rest periods.

45. Defendants failed to accurately state the "gross wages earned" and "net wages earned" in violation of Labor Code § 226(a)(1) and (5), as Plaintiff and class members were underpaid for regular and overtime wages, meal and rest period premiums, and paid sick leave, resulting in an inaccurate and depreciated itemization of gross and net wages earned on those wage statements.

46. Second, Defendants violated Labor Code section 226(a)(2) by failing to list employees' "total hours worked," as class members worked off-the-clock to perform the various work-related tasks described above, rendering the total hours listed as an inaccurate reflection of hours worked.

47. Third, in violation of Labor Code section 226(a)(9), the hourly rates and corresponding hours worked at those rates are incorrectly listed on Plaintiff's and class members' wage statements. 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

1 owed to employees. The amounts stated are instead depreciated and underpaid, resulting in an
2 inaccurate reflection on the pay stub.

3 48. These violations create derivative liability for failure to pay all wages owed each
4 payday or upon separation of employment.

5 **FIRST CAUSE OF ACTION**

6 **FAILURE TO PAY ALL WAGES OWED**

7 **Violation of Labor Code §§ 200, 218, 1194, 1194.2 and 1197**

8 **(All Claims Alleged by Plaintiff and Class Members Against All Defendants)**

9 49. All outside paragraphs of this Complaint are incorporated into this section.

10 50. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code
11 §§ 200, 218, 1182.12, 1194, 1194.2, 1197, 1197.1 and 1198 and the IWC Wage Orders (the “Hours
12 and Days of Work” and “Minimum Wages” sections of the applicable orders), which require non-
13 exempt employees be timely paid at least the state or local minimum wage (if higher) for each hour of
14 work, and further provide a private right of action for an employer’s failure to pay all minimum wages
15 (plus liquidated damages). In addition to minimum wages, Labor Code § 200 states that “‘wages’
16 includes all amounts for labor performed by employees of every description, whether the amount is
17 fixed or ascertained by the standard of time, task, piece, commission basis, or other method of
18 calculation.”

19 51. Defendants willfully failed in their affirmative obligation to pay Plaintiff and class
20 members at least the lawful minimum wage for each hour worked in violation of Labor Code sections
21 1182.12, 1194, 1194.2, 1197, 1197.1 and 1198 and the IWC Wage Orders (the “Hours and Days of
22 Work” and “Minimum Wages” sections of the applicable orders), including payment at the lawful
23 local and county minimum wage ordinances in effect. As a result, Defendants are liable for all
24 associated damages, including liquidated damages for the minimum wage violations pursuant to Labor
25 Code § 1194.2.

26 52. Defendants’ unlawful acts and omissions deprived Plaintiff and class members of
27 minimum, regular and overtime wages in amounts to be determined at trial. Plaintiff and class
28 members are entitled to recover the full amount of the unpaid wages, plus liquidated damages in an

1 amount equal to the wages unlawfully unpaid (and interest thereon), in addition to interest, attorneys'
2 fees, and costs to the extent permitted by law, including under Labor Code sections 1194 and 1194.2,
3 218.6 and any other applicable statutes.

4 **SECOND CAUSE OF ACTION**

5 **FAILURE TO PAY ALL OVERTIME WAGES**

6 **Violation of Labor Code §§ 510 and 1194**

7 53. All outside paragraphs of this Complaint are incorporated into this section.

8 54. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code
9 §§ 204, 510, 558, 1194, and 1198, which require non-exempt employees be timely paid overtime
10 wages all overtime hours worked, and which further provide a private right of action for an employer's
11 failure to pay all overtime compensation for overtime hours worked.

12 55. Defendants failed in their affirmative obligation to pay Plaintiff and class members no
13 less than one and one-half times their respective "regular rate of pay" for all hours worked in excess
14 of eight hours in one day, 40 hours in one week, or the first eight hours worked on the seventh day of
15 work in any one workweek, and no less than twice their respective "regular rate of pay" for all hours
16 over 12 hours in one day and any work in excess of eight hours on any seventh day of a workweek for
17 such hours worked, in violation of Labor Code sections 204, 510, 558, 1194, and 1198 and the IWC
18 Wage Orders (the "Hours and Days of Work" sections of the applicable orders).

19 56. Plaintiff and class members are entitled to recover the full amount of the unpaid
20 overtime, in addition to interest, statutory and civil penalties, and attorneys' fees, and costs to the
21 extent permitted by law.

22 **THIRD CAUSE OF ACTION**

23 **MEAL PERIOD VIOLATIONS**

24 **Violation of Labor Code §§ 226.7 and 512**

25 57. All outside paragraphs of this Complaint are incorporated into this section.

26 58. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code
27 §§ 226.7, 558 and 512, which require non-exempt employees be provided complaint meal periods (or
28 meal period premiums in lieu thereof), and which further provide a private right of action for an

1 employer's failure to lawfully provide all meal periods and/or pay meal period premiums at the lawful
2 regular rate of compensation.

3 59. Defendants willfully failed in their affirmative obligation to consistently provide
4 Plaintiff and class members compliant, duty-free meal periods of not less than 30 minutes beginning
5 before the fifth hour of hour for each work period of more than five hours per day and a second duty-
6 free meal period of not less than 30 minutes beginning before the tenth hour of hour of work in
7 violation of Labor Code sections 226.7, 512, 558, 1198 and the IWC Wage Orders (the "Meal Periods"
8 sections of the applicable orders).

9 60. Further, Defendants willfully failed in their affirmative obligation to consistently pay
10 Plaintiff and class members one additional hour of pay at the respective regular rate of compensation
11 for each workday that a fully compliant meal period was not provided, in violation of Labor Code
12 sections 226.7, 512, 558, and 1198 and the IWC Wage Orders (the "Meal Periods" sections of the
13 applicable orders).

14 61. Plaintiff and class members are entitled to recover the full amount of the meal period
15 premiums owed, in addition to interest, statutory and civil penalties, and attorneys' fees, and costs to
16 the extent permitted by law.

17 **FOURTH CAUSE OF ACTION**

18 **REST PERIOD VIOLATIONS**

19 **Violation of Labor Code §§ 226.7 and 516**

20 62. All outside paragraphs of this Complaint are incorporated into this section.

21 63. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code
22 §§ 226.7 and 516, which require non-exempt employees be authorized to take complaint rest periods
23 (or rest period premiums in lieu thereof), and which further provide a private right of action for an
24 employer's failure to lawfully provide all rest periods and/or pay rest period premiums at the lawful
25 regular rate of compensation.

26 64. Defendants willfully failed in their affirmative obligation to consistently authorize and
27 permit Plaintiff and class members to receive compliant, duty-free rest periods of not less than ten
28 (10) minutes for every four hours worked (or major fraction thereof) in violation of Labor Code

sections 226.7, 516, 558, and 1198 and the IWC Wage Orders (the “Rest Periods” sections of the applicable orders).

65. Further, Defendants willfully failed in their affirmative obligation to consistently pay Plaintiff and class members one additional hour of pay at the respective regular rate of compensation for each workday that a fully compliant rest period was not provided, in violation of Labor Code sections 226.7, 516, 558, and 1198 and the IWC Wage Orders.

FIFTH CAUSE OF ACTION

FAILURE TO PAY ALL PAID SICK LEAVE WAGES

Violation of Labor Code §§ 200, 218, 246 *et seq.*

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

67. Defendants knowingly and intentionally failed in their affirmative obligation to pay sick leave wages to Plaintiff and a paid sick leave subclass in violation of Labor Code section 246 *et seq.* Paid sick leave earnings constitute wages for purposes of California wage and hour law. (*Murphy v. Kenneth Cole Productions, Inc.* (2007) 40 Cal.4th 1094, 1103 [“Courts have recognized that ‘wages’ also include those benefits to which an employee is entitled as a part of his or her compensation, including money, room, board, clothing, vacation pay, and sick pay”].)

