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February 28, 2025

VIA ONLINE SUBMISSION

California Labor & Workforce Development Agency
ATTN: PAGA Administrator
(<https://dir.govfa.net/308>)

Subject: *Mario Marin v. Lucid Group USA, Inc., et al.*

Dear PAGA Administrator:

This office represents Mario Marin in connection with his claims under the California Labor Code. Mr. Marin was an employee of LUCID GROUP USA, INC.; LUCID GROUP, INC.; LUCID GROUP TECHNOLOGIES, LLC; and/or LUCID USA, INC. For the purpose of this letter, Mr. Marin collectively refers to these entities as "LUCID."

The employers may be contacted directly at the addresses below:

LUCID GROUP USA, INC.
7373 GATEWAY BLVD.
NEWARK, CA 94560

LUCID GROUP, INC.
7373 GATEWAY BLVD.
NEWARK, CA 94560

LUCID GROUP TECHNOLOGIES, LLC
7373 GATEWAY BLVD.
NEWARK, CA 94560-1149

LUCID USA, INC.
7373 GATEWAY BLVD.
NEWARK, CA 94560

Mr. Marin intends to seek civil penalties, attorneys' fees, costs, and other available relief for violations of the California Labor Code, which are recoverable under sections 2698, *et seq.*, the Labor Code Private Attorneys General Act of 2004 ("PAGA"). Mr. Marin seeks relief on behalf of himself, the State of California, and other persons who are or were employed by LUCID as a non-exempt, hourly paid employee in California and who received at least one wage statement ("aggrieved employees"). This letter is sent in compliance with the notice and reporting requirements of California Labor Code section 2699.3.

LUCID employed Mr. Marin as an hourly paid, non-exempt employee from approximately August to November 2024. Mr. Marin worked for LUCID as an Associate Service Technician out of its facility in Millbrae, California. During his employment, Mr. Marin typically worked eight (8) hours or more per day and five (5) days per week. At the time Mr. Marin's employment with LUCID ended, he

earned approximately \$35.00 per hour. Mr. Marin's primary job duties included, without limitation, processing new vehicles coming off production line, conducting pre-delivery inspections, and preparing vehicles for delivery to customers.

LUCID has committed each of the following Labor Code violations against Mr. Marin, the facts and theories of which follow, making him an "aggrieved employee" pursuant to California Labor Code section 2699(c)(1):¹

LUCID's Company-Wide and Uniform Payroll and HR Practices

LUCID GROUP USA, INC.; LUCID GROUP, INC.; and LUCID USA, INC. are Delaware corporations. LUCID GROUP TECHNOLOGIES, LLC is a Delaware limited liability company. Together, they design, manufacture, and sell electric vehicles. Upon information and belief, LUCID maintains a single, centralized Human Resources (HR) department at its corporate headquarters in Newark, California, for all non-exempt, hourly paid employees working for LUCID in California, including Mr. Marin and other aggrieved employees. At all relevant times, LUCID issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Mr. Marin and other aggrieved employees, regardless of their location or position.

Upon information and belief, LUCID maintains a centralized Payroll department at its corporate headquarters in Newark, California, which processes payroll for all non-exempt, hourly paid employees working for LUCID in California, including Mr. Marin and other aggrieved employees. Further, LUCID issues the same formatted wage statements in the same manner for all non-exempt, hourly paid employees in California, including Mr. Marin and other aggrieved employees, irrespective of their location, position, or manner in which each employee's employment ended. In other words, LUCID utilized the same methods and formulas when calculating wages due to Mr. Marin and other aggrieved employees in California.

Violation of California Labor Code §§ 510 and 1198 – Unpaid Overtime

California Labor Code sections 510 and 1198 and the applicable Industrial Welfare Commission ("IWC") Wage Order require employers to pay employees working more than eight (8) hours in day or more than forty (40) hours in a workweek at the rate of time-and-one-half (1 ½) times the regular rate of pay for all hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a workweek. The applicable IWC Wage Order further provides that employers are required to pay employees working more than twelve (12) hours in a day overtime compensation at a rate of two (2) times their regular rate of pay. An employee's regular rate of pay includes all remuneration for employment paid to, or on behalf of, the employee, including nondiscretionary bonuses and incentive pay.

¹ These facts, theories, and claims are based on Mr. Marin's experience and counsel's review of those records currently available relating to Mr. Marin's employment. Discovery conducted in litigation of wage and hour claims such as these often reveals additional claims that the aggrieved employee was not initially aware of (because the aggrieved employee was not aware of the law's requirements, the employer misinformed its employee of the law's requirements, or because the employer effectively hid the violations). Thus, Mr. Marin reserves the right to supplement this letter with additional facts, theories, and claims if he becomes aware of them subsequent to the submission of this letter.

LUCID willfully failed to pay all overtime wages owed to Mr. Marin and other aggrieved employees. During the relevant time period, Mr. Marin and other aggrieved employees were not paid overtime premiums for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty (40) hours in a week, because all hours that they worked were not recorded.

First, during the relevant time period, LUCID had, and continues to have, a company-wide policy and/or practice of discouraging and impeding Mr. Marin and other aggrieved employees from recording hours worked that were outside of their scheduled shifts in order to limit the amount of overtime employees could accrue. This policy of limiting overtime led Mr. Marin and other aggrieved employees to work off-the-clock outside of their scheduled shift times. For example, before clocking in for or after clocking out from his shifts, LUCID's management required Mr. Marin to complete various tasks, such as moving vehicles around and creating keys for customers, which would take up to 30 minutes. However, Mr. Marin was not permitted to remain clocked in and record this time spent working before and after his scheduled shift times.

Additionally, on information and belief, LUCID's timekeeping system frequently had issues wherein it would freeze and become inoperable when Mr. Marin and other aggrieved employees attempted to clock in, which, in turn, required LUCID's managers to manually enter clock-in times for Mr. Marin and other aggrieved employees. But, upon information and belief, LUCID's management did not correctly account for the time the timekeeping system was not working, in order to avoid payment of additional wages. As a result, Mr. Marin and other aggrieved employees were not paid for all of their hours actually worked because LUCID's management did not accurately record all hours worked.

Second, Mr. Marin and other aggrieved employees were required to complete online training sessions, attend orientation or training sessions, and travel to and from orientation and other training sessions, but were not compensated for this time worked. For example, Mr. Marin spent time completing online training modules while off the clock, including CPR training, safety, and other work-related subjects. As another example, Mr. Marin spent approximately two (2) hours traveling to and from LUCID's headquarters in Newark, California, from his home in San Francisco, California, in order to attend an orientation from 8:00 a.m. to 3:00 p.m., but, on information and belief, was not paid for any of this time spent traveling or attending the orientation. Finally, Mr. Marin traveled from San Francisco, California, to Los Angeles, California, for required training and was not paid for his travel time to and from each of the airports and flight time, which altogether took approximately four (4) hours.

Third, during the relevant time period, LUCID had, and continues to have, a company-wide policy and/or practice of failing to staff and employ sufficiently trained workers, such that there were too few employees on duty capable of handling the workload and attending to customers who were waiting for their vehicles to be delivered. Because LUCID did not employ sufficiently trained employees to meet customer demand, there was no one available to relieve employees like Mr. Marin who needed meal period coverage. On information and belief, LUCID also imposed various quotas, deadlines, and/or productivity metrics on Mr. Marin and other aggrieved employees, resulting in a heavy workload. LUCID's policies and/or practices resulted in a failure to provide Mr. Marin and other aggrieved employees with adequate meal period coverage, and thus, Mr. Marin and other aggrieved employees were not always afforded uninterrupted 30-minute meal periods during shifts when they were entitled to receive a meal period.

