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February 11, 2025

VIA ONLINE SUBMISSION

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

Subject: *Maira Martinez v. Populus Financial Group, Inc., et al.*

Dear PAGA Administrator:

This office represents Maira Martinez in connection with her claims under the California Labor Code. Ms. Martinez was an employee of POPULUS FINANCIAL GROUP, INC. and/or ACE CASH EXPRESS INSURANCE SERVICES LLC. For the purpose of this letter, Ms. Martinez collectively refers to these entities as "PFG."

The employer may be contacted directly at the addresses below:

POPULUS FINANCIAL GROUP, INC.
300 E JOHN CARPENTER FREEWAY
SUITE 900
IRVING, TX 75062

ACE CASH EXPRESS INSURANCE
SERVICES LLC
300 E. JOHN CARPENTER FREEWAY, SUITE 900
IRVING, TX 75062

Ms. Martinez 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"). Ms. Martinez seeks relief on behalf of herself, the State of California, and other persons who are or were employed by PFG in California as a non-exempt, hourly paid employee 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.

PFG employed Ms. Martinez as a non-exempt Sales Associate from approximately August 2023 to June 2024. Ms. Martinez worked at PFG's California branch locations in Pomona, Corona, Upland, and Ontario, among others. During her employment, Ms. Martinez typically worked eight (8) hours or more per day and five (5) days or more per week. By the end of her employment, Ms. Martinez was compensated approximately \$17.33 per hour. Ms. Martinez's job duties included, without limitation, assisting customers with money transfers and purchasing money orders, counting money, providing customer service, and transferring funds between branches.

PFG has committed each of the following Labor Code violations against Ms. Martinez, the facts and theories of which follow, making her an “aggrieved employee” pursuant to California Labor Code section 2699(c)(1):¹

PFG’s Company-Wide and Uniform Payroll and HR Practices

POPULUS FINANCIAL GROUP, INC. is a Texas corporation while ACE CASH EXPRESS INSURANCE SERVICES LLC is a Delaware limited liability company. Together, they provide financial products and services including short-term loans, card services, check cashing, money transfer, bill payment and money orders, with approximately 85 locations in California. Upon information and belief, PFG maintains a single, centralized Human Resources (HR) department at its corporate headquarters in Irving, Texas, for all non-exempt, hourly paid employees working for PFG in California, including Ms. Martinez and other aggrieved employees. At all relevant times, PFG issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Ms. Martinez and other aggrieved employees, regardless of their location or position.

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

PFG willfully failed to pay all overtime wages owed to Ms. Martinez and other aggrieved employees. During the relevant time period, Ms. Martinez 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

¹ These facts, theories, and claims are based on Ms. Martinez’s experience and counsel’s review of those records currently available relating to Ms. Martinez’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, Ms. Martinez reserves the right to supplement this letter with additional facts, theories, and claims if she becomes aware of them subsequent to the submission of this letter.

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, PFG had, and continues to have, a company-wide policy and/or practice requiring Ms. Martinez and other aggrieved employees to perform work off-the-clock before and after their scheduled shifts. For example, Ms. Martinez was required to travel to PFG's other branch locations to pick up funds or supplies, such as uniform shirts or money bags, prior to reporting to her location for her shift. As a further example, PFG required Ms. Martinez and other aggrieved employees to travel to Riverside, California, to attend training classes from 8:30 a.m. to 2:30 p.m.; on information and belief, Ms. Martinez was not paid for the time she spent traveling to and from training classes as well as attending classes, which were mandatory and related to sale techniques. Thus, PFG failed to track all of the time that employees spent performing work-related tasks before and after their shifts, and Ms. Martinez and other aggrieved employees received no compensation for this time.

Additionally, PFG had, and continues to have, a company-wide policy and/or practice of understaffing and/or single-staffing its branch locations (*see infra*), which resulted in Ms. Martinez and other aggrieved employees having to work off the clock after clocking out from their shifts. For example, on information and belief, per PFG's loss prevention and/or security policy, if any branch had over \$35,000 in funds at closing, at least two (2) employees were required to close the branch. As a result, Ms. Martinez clocked out at the end of her shift and traveled to another branch to assist that employee with closing duties. PFG provided no means for Ms. Martinez and other aggrieved employees to record this time spent working, and as a result, Ms. Martinez and other aggrieved employees were not compensated for this time that they were subject to PFG's control after they had clocked out for their shifts.

Second, as stated, PFG had, and continues to have, company-wide policies and/or practices of understaffing and/or single staffing and pressuring employees to meet certain sales quotas, which resulted in a failure to provide Ms. Martinez and other aggrieved employees with adequate meal period coverage, because there were too few employees on duty to handle the workload and attend to customers. Because PFG did not employ or staff a sufficient number of employees to meet customer demand, there was no one available to relieve employees needing meal period coverage, and Ms. Martinez and other aggrieved employees were not always afforded uninterrupted 30-minute meal periods during shifts when they were entitled to receive a meal period. PFG also had a practice of failing to adhere to a schedule for meal periods, which further caused Ms. Martinez and other aggrieved employees to not be relieved of their duties for compliant meal periods. For example, Ms. Martinez had her meal periods interrupted approximately 1-2 times per month due to lack of coverage and to keep up with the demands of work. However, PFG did not compensate Ms. Martinez and other aggrieved employees for the time they spent working off the clock during unpaid meal periods.

Third, on information and belief, because PFG frowned upon employees accruing meal period premiums, PFG's management adjusted Ms. Martinez's and other aggrieved employees' time records to reflect compliant meal periods and/or pressured Ms. Martinez and other aggrieved employees to record compliant meal periods, regardless of whether they had received a compliant meal period or not. Additionally, PFG's company-wide timekeeping system prevented Ms. Martinez and other aggrieved employees from recording all hours worked when their meal periods were shortened or interrupted, because the system locked out Ms. Martinez 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, PFG did not record all hours worked during meal periods, and Ms.

Martinez and other aggrieved employees performed work during meal periods for which they were not paid.

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

PFG's failure to pay Ms. Martinez 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. Ms. Martinez and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring PFG 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. 4-2001 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, § 11040(2)(L) (defining "Hours Worked").

As set forth above, during the relevant time period, PFG had a company-wide policy and/or practice requiring Ms. Martinez and other aggrieved employees to perform work-related tasks while off-the-clock before and after their shifts, including traveling to other branch locations for supplies or closing duties, traveling to attend classes, and attending classes. PFG failed to track this time Ms. Martinez and other aggrieved employees spent working off-the-clock, and Ms. Martinez and other aggrieved employees received no compensation for this time.

Further, as also stated, due to PFG's policies and/or practices of understaffing and/or single-staffing its locations while pressuring employees to meet certain sales quotas, and failing to adhere to a schedule for meal periods, Ms. Martinez 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.

Moreover, as stated, in order to prevent employees from accruing meal period premiums, upon information and belief, PFG's management adjusted Ms. Martinez's and other aggrieved employees' time records and/or pressured Ms. Martinez and other aggrieved employees to record compliant meal periods, even when meal periods were missed, short, and/or interrupted. Additionally, as stated, PFG's company-wide timekeeping system prevented Ms. Martinez and other aggrieved employees from entering time worked during meal periods because the system locked out Ms. Martinez and other aggrieved employees for a full 30 minutes. Thus, PFG systematically failed to pay Ms.

Martinez and other aggrieved employees for actual hours worked during unpaid meal periods because these hours were not always correctly recorded.

PFG did not pay minimum wages for all hours worked by Ms. Martinez and other aggrieved employees. To the extent that these off-the-clock hours did not qualify for overtime premium payment, PFG 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, PFG regularly failed to pay at least minimum wages to Ms. Martinez 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. Ms. Martinez and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring PFG 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.

First, as stated, PFG had, and continues to have, company-wide policies and/or practices of understaffing while pressuring employees to meet certain sales quotas, which has resulted in a lack of meal period coverage and prevented Ms. Martinez and other aggrieved employees from taking all timely, uninterrupted meal periods to which they were entitled. Further, as stated, PFG had a company-wide practice and/or policy of failing to adhere to a schedule for meal periods, which further caused Ms. