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Superior Court of California,
County of San Diego
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Clerk of the Superior Court
By Y. Modica, Deputy Clerk

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

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

Plaintiffs,

vs.

MASONITE CORPORATION; MASONITE
INTERNATIONAL CORPORATION; and
DOES 1 through 50, inclusive,

Defendants.

Case No. 25CU022088C

**REPRESENTATIVE ACTION
COMPLAINT**

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

Action Filed:

1 Plaintiff JOSE ORTIZ, on behalf of all others similarly situated and the State of California
2 under the Private Attorneys General Act (“Plaintiff”) brings this REPRESENTATIVE ACTION
3 COMPLAINT against Defendants MASONITE CORPORATION; MASONITE INTERNATIONAL
4 CORPORATION; and DOES 1 through 50, inclusive (collectively “Defendants”), alleging as follows:

5 **INTRODUCTION**

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

8 2. Defendants failed to pay all accrued and unused vacation wages upon separation of
9 employment at the lawful rate of pay.

10 3. Defendants violated Labor Code section 432.5 with respect to Plaintiff and other
11 aggrieved employees by requiring that they agree to an unlawful term or condition in writing during
12 their employment

13 4. Defendants’ employment policies, practices, and payroll administration systems
14 enabled and facilitated these violations on a company-wide basis with respect to the aggrieved
15 employees.

16 5. Defendants are further liable for derivative claims for wage statements, untimely
17 payment, and other associated violations.

18 6. Plaintiff seeks to recover the unpaid damages, plus associated penalties, interests,
19 attorney’s fees and costs.

20 **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 Jose Ortiz

11. Plaintiff Ortiz is an individual over 18 years of age who worked for Defendants in California as a non-exempt employee from about July 2022 to November 2024. Plaintiff worked as a Recruiter/Talent Acquisition Specialist.

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.”]). To the extent permitted by law, including pursuant *Balderas v. Fresh Start Harvesting, Inc.* (2024) 101 Cal. App. 5th 533 and *Rodriguez v. Packers Sanitation Services Ltd.* (Feb. 26, 2025, D083400) ___ Cal.Rptr.3d ___ [2025 WL 615064], the PAGA claim is brought exclusively as a representative action and does not include arbitrable claims.

B. Defendants

13. Defendant Masonite Corporation is a Delaware corporation that maintains operations and conducts business throughout the State of California, including in this county.

14. Defendant Masonite International Corporation is a Florida corporation that maintains operations and conducts business throughout the State of California, including in this county.

15. 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.

16. 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.

17. 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.

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

GENERAL ALLEGATIONS

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

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

21. Specifically, Plaintiff and other aggrieved employees earned vacation wages that were not all paid out to them upon separation from employment. For example, Plaintiff's employment ended on November 22, 2024, and he received his final wage statement on December 5, 2024. Plaintiff had 105.20 hours of accrued PTO that was not paid out at the end of his employment. Consequently, Defendants failed to credit Plaintiff and the aggrieved employees with all vacation time they had actually accrued. An illustrative example of this violation is shown in Plaintiff's wage statement for the pay period of 11/18/2024 to 12/01/2024.

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

23. Defendants failed to pay all wages and premiums owed to aggrieved employees during their employment and also failed to timely pay those amounts to departing employees upon separation of employment. Defendants did not pay waiting time penalties for the late payments.

1 24. As discussed above, Plaintiff and other aggrieved employees earned vacation wages
2 that were not all paid out to them upon separation from employment. Plaintiff's employment ended on
3 November 22, 2024, and he received his final wage statement on December 5, 2024. Plaintiff had
4 105.20 hours of accrued PTO that was not paid out at the end of his employment. As a result,
5 Defendants violated Labor Code sections 201, 202, and 203.

6 25. Defendants failed to provide accurate itemized wage statements to the aggrieved
7 employees each pay period as a result of the policies and practices set forth in this notice. Defendants
8 violated Labor Code section 226(a)(1) and (5) by not listing the correct "gross wages earned" or "net
9 wages earned," as the wage statements fail to accurately state the amount of final pay due, based on
10 Defendants unlawful policy and practice of withholding and not paying out vacation wages, resulting
11 in an inaccurate reflection, and recording of "gross wages earned" on those wage statements.

12 26. Likewise, in violation of Labor Code section 226(a)(9), Defendants failed to state on
13 employee wage statements each pay period the applicable hourly rates in effect and the number of
14 hours worked at that rate, as Defendants failed to pay all vacation wages owed to employees upon
15 separation of employment. The amounts stated are instead not listed to show vacation wages payouts,
16 resulting in an inaccurate reflection on the pay stub. An illustrative example of this violation can be
17 found in Plaintiff's wage statement for the pay period from 07/17/2023 to 07/30/203. Here, Plaintiff
18 "Regular Pay" fails to show the number of hours worked and the applicable hourly rates in effect.

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

26 28. Defendants violated Labor Code section 432.5 with respect to Plaintiff and the
27 aggrieved employees by requiring that they agree to an unlawful term or condition in writing during
28 their employment. Non-competition agreements are illegal under California law. Business and

Professions Code 16600 provides that “every contract by which anyone is restrained from engaging in a lawful profession, trade, or business of any kind is to that extent void.”

29. Defendants required that Plaintiff and the aggrieved employees sign non-competition agreements restricting their ability to accept certain work on behalf of themselves or other employers. As such, Defendants violated California Labor Code section 432.5 by requiring that Plaintiff and the aggrieved employees sign non-competition agreements prohibited by California law. An illustrative example of this violation is shown below:

III. Non-Competition and Non-Solicitation

A. Non-Competition. I covenant and agree that, during the term of my employment with Masonite and for two (2) years after the termination thereof, regardless of the reason for the employment termination, I will not, directly or indirectly, anywhere in the United States and Canada, on behalf of any competitive business perform the same or substantially the same job duties as I performed while employed by Masonite at any time within the twenty-four (24) months immediately prior to my termination of employment regardless of the reason for termination.

B. Non-Solicitation of Employees. During the term of this Agreement and for no less than two (2) years after any termination of this Agreement, regardless of the reason for my leaving Masonite, I will not, without the prior written consent of Masonite which may be withheld at its sole discretion, either directly or indirectly, on my own behalf or in the service or on behalf of others, solicit or attempt to solicit, divert or hire away any person employed by Masonite or any customer of Masonite.

C. Non-Solicitation of Customers, Customer Prospects, and Vendors. I also covenant and agree that during the term of my employment with Masonite and for two (2) years after the termination thereof, regardless of the reason for the employment termination, I will not, directly or indirectly, solicit or attempt to solicit any business from any of the Masonite’s customers, customer prospects, or vendors with whom I have had contact during the last two (2) years of my employment with Masonite.

Initials: JO

30. Additionally, Defendants required Plaintiff and the aggrieved employees to agree to the unlawful policy and practice of withholding all accrued and unused vacation wages upon separation of employment. Therefore, Defendants’ practice of withholding PTO is an unlawful condition of employment.

31. Because of these policies and practices set forth above, Defendants failed to accurately maintain records in accordance with Labor Code section 1174 and the IWC Wage Orders.

1 **FIRST CAUSE OF ACTION**

2 **CIVIL PENALTIES UNDER THE PRIVATE ATTORNEYS GENERAL ACT**

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

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

5 32. All outside paragraphs of this Complaint are incorporated into this section.

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

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

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

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

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

25 37. Any allegations regarding violations of the IWC Wage Orders are enforceable as
26 violations of Labor Code section 1198, which states: “[t]he employment of any employee for longer
27 hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.”
28

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

39. On or about **February 20, 2025**, Plaintiff paid the requisite PAGA filing fee and provided written notice (by online electronic filing with the LWDA and by certified mail to Defendants) of Defendants' alleged Labor Code violations, including the facts and theories to support the alleged violations.

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

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

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

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

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

- a. ***Unpaid Vacation Wages.*** Violation of Labor Code § 227.3.
- b. ***Untimely Payment of Wages Upon Separation of Employment.*** Violation of Labor Code §§ 201, 202, 203, 256.
- c. ***Non-Compliant Wage Statements.*** Violation of Labor Code §§ 226, 226.3.
- d. ***Failure to Maintain Accurate Records.*** Violation of Labor Code § 1174; IWC Wage Orders.
- e. ***Unlawful Employment Condition.*** Violation of Labor Code § 432.5.

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

P R A Y E R

Plaintiff prays for judgment as follows:

- a. For recovery of damages in amount according to proof;
- b. For all recoverable pre- and post-judgment interest;
- c. For this action to be maintained as a representative action under the PAGA;
- d. For Plaintiff and counsel of record to be provided with all enforcement capability as if the action were brought by the State of California or the California Division of Labor Enforcement;
- e. For recovery of all civil penalties and other recoverable amounts under the PAGA;
- f. For reasonable attorneys' fees and costs of suit, including expert fees, to the extent permitted by law, associated with the PAGA claims pursuant to Labor Code § 2699, and Code of Civil Procedure section 1021.5 and any other applicable sections; and
- g. For such other relief the Court deems just and proper.

Dated: April 28, 2025

Ferraro Vega Employment Lawyers, Inc.