LUCID also had a practice of failing to schedule meal periods, which further caused Mr. Marin and other aggrieved employees to not be relieved of their duties for compliant meal periods. For example, Mr. Marin had to regularly forgo his meal periods and would clock out (*see infra*) and continue to work through them to keep up with the heavy workload, meeting various deadlines or quotas imposed by LUCID's managers, or would often cut his meal periods short to complete his assigned duties. Thus, Mr. Marin and other aggrieved employees worked through meal periods and/or had meal periods cut short or interrupted in order to handle their workloads. LUCID did not compensate Mr. Marin and other aggrieved employees for the time they spent working off the clock during unpaid meal periods.

Further, because LUCID frowned upon employees accruing meal period premiums, LUCID's management pressured employees, upon threat of discipline, to clock out for meal periods even when they had not received compliant meal periods. Further, LUCID's company-wide timekeeping system prevented Mr. Marin and other aggrieved employees from recording all hours worked when their meal periods were shortened or interrupted, because the system locked out Mr. Marin and other aggrieved employees once they clocked out for a meal period, and would not permit them to clock back in from a meal period before 30 minutes had elapsed. Thus, LUCID did not record all hours worked during meal periods, and Mr. Marin and other aggrieved employees performed work during meal periods for which they were not paid.

LUCID knew or should have known that as a result of these company-wide practices and/or policies, Mr. Marin and other aggrieved employees were performing their assigned duties off-the-clock outside of their shifts and during meal periods, and were suffered or permitted to perform work for which they were not paid. Because Mr. Marin and other aggrieved employees worked shifts of eight (8) hours or more a day, or forty (40) hours a week or more, some of this off-the-clock work qualified for overtime premium pay. Therefore, Mr. Marin and other aggrieved employees were not paid overtime wages for all of the overtime hours they actually worked.

LUCID's failure to pay Mr. Marin and other aggrieved employees the balance of overtime compensation, as required by California law, violates the provisions of California Labor Code sections 510 and 1198. Mr. Marin and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring LUCID into compliance with the applicable IWC Wage Order and Labor Code sections 510 and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 – Unpaid Minimum Wages

California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 require employers to pay employees the minimum wage fixed by the IWC. The payment of a lesser wage than the minimum so fixed is unlawful. Compensable work time is defined in IWC Wage Order No. 1-2001 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." Cal. Code Regs. tit. 8, § 11010(2)(G) (defining "Hours Worked").

As set forth above, upon information and belief, as a result of LUCID's policy of limiting the amount of overtime employees could accrue, LUCID required Mr. Marin and other aggrieved employees to perform work off-the-clock outside of their scheduled shift times, such as moving vehicles, creating keys, completing online training, attending and traveling to/from orientation, and traveling to training

sessions. As also stated, on information and belief, due to LUCID's often-faulty timekeeping system that prevented employees from clocking in, Mr. Marin and other aggrieved employees were prevented from recording the entire time worked before their scheduled shifts, and thus were not compensated for this time.

Moreover, as also stated, due to LUCID's policies and/or practices of understaffing, assigning heavy workloads, including implementing productivity metrics, and failing to schedule meal periods, Mr. Marin and other aggrieved employees were impeded from taking all uninterrupted meal periods to which they were entitled and were required to work off-the-clock during meal periods, have their meal periods interrupted, and/or were otherwise not relieved of all duties during unpaid meal periods. Further, as also stated, in order to prevent employees from accruing meal period premiums, LUCID's management pressured employees to clock out for meal periods, upon threat of discipline, even when meal periods were missed, short, and/or interrupted. Additionally, as stated, LUCID's company-wide timekeeping system prevented Mr. Marin and other aggrieved employees from entering time worked during meal periods because the system locked out Mr. Marin and other aggrieved employees for a full 30 minutes. Thus, LUCID systematically failed to pay Mr. Marin and other aggrieved employees for actual hours worked during unpaid meal periods because these hours were not always correctly recorded.

LUCID did not pay at least minimum wages for all hours worked by Mr. Marin and other aggrieved employees. To the extent that these off-the-clock hours did not qualify for overtime premium payment, LUCID did not pay at least minimum wages for those hours worked off-the-clock in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198.

Accordingly, LUCID regularly failed to pay at least minimum wages to Mr. Marin and other aggrieved employees for all of the hours they worked in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Mr. Marin and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring LUCID into compliance with the applicable IWC Wage Order and Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198 – Failure to Provide Meal Periods

California Labor Code sections 226.7, 512(a), 516, and 1198, and the applicable IWC Wage Order require employers to provide meal periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. Pursuant to Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order, an employer may not require, cause or permit an employee to work for a period of more than five (5) hours per day without providing the employee with an uninterrupted meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is not more than six (6) hours, the meal period may be waived by mutual consent of both the employer and the employee. Under California law, first meal periods must start after no more than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (2012). Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order also require employers to provide a second meal period of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay an employee one (1) additional hour of pay at the employee's regular rate, except that if the total hours worked is no more than twelve (12) hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

As stated, LUCID had, and continues to have, a company-wide policy and/or practice of understaffing while assigning heavy workloads, including imposing productivity quotas or metrics, which has resulted in a lack of meal period coverage and prevented Mr. Marin and other aggrieved employees from taking all timely, uninterrupted meal periods to which they were entitled. Further, as stated, LUCID had a company-wide practice and/or policy of failing to schedule meal periods, which further caused Mr. Marin and other aggrieved employees to not be relieved of their duties for compliant meal periods.

As a result, Mr. Marin and other aggrieved employees had to work through all or part of their meal periods, had their meal periods interrupted, and/or had to wait extended periods of time before taking meal periods. For example, as stated, Mr. Marin regularly missed his meal periods or cut them short to finish his assigned tasks and keep up with the heavy workload.

Also, as stated, because LUCID frowned upon employees accruing meal period premiums, LUCID's management pressured employees to clock out for meal periods, upon threat of discipline, regardless of whether they had received a compliant meal period or not, in order to strictly limit the meal period premiums that would need to be paid by LUCID. Moreover, as also stated, LUCID's company-wide timekeeping system prevented Mr. Marin and other aggrieved employees from recording when their meal periods were shortened or interrupted, because the system locked out Mr. Marin and other aggrieved employees once they clocked out for a meal period, and would not permit them to clock back in from a meal period before 30 minutes had elapsed. Mr. Marin and other aggrieved employees did not sign valid meal period waivers on days that they were entitled to meal periods and were not relieved of all duties.

At all times herein mentioned, LUCID knew or should have known that, as a result of these policies, Mr. Marin and other aggrieved employees were prevented from being relieved of all duties and required to perform some of their assigned duties during meal periods. LUCID further knew or should have known that LUCID did not pay Mr. Marin and other aggrieved employees meal period premiums when meal periods were missed, shortened, interrupted, and/or late.

Moreover, LUCID engaged in a company-wide practice and/or policy of not paying all meal period premiums owed when compliant meal periods are not provided. Because of this practice and/or policy, Mr. Marin and other aggrieved employees have not received premium pay for all missed, late, and interrupted meal periods.

Accordingly, LUCID failed to provide all meal periods in violation of California Labor Code sections 226.7, 512(a), 516, and 1198. Mr. Marin and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring LUCID into compliance with the applicable IWC Wage Order and Labor Code sections 226.7, 512(a), 516, and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 226.7, 516, and 1198 – Failure to Authorize and Permit Rest Periods

California Labor Code sections 226.7, 516, and 1198, and the applicable IWC Wage Order require employers to provide rest periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. California Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC. The applicable IWC Wage Order

provides that “[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period” and that the “rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof” unless the total daily work time is less than three and one-half (3 ½) hours.

To comply with its obligation to authorize and permit rest periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an employer must “relinquish any control over how employees spend their break time, and relieve their employees of all duties—including the obligation that an employee remain on call. A rest period, in short, must be a period of rest.” *Augustus, et al. v. ABM Security Services, Inc.*, 2 Cal. 5th 257, 273 (2016).

During the relevant time period, LUCID regularly failed to authorize and permit Mr. Marin and other aggrieved employees to take a ten (10) minute rest period per each four (4) hour period worked or major fraction thereof. As with meal periods, LUCID’s company-wide practices, including understaffing and assigning heavy workloads, prevented Mr. Marin and other aggrieved employees from being relieved of all duty to take rest periods. Additionally, LUCID failed to schedule rest periods, which, coupled with LUCID’s failure to provide adequate rest period coverage, further led to Mr. Marin and other aggrieved employees not being authorized and permitted to take rest periods. In addition, LUCID had a company-wide practice and/or policy of requiring that Mr. Marin and other aggrieved employees carry and respond to their personal mobile devices at all times, including during rest periods.

Furthermore, upon information and belief, during the relevant time period, LUCID maintained a company-wide on-premises rest period policy, which effectively required that Mr. Marin and other aggrieved employees remain on the premises during their rest periods. Because Mr. Marin and other aggrieved employees restricted from leaving the premises during rest periods, they were denied the ability to use their rest periods freely for their own purposes, such as running personal errands. Thus, LUCID effectively maintained control over Mr. Marin and other aggrieved employees during rest periods.

As a result of LUCID’s practices and policies, Mr. Marin and other aggrieved employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without receiving all uninterrupted rest periods to which they were entitled. For example, Mr. Marin’s rest periods were frequently interrupted or cut short by LUCID’s managers asking him, either in-person or over the Teams application on his cellular phone, to discuss the status of completing assignments or new assignments.

LUCID has also engaged in a company-wide practice and/or policy of not paying rest period premiums owed when compliant rest periods are not authorized and permitted. Because of this practice and/or policy, Mr. Marin and other aggrieved employees have not received premium pay for all missed rest periods.

Accordingly, LUCID failed to authorize and permit all rest periods in violation of California Labor Code sections 226.7, 516, and 1198. Mr. Marin and other aggrieved employees are entitled to recover civil penalties, attorneys’ fees, costs, and interest thereon, and seek injunctive relief to bring LUCID into compliance with the applicable IWC Wage Order and Labor Code sections 226.7, 516, and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 226(a), 1174(d), and 1198 – Non-Compliant Wage Statements and Failure to Maintain Accurate Payroll Records

California Labor Code section 226(a) requires employers to make, keep and provide true, accurate, and complete employment records. Labor Code section 226(e) provides that if an employer fails to comply with providing an employee with properly itemized wage statements as set forth in 226(a), then the employee is entitled to recover the greater of all actual damages or \$50 for the initial pay period in which a violation occurs and \$100 per employee for each violation in a subsequent pay period, not to exceed \$4,000. Further, Labor Code section 226.3 provides that any employer who violates section 226(a) shall be subject to a civil penalty in the amount of \$250 per employee per violation in an initial citation and \$1,000 per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage statement or fails to keep the required records pursuant to Section 226(a).

At all relevant times, LUCID has knowingly and intentionally provided Mr. Marin and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, LUCID issued uniform wage statements to Mr. Marin and other aggrieved employees that fail to correctly list: gross wages earned; total hours worked; net wages earned; all applicable hourly rates in effect during the pay period, including rates of pay for overtime wages, and the corresponding number of hours worked at each hourly rate. Specifically, LUCID violated sections 226(a)(1), 226(a)(2), 226(a)(5), and 226(a)(9).

Because LUCID did not record the time Mr. Marin and other aggrieved employees spent working off-the-clock and deducted time from their records for meal periods that were interrupted and/or missed (and therefore time for which they should have been paid), LUCID did not list the correct amount of gross wages and net wages earned by Mr. Marin and other aggrieved employees in compliance with section 226(a)(1) and section 226(a)(5), respectively. For the same reason, LUCID failed to accurately list the total number of hours worked by Mr. Marin and other aggrieved employees, in violation of section 226(a)(2), and failed to list the applicable hourly rates of pay in effect during the pay period and the corresponding accurate number of hours worked at each hourly rate, in violation of section 226(a)(9).

The wage statement deficiencies also include, among other things, failing to list the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; failing to list all deductions; failing to list the inclusive dates of the period for which employees were paid; failing to list 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; failing to list the name and address of the legal entity that is the employer; and/or failing to state all hours worked as a result of not recording or stating hours worked off-the-clock.

California Labor Code section 1174(d) provides that “[e]very person employing labor in this state shall . . . [k]eep a record showing the names and addresses of all employees employed and the ages of all minors” and “[k]eep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments” Labor Code section 1174.5 provides that employers are subject to a \$500 civil penalty if they fail to maintain accurate and complete records as required by section 1174(d). At all relevant times, and in violation of Labor Code section 1174(d), LUCID willfully failed to maintain accurate payroll records for Mr. Marin and other aggrieved

employees showing the daily hours they worked and the wages paid thereto as a result of failing to record the off-the-clock hours that they worked.

California Labor Code section 1198 provides that the maximum hours of work and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he employment of any employees for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC Wage Order, employers are required to keep accurate time records showing when the employee begins and ends each work period and meal period. During the relevant time period, LUCID engaged in company-wide practices and/or policies of failing to record actual hours worked, and thereby failed to keep accurate records of work period and meal period start and end times for Mr. Marin and other aggrieved employees, in violation of section 1198.

Mr. Marin and other aggrieved employees are entitled to recover civil penalties, attorneys’ fees, costs, and interest thereon, and seek injunctive relief to bring LUCID into compliance with the applicable IWC Wage Order and Labor Code sections 226(a), 1174(d), and 1198, pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f), and (k).

Violation of California Labor Code § 204 – Failure to Timely Pay Wages During Employment

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. Alternatively, California Labor Code section 204 provides that the requirements of this section are deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven (7) calendar days following the close of the payroll period.

During the relevant time period, LUCID failed to pay Mr. Marin and other aggrieved employees all wages due to them, including, but not limited to, overtime wages, minimum wages, and/or meal and rest period premiums, within any time period specified by California Labor Code section 204.

Mr. Marin and other aggrieved employees are entitled to recover civil penalties, attorneys’ fees, costs, and interest thereon, and seek injunctive relief to bring LUCID into compliance with Labor Code section 204, pursuant to Labor Code sections 210 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 201 and 202 – Failure to Timely Pay Final Wages Upon Termination

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy two (72)

hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

LUCID willfully failed to pay Mr. Marin and other aggrieved employees who are no longer employed by LUCID the earned and unpaid wages set forth above, including but not limited to, overtime wages, minimum wages, and/or meal and rest period premiums, either at the time of discharge, or within seventy-two (72) hours of their leaving LUCID's employ.

Mr. Marin and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring LUCID into compliance with Labor Code sections 201 and 202, pursuant to Labor Code sections 256 and/or 2699(a), (f), and (k).

Violation of California Labor Code § 2802 – Unreimbursed Business Expenses

California Labor Code section 2802 requires employers to pay for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144 (2014). The applicable wage order, IWC Wage Order No. 1-2001, provides that: "[w]hen 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 the 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."

First, during the relevant time period, LUCID, on a company-wide basis, required that Mr. Marin and other aggrieved employees use their own personal mobile devices, including, but not limited to, cellular phones, and/or mobile data to carry out their job duties, but failed to reimburse them for all of the costs of their work-related mobile device expenses. For example, Mr. Marin and other aggrieved employees were required to use their personal mobile devices for work-related tasks, including responding to calls or messages from management regarding assignments and requests to complete certain tasks. As a further example, Mr. Marin was required to download onto his personal cellular phone a mobile application, "Lucid Motors," to unlock and start vehicles and to assist customers when troubleshooting their issues with the mobile application. Finally, Mr. Marin downloaded the Teams mobile application onto his personal cellular phone and utilized it to communicate with management regarding work-related issues. Although LUCID required Mr. Marin and other aggrieved employees to utilize their personal mobile devices and/or mobile data to carry out their work-related responsibilities, LUCID failed to fully reimburse them for these costs.

Second, during the relevant time period, LUCID, on a company-wide basis, required that Mr. Marin and other aggrieved employees use their own personal vehicles to travel to LUCID's other locations. For example, throughout his employment, Mr. Marin was occasionally required to drive his personal vehicle to travel to Sunnyvale, California, to assist LUCID's service department there, which was approximately 54 miles roundtrip. Although LUCID required Mr. Marin and other aggrieved employees to utilize their personal vehicles to carry out their work-related responsibilities, LUCID failed to fully reimburse them for their mileage or travel expenses.

Third, during the relevant time period, LUCID required Mr. Marin and other aggrieved employees to purchase supplies and equipment necessary for the performance of their duties, but failed to reimburse them for their out-of-pocket costs. For example, Mr. Marin was required to purchase a

pair of steel-toed boots for approximately \$100 in order to carry out his duties in the workplace. Although LUCID required Mr. Marin and other aggrieved employees to purchase supplies and equipment to carry out their work-related responsibilities, LUCID failed to reimburse them for their out-of-pocket costs to purchase necessary supplies and equipment.

LUCID could have provided Mr. Marin and other aggrieved employees with the actual equipment for use on the job, such as company mobile devices, company vehicles, and supplies and equipment; or, LUCID could have reimbursed employees for the costs of their mobile device usage, mileage, travel expenses, and supplies and equipment expenses. Instead, LUCID passed these operating costs onto Mr. Marin and other aggrieved employees.

Thus, LUCID had, and continues to have, a company-wide policy and/or practice of not reimbursing employees for expenses necessarily incurred in violation of California Labor Code section 2802. Mr. Marin and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring LUCID into compliance with the applicable IWC Wage Order and Labor Code section 2802, pursuant to Labor Code sections 2699(a), (f), and (k).

California Labor Code § 558(a)

California Labor Code section 558(a) provides “[a]ny employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid” Labor Code section 558(c) provides that “[t]he civil penalties provided for in this section are in addition to any other civil or criminal penalty provided by law.” LUCID, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Mr. Marin’s and other aggrieved employees’ rights by violating various sections of the California Labor Code.

Accordingly, Mr. Marin seeks the remedies set forth in Labor Code section 558 for himself, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 1194.5, 2699(a), 2699(k), 2699.3(a), 2699.3(c), 2699.5, and 558, Mr. Marin acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties and injunctive relief for himself, all other aggrieved employees, and the State of California against LUCID for violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2802.

Therefore, on behalf of all aggrieved employees, Mr. Marin seeks all applicable civil penalties related to these violations of the California Labor Code pursuant to PAGA.

Thank you for your attention to this matter. If you have any questions, please contact me at the phone number or address below:

Arianna Eguiluz
Capstone Law APC
1875 Century Park East, Suite 1000
Los Angeles, CA 90067
(310) 712-8142

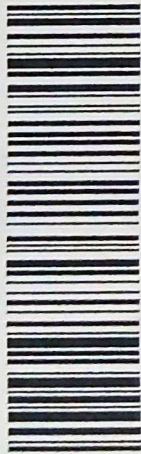
Best Regards,

A handwritten signature in black ink, appearing to read "Arianna Eguiluz". The signature is fluid and cursive, with the first name "Arianna" written in a larger, more prominent script than the last name "Eguiluz".

Arianna Eguiluz

Copy: LUCID GROUP USA, INC. (via U.S. Certified Mail); LUCID GROUP, INC. (via U.S. Certified Mail); LUCID GROUP TECHNOLOGIES, LLC (via U.S. Certified Mail); LUCID USA, INC. (via U.S. Certified Mail)

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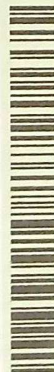
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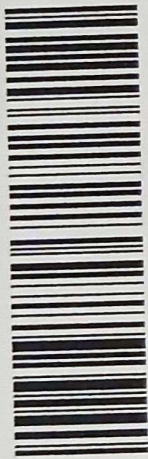
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LUCID

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TECHNOLOGIES, LLC
7373 GATEWAY BLVD.
NEWARK, CA 94560-1149

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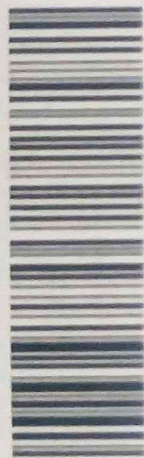
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