68. Labor Code section 246(l), in conjunction with Labor Code section 248 *et seq.*, 248.1, 248.2, and 248.6, in addition to the applicable County sick pay ordinances in locales worked by class members, govern how Defendants were required to calculate paid sick leave.

69. Defendants failed to pay Plaintiff and class members their paid sick leave wages at one of the lawful rates set forth in the statute or ordinance because Defendants failed to include in their sick leave calculation the additional remuneration received by Plaintiff and class members (i.e., at the regular rate of pay and/or calculated based on total wages earned).

70. Furthermore, to the extent the paid sick leave paid constitutes Covid-related paid sick leave, Defendants knowingly and intentionally failed in their affirmative obligation to pay Covid-19 Supplemental Sick Leave wages to class members at the correct accrual rate or hourly pay rate in violation of Labor Code sections 246, 248.1, 248.2, and 248 *et seq.*

71. As a result, Defendants violated the Labor Code and are liable to Plaintiff and class members for underpaid sick leave wages, in addition to interest, attorneys' fees, and costs.

SIXTH CAUSE OF ACTION

UNTIMELY PAYMENT OF WAGES

Violation of Labor Code §§ 204, 210, 218

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

73. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code §§ 204, 204b, and 210 which require non-exempt employees be timely paid all wages owed each pay period, and which further provide a private right of action for an employer's failure to comply with this obligation. Labor Code § 218 authorizes individuals to sue directly for wages and penalties due under these sections, including Labor Code § 210(c)'s statutory late payment penalties.

74. Defendants willfully failed in their affirmative obligation to timely pay all wages, including paid sick leave and meal and rest premiums, earned by Plaintiff and class members twice during each calendar month on days designated in advance by the employer as regular paydays (for employees paid on a non-weekly basis) and on the regularly-scheduled weekly payday for weekly employees, if any, in violation of Labor Code sections 204 and 204b and the IWC Wage Orders (the "Minimum Wages" sections of the applicable orders).

75. Plaintiff and class members are entitled to recover the full amount of the unpaid wages, in addition to a statutory penalty in the amount of \$100 for the initial violation for each failure to pay each employee and \$200 for all subsequent violations and for all willful or intentional violations for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld under provided in Labor Code § 210, in addition to interest, attorneys' fees, and costs to the extent permitted by law.

SEVENTH CAUSE OF ACTION

WAGE STATEMENT VIOLATIONS

Violation of Labor Code § 226

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

77. This cause of action is brought by a wage statement subclass pursuant to Labor Code § 226(a) which requires non-exempt employees be provided accurate itemized wage statements each

1 pay period, and which further provide a private right of action for an employer's failure to comply
2 with this obligation.

3 78. Defendants knowingly and intentionally failed in their affirmative obligation to provide
4 accurate itemized wage statements to Plaintiff and class members resulting in injury to Plaintiff and
5 class members. Specifically, the wage statements issued to Plaintiff and class members did not
6 accurately state each pay period all of the information required by Labor Code § 226(a)(1)-(9).

7 79. Defendants' unlawful acts and omissions deprived Plaintiff and class members of
8 accurate itemized wage statements, causing confusion and concealing wage and premium
9 underpayments.

10 80. As a result, Plaintiff and class members are entitled to recover the statutory penalty of
11 \$50 per employee for the initial pay period in which a violation occurred and \$100 per employee for
12 each violation in a subsequent pay period, up to an aggregate penalty of \$4,000 per employee, in
13 addition to interest, attorneys' fees, and costs to the extent permitted by law, including under Labor
14 Code section 226(e).

15 **EIGHTH CAUSE OF ACTION**

16 **WAITING TIME PENALTIES**

17 **Violation of Labor Code §§ 201 *et seq.***

18 81. All outside paragraphs of this Complaint are incorporated into this section.

19 82. This cause of action is brought by a waiting time subclass pursuant to Labor Code
20 §§ 201 through 203, which require an employer to timely pay all wages earned upon termination of
21 employment, and which further provide a private right of action to recover statutory waiting time
22 penalties each day an employer fails to comply with this obligation, up to a maximum of 30 days
23 wages.