Xavier L. Woodford
Xavier L. Woodford
Attorney for Plaintiff Jose Ortiz

EXHIBIT 1

Notice of Labor Code Violations

FERRARO VEGA
SAN DIEGO EMPLOYMENT LAWYERS

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February 19, 2025

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

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

Masonite Corporation
1242 East 5th Avenue
Tampa, Florida 33605

Masonite International Corporation
1242 East 5th Avenue
Tampa, Florida 33605

- 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 **JOSE ORTIZ** (“Plaintiff(s)”) and all other “aggrieved employees” of the following “Defendant(s)”:

**MASONITE CORPORATION; MASONTIE INTERNATIONAL
CORPORATION**

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

This office serves as legal counsel for Plaintiff. If the California Labor and Workforce Development Agency (“LWDA”) does not investigate the facts, allegations, and violations set forth in this notice within the statutorily prescribed 65-day period under Labor Code section 2699.3, Plaintiff intends to commence a civil action against Defendants as a proxy and agent of the State of California under the Private Attorneys General Act (“PAGA”). “PAGA allows an ‘aggrieved employee’—a person affected by at least one Labor Code violation committed by an employer—to pursue penalties for all the Labor Code violations committed by that employer.” *Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal. App. 5th 745, 751; *Kim v.*

Reins International California, Inc. (2020) 9 Cal. 73, 79. Plaintiff maintains standing to pursue these claims against Defendants as an aggrieved employee.

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

- BACKGROUND -

Defendants employed Plaintiff during the PAGA Period in the position of Recruiter/Talent Acquisition Specialist from about July 2022 to November 2024. During their employment Plaintiff and the other aggrieved employees were subject to the wage and hour and employment protections set forth in the California Labor Code and IWC Wage Orders.

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

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

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

- PAGA CLAIMS -

Unpaid Vacation Wages Violation of Labor Code § 227.3

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

Labor Code section 227.3 requires “whenever a contract of employment or employer policy provides for paid vacations, and an employee is terminated without having taken off his vested

vacation time, all vested vacation shall be paid to him as wages at his final rate in accordance with such contract of employment or employer policy respecting eligibility or time served; provided, however, that an employment contract or employer policy shall not provide for forfeiture of vested vacation time upon termination.”

Defendants maintained an unlawful policy and practice of failing to pay all accrued and unused vacation wages upon separation of employment at the lawful rate of pay, resulting in forfeiture of vested vacation time and wages. Specifically, Plaintiff and other aggrieved employees earned vacation wages that were not all paid out to them upon separation from employment. For example, Plaintiff’s employment ended on November 22, 2024, and he received his final wage statement on December 5, 2024. Plaintiff had 105.20 hours of accrued PTO that was not paid out at the end of his employment. Consequently, Defendants failed to credit Plaintiff and the aggrieved employees with all vacation time they had actually accrued. An illustrative example of this violation is shown below:

Masonite Corp. 1242 East 5th Avenue Tampa, FL 33605 +1 (866) 5544054						
Name	Address	Employee ID	Pay Period Begin	Pay Period End	Check Date	Check Number
Jose A Ortiz II	[REDACTED]	138368	11/18/2024	12/01/2024	12/05/2024	
	Gross Pay	Pre Tax Deductions	Employee Taxes	Post Tax Deductions	Net Pay	
Current	1,692.31	67.70	161.96	24.66	1,487.99	
YTD	89,439.15	3,496.03	10,153.16	715.28	75,674.68	
Earnings					Employee Taxes	
Description	Dates	Hours	Rate	Amount	YTD	
Regular Pay	11/18/2024-11/22/2024			1692.31	75,514.99	
Cell phone Allowance	11/18/2024-11/22/2024			50.00	600.00	
Vacation Payout	11/18/2024-11/22/2024	105.20	42.31		0.00	
Floating Holiday					653.92	
Group Term Life					134.08	
Masonite Inc. Plan					7,439.00	
Vacation					5,492.76	
Volunteer Time Off					338.48	
Earnings		105.20		1,742.31	90,173.23	
Description	Amount	YTD				
OASDI	104.93	5,509.25				
State Tax - AZ	32.49	1,718.88				
Medicare	24.54	1,288.45				
Federal Withholding	0.00	1,636.58				
Employee Taxes	161.96	10,153.16				

Excerpt of Plaintiff’s wage statement for the period 11/18/2024 to 12/01/2024

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

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

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

Labor Code section 201 requires that if an employer fires an employee, the wages must be paid immediately. Labor Code section 202 requires that if an employee quits without providing 72 hours’ notice, his or her wages must be paid no later than 72 hours thereafter. Labor Code section 202 states that if an employee provides 72 hours’ notice, the final wages are payable upon his or her final day of employment. Labor Code section 203 requires an

employer who fails to comply with Labor Code sections 201 or 202 to pay a waiting time penalty for each employee, up to a period of 30 days additional compensation.

Defendants failed to pay all wages and premiums owed to aggrieved employees during their employment as set forth in this notice, and also failed to timely pay those amounts to departing employees upon separation of employment. Defendants did not pay waiting time penalties for the late payments. As discussed above, Plaintiff and other aggrieved employees earned vacation wages that were not all paid out to them upon separation from employment. Plaintiff's employment ended on November 22, 2024, and he received his final wage statement on December 5, 2024. Plaintiff had 105.20 hours of accrued PTO that was not paid out at the end of his employment. As a result, Defendants violated Labor Code sections 201, 202, and 203.

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

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

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

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

Defendants failed to provide accurate itemized wage statements to the aggrieved employees each pay period as a result of the policies and practices set forth in this notice. Defendants violated Labor Code section 226(a)(1) and (5) by not listing the correct "gross wages earned" or "net wages earned," as the wage statements fail to accurately state the amount of final pay due, based on Defendants unlawful policy and practice of withholding and not paying out vacation wages, resulting in an inaccurate reflection, and recording of "gross wages earned" on those wage statements. Likewise, in violation of Labor Code section 226(a)(9), Defendants failed to state on employee wage statements each pay period the applicable hourly rates in effect and the number of hours worked at that rate, as Defendants failed to pay all vacation wages owed to employees upon separation of employment. The amounts stated are instead not listed to show vacation wages payouts, resulting in an inaccurate reflection on the pay stub.

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

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

Labor Code section 1174 requires that employers maintain accurate “payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments.” Section 7(A) of the IWC Wage Orders, which may be enforced through Labor Code section 1198, mandates similar recordkeeping obligations.

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

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

Unlawful Employment Condition
Violation of Labor Code § 432.5

Defendants violated Labor Code section 432.5 with respect to Plaintiff and other aggrieved employees by requiring that they agree to an unlawful term or condition in writing during their employment.

Labor Code section 432.5 states that “[n]o employer, or agent, manager, superintendent, or officer thereof, shall require any employee or applicant for employment to agree, in writing,

to any term or condition which is known by such employer, or agent, manager, superintendent, or officer thereof to be prohibited by law.”

Non-competition agreements are illegal under California law. Business and Professions Code 16600 provides that “every contract by which anyone is restrained from engaging in a lawful profession, trade, or business of any kind is to that extent void.” Defendants required that Plaintiff and the aggrieved employees sign non-competition agreements restricting their ability to accept certain work on behalf of themselves or other employers. As such, Defendants violated California Labor Code section 432.5 by requiring that Plaintiff and the aggrieved employees sign non-competition agreements prohibited by California law.

An illustrative example of this violation is shown below:

III. Non-Competition and Non-Solicitation

A. Non-Competition. I covenant and agree that, during the term of my employment with Masonite and for two (2) years after the termination thereof, regardless of the reason for the employment termination, I will not, directly or indirectly, anywhere in the United States and Canada, on behalf of any competitive business perform the same or substantially the same job duties as I performed while employed by Masonite at any time within the twenty-four (24) months immediately prior to my termination of employment regardless of the reason for termination.

B. Non-Solicitation of Employees. During the term of this Agreement and for no less than two (2) years after any termination of this Agreement, regardless of the reason for my leaving Masonite, I will not, without the prior written consent of Masonite which may be withheld at its sole discretion, either directly or indirectly, on my own behalf or in the service or on behalf of others, solicit or attempt to solicit, divert or hire away any person employed by Masonite or any customer of Masonite.

C. Non-Solicitation of Customers, Customer Prospects, and Vendors. I also covenant and agree that during the term of my employment with Masonite and for two (2) years after the termination thereof, regardless of the reason for the employment termination, I will not, directly or indirectly, solicit or attempt to solicit any business from any of the Masonite’s customers, customer prospects, or vendors with whom I have had contact during the last two (2) years of my employment with Masonite.

Initials: JP

**Excerpt of Plaintiff’s signed EMPLOYEE CONFIDENTIALITY,
INTELLECTUAL PROPERTY, NONCOMPETITION AND NON-
SOLICITATION AGREEMENT**

Additionally, Defendants required Plaintiff and the aggrieved employees to agree to the unlawful policy and practice of withholding all accrued and unused vacation wages upon separation of employment. Therefore, Defendants' practice of withholding PTO is an unlawful condition of employment.

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

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

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

- LITIGATION HOLD NOTICE -

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

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

- CONCLUSION -

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

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

Sincerely,



Xavier L. Woodford
/JG/

Cc Plaintiff Jose Ortiz

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