24 83. Defendants willfully failed and continue to fail in their affirmative obligation to pay all
25 wages earned and unpaid to Plaintiff and class members immediately upon termination of employment
26 or within 72 hours thereafter for employees who did not provide at least 72 hours prior notice of his
27 or her intention to quit, and further failed to pay those sums for 30 days thereafter in violation of Labor
28 Code sections 201 through 203 and the IWC Wage Orders.

1 84. Plaintiff and class members are entitled to recover a waiting time penalty for a period
2 of up to 30 days, in addition to interest, attorneys' fees, and costs to the extent permitted by law.

3 **NINTH CAUSE OF ACTION**

4 **UNFAIR COMPETITION**

5 **Violation of Business and Professions Code §§ 17200 *et seq.***

6 85. All outside paragraphs of this Complaint are incorporated into this section.

7 86. Defendants have engaged and continue to engage in unfair and/or unlawful business
8 practices in the State of California in violation of California Business and Professions Code § 17200
9 by committing the foregoing wage and hour violations alleged throughout this Complaint.

10 87. Defendants' dependence on these unfair and/or unlawful business practices deprived
11 Plaintiff and continue to deprive other class members of compensation to which they are legally
12 entitled, constitutes unfair and/or unlawful competition, and provides an unfair advantage to
13 Defendants over competitors who have been and/or are currently employing workers in compliance
14 with California's wage and hour laws. These failures constitute unlawful, deceptive, and unfair
15 business acts and practices in violation of Business and Professions Code section 17200 *et seq.*

16 88. Plaintiff is a victim of Defendants' unfair and/or unlawful conduct alleged in this
17 Complaint, and Plaintiff, as an individual and on behalf of others similarly situated, seeks full
18 restitution of the moneys as necessary and according to proof to restore all monies withheld, acquired,
19 and/or converted by Defendants pursuant to Business and Professions Code §§ 17203 and 17208.

20 89. Plaintiff does not have an adequate remedy at law for past or future violations, to the
21 extent the statute of limitations on each of the alleged causes of action do not extend to the four year
22 limitation provided under the UCL or to the extent the underlying Labor Code and IWC Wage Order
23 violations do not provide a private right of action.

24 90. Plaintiff and class members are entitled to injunctive relief against Defendants,
25 restitution, and other equitable relief to return all funds over which Plaintiff and class members have
26 an ownership interest and to prevent future damage and the public interest under Business and
27 Professions Code § 17200 *et seq.* Plaintiff and class members are further entitled to recover interest,
28

attorneys' fees, and costs to the extent permitted by law, including under Code of Civil Procedure § 1021.5.

TENTH CAUSE OF ACTION

UNLAWFUL WAGE DEDUCTIONS

Violation of Labor Code §§ 221 through 225

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

92. Labor Code section 221 renders it “unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee.”

93. Labor Code section 222 renders it illegal to unlawfully withhold any part of wages agreed upon from the employee.

94. Labor Code section 222.5 renders it unlawful to deduct from employee compensation, or require employee payment, for pre-employment medical or physical examination taken as a condition of employment.

95. Labor Code section 223 states “[w]here any statute or contract requires an employer to maintain the designated wage scale, it shall be unlawful to secretly pay a lower wage while purporting to pay the wage designated by statute or by contract.”

96. As described above, Defendants maintained an unlawful policy and practice of deducting wages and earnings from Plaintiff and other class members by misallocating gratuities which resulted in Plaintiff and other class members being taxed on an artificially inflated gross pay which they did not receive.

ELEVENTH 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)

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

98. 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.*:

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

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

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

10 101. Labor Code section 2699(a) provides: “Notwithstanding any other provision of law,,
11 any provision of this code that provides for a civil penalty to be assessed and collected by the Labor
12 and Workforce Development Agency or any of its departments, divisions, commissions, boards,
13 agencies, or employees, for a violation of this code, may, as an alternative, be recovered through a civil
14 action brought by an aggrieved employee on behalf of the employee and other current or former
15 employees against whom a violation of the same provision was committed pursuant to the procedures
16 specified in Section 2699.3. “

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

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

22 104. On or about **January 6, 2025**, Plaintiff paid the requisite PAGA filing fee and provided
23 written notice (by online electronic filing with the LWDA and by certified mail to Defendants) of
24 Defendants’ alleged Labor Code violations, including the facts and theories to support the alleged
25 violations.

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

1 106. To date, neither Plaintiff nor Plaintiff's counsel has received a response to Plaintiff's
2 written PAGA notice from the LWDA.

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

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

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

- 13 a. ***Unpaid Hours Worked/Minimum Wage.*** Violation of Labor Code §§ 1194,
14 1197, 1198; IWC Wage Orders.
- 15 b. ***Unlawful Wage Deductions.*** Violation of Labor Code §§ 221 through 225.
- 16 c. ***Unpaid Overtime.*** Violation of Labor Code §§ 510, 1194, 1198; IWC Wage
17 Orders.
- 18 d. ***Unpaid Paid Sick Leave.*** Violation of Labor Code §§ 246 through 248.7.
- 19 e. ***Unpaid Gratuities.*** Violation of Labor Code §§ 350 *et seq.*
- 20 f. ***Unpaid Meal Period Premium Wages.*** Violation of Labor Code §§ 226.7, 512,
21 1198; IWC Wage Orders.
- 22 g. ***Unpaid Rest Period Premium Wages.*** Violation of Labor Code §§ 226.7, 516,
23 1198; IWC Wage Orders.
- 24 h. ***Untimely Payment of Wages During Employment.*** Violation of Labor Code
25 §§ 204, 204b, 210.
- 26 i. ***Untimely Payment of Wages Upon Separation of Employment.*** Violation of
27 Labor Code §§ 201, 202, 203, 256.
- 28 j. ***Non-Compliant Wage Statements.*** Violation of Labor Code §§ 226, 226.3.

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

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

7 **PRAYER**

8 Plaintiff prays for judgment as follows:

- 9 a. For certification of this action as a class action;
10 b. For appointment of Plaintiff as the class representative;
11 c. For appointment of above-captioned counsel for Plaintiff as Class Counsel;
12 d. For division of class members into appropriate classes and/or subclasses according to
13 proof;
14 e. For recovery of all statutory penalties and liquidated damages;
15 f. For disgorgement of all amounts wrongfully obtained to the extent permitted by law;
16 g. For restitution and injunctive relief;
17 h. For attorneys' fees and costs of suit, including expert fees, to the extent permitted by
18 law, including (without limitation) under Labor Code §§ 218.5, 226, 1194, and Code
19 of Civil Procedure § 1021.5.
20 i. For recovery of damages in amount according to proof;
21 j. For all recoverable pre- and post-judgment interest;
22 k. For this action to be maintained as a representative action under the PAGA;
23 l. For Plaintiff and counsel of record to be provided with all enforcement capability as if
24 the action were brought by the State of California or the California Division of Labor
25 Enforcement;
26 m. For recovery of all civil penalties and other recoverable amounts under the PAGA;

- 1 n. For reasonable attorneys' fees and costs of suit, including expert fees, to the extent
2 permitted by law, associated with the PAGA claims pursuant to Labor Code § 2699,
3 and Code of Civil Procedure section 1021.5 and any other applicable sections; and
4 o. For such other relief the Court deems just and proper.

5
6 Dated: March 13, 2025

Ferraro Vega Employment Lawyers, Inc.

7
8 

Nicholas J. Ferraro

Attorneys for Plaintiff Haley Cameron

EXHIBIT 1

Notice of Labor Code Violations

FERRARO VEGA

SAN DIEGO EMPLOYMENT LAWYERS

Nicholas J. Ferraro
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Lauren N. Vega
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January 6, 2025

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

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

Curiel Eatery Inc.
755 5th Avenue
San Diego, CA 92101

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

Dear LWDA Officer and Company Representatives:

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

CURIEL EATERY INC.

Defendant 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 Defendant 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 Defendant as an aggrieved employee.

Through this notice, Plaintiff requests that Defendant completes 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). Defendant is 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 Defendant 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 -

Defendant employed Plaintiff during the PAGA Period in the position of Server from about June 2023 to present. 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 Defendant 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 Defendant's 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

Defendant 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.

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

Defendant engaged in an unlawful policy and practice of requiring Plaintiff and the aggrieved employees to complete work while off-the-clock, resulting in unpaid minimum wages. Specifically, Defendant required Plaintiff and the aggrieved employees to complete training including sexual harassment training and training obtain their food handler's card while off-the-clock. Defendant further failed to retroactively input the hours spent completing each training or otherwise compensate Plaintiff and the aggrieved employees, resulting in unpaid 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**

Defendant 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.

Defendant 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.

For the same reasons set forth above in the unpaid hours worked section—Defendant’s policy of requiring off-the-clock training—Plaintiff alleges that the aggrieved employees were underpaid overtime wages. Each time this unlawful policy resulted in unpaid wages over 8 hours in a day or 40 hours in a week, this resulted in unpaid overtime

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.

Unlawful Wage Deductions **Violation of Labor Code §§ 221 through 225**

Defendant violated Labor Code sections 221 through 225 with respect to the aggrieved employees.

Labor Code section 221 renders it “unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee.” Labor Code section 222 renders it illegal to unlawfully withhold any part of wages agreed upon from the employee. Labor Code section 222.5 renders it unlawful to deduct from employee compensation, or require employee payment, for pre-employment medical or physical examination taken as a condition of employment. Labor Code section 223 states “[w]here any statute or contract requires an employer to maintain the designated wage scale, it shall be unlawful to secretly pay a lower wage while purporting to pay the wage designated by statute or by contract.”

Defendant maintained an unlawful policy and practice of deducting wages and earnings from Plaintiff and the aggrieved employees.

Defendant erroneously included in Plaintiff’s wage statements tips that she did not claim/earn. As a result, the misappropriated tips raised Plaintiff’s gross pay for that pay period and Plaintiff paid a higher tax amount. After realizing the mistake, Plaintiff met with Defendant and Defendant’s account regarding the error, but it has not been rectified. As a result, Defendants have engaged in an unlawful wage deduction practice. On information and belief, this practice was common to all 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 Gratuities
Violation of Labor Code §§ 350 *et seq.*

Defendants failed to properly distribute and keep records of tips left for Claimant and the aggrieved employees, in violation of Labor Code sections 351, 353, and 354. Defendants also violated Labor Code section 351, which prohibited Defendants from collecting, taking or receiving any gratuity that is paid to, given to, or left for Claimant and other aggrieved employees.

Labor Code section 351 states that no “employer” shall take any gratuity “left for an employee by a patron” and that “[e]very gratuity is hereby declared to be the sole property of the employee or employees to whom it was paid, given, or left for.” Labor Code section 350, subdivisions (a) and (d), specifically define “employer” and “agent” to include “every person other than the employer having the authority to hire or discharge any employee or supervise, direct, or control the acts of employees. Only employees who are involved in the line of service are entitled to participate in what is commonly called a “tip pool.” *Leighton v. Old Heidelberg, Ltd.* (1990) 219 Cal. App. 3d 1062, 1069-70. Labor Code section 353 requires employers to “keep accurate records of all gratuities received” and that “[s]uch records shall be open to inspections at all reasonable hours[.]” Labor Code section 354 makes renders violation of this statute a misdemeanor.

Defendants maintained an unlawful gratuity policy and practice with respect to the aggrieved employees. Specifically, Defendants engaged in an unlawful practice of reporting more gratuities than Plaintiff and the aggrieved employees earned and overall failed to comply with the requirements of Labor Code section 353.

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

Defendant 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.”

Defendant failed to comply with California’s paid sick leave laws with respect to the aggrieved employees. Due to Defendant’s unlawful policy of requiring off-the-clock training, Defendant failed to properly credit Plaintiff and the aggrieved employees with their full accrued sick leave.

The failure to calculate and pay sick leave at one of the lawful rates set forth in Labor Code § 246(l)(1)-(3) and 247 *et seq.* was applied as a matter of common policy and practice to 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 Meal Period Premium Wages **Violation of Labor Code §§ 226.7, 512, 1198; IWC Wage Orders**

Defendant 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 other aggrieved employees routinely experienced missed, late, short, and interrupted meal periods due to pressure from Defendant to keep up with high demands of the job. As a matter of common policy and practice, Defendant failed to pay Plaintiff and the other aggrieved employees meal period premiums for the missed, late, short, and interrupted meal periods.

Specifically, Plaintiff’s time records show facial missed meal periods with no corresponding meal period premium on the wage statements. For example, Plaintiff’s time records on April 18, 2024 reveal Plaintiff worked over 5 hours without a compliant meal period. Plaintiff’s wage statement for the pay period from April 15, 2024 to April 29, 2024 show she was not paid a meal period premium during this pay period. On information and belief this was due to Defendant’s common policy and practice of failing to pay all owed meal period premiums.

Additionally, to the high demands in the restaurant industry, Plaintiff and, on information and belief, the other aggrieved employees would work through the meal periods in order to continue to serve the needs of the customers, including taking order, delivering food and drink orders, and completing back of house tasks. As such, Plaintiff and the aggrieved employees would often work during their unpaid meal period, or otherwise experience a noncompliant meal period.

Each time Plaintiff and the aggrieved employees experienced a noncompliant meal period, they were owed a meal period premium. As a matter of policy and practice, Plaintiff and the aggrieved employees were not provided meal period premiums in lieu of non-compliant meal periods as required by Labor Code section 226.7

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

Defendant 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.

Due to the reasons explained in the "Unpaid Meal Period" section above, such as understaffing and the pressures to keep up with the high demands of the job, Plaintiff and the aggrieved employees were not always authorized or permitted to take their rest periods. For example, due to high demands of the job, Plaintiff routinely missed rest periods in order to keep up with the demands of the customers. Defendant required Plaintiff and the other aggrieved employees to effectively waive or otherwise forego their rest periods contrary to the law.

When Defendant did not provide compliant rest periods, Defendant as a matter of common policy and practice failed to pay Plaintiff and other aggrieved employees a rest period premium in violation of Labor Code section 226.7.

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

Defendant 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 Defendant failed to pay all wages and premiums in each pay period in which such wages were earned at the lawful rate, Defendant violated Labor Code section 204 and/or 204b (for weekly employees, as applicable). Defendant 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, Defendant failed to pay all overtime, regular, 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

Defendant 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.

Defendant 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. Defendant did not pay waiting time penalties for the late payments. As a result, Defendant 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**

Defendant 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.

Defendant 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. Defendant 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.

Specifically, Defendant erroneously listed tips that Plaintiff and the aggrieved employees did not claim on their wage statement. As a result, the misappropriated tips raised Plaintiff's gross pay for that pay period, listing the incorrect gross wages earned.

Likewise, in violation of Labor Code section 226(a)(9), Defendant 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 Defendant 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.

Defendant 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 Defendant’s policy and practice of requiring employees to complete unpaid training.

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.

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

Defendant 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, Defendant 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 Defendant 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, Defendant's 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.

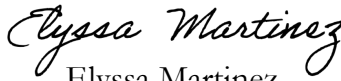
If you have any questions regarding the scope of your obligations to preserve evidence, please consult your legal counsel and always err on the side of caution. Periodic or regularly scheduled purges or deletions of information covered by this hold must be suspended immediately.

- 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. Defendant may contact Plaintiff's counsel with any questions regarding this letter or the forthcoming lawsuit.

Sincerely,


Elyssa Martinez

Cc Plaintiff Haley Cameron

Amber Peabody – HR for Defendants
amberpeabody@gmail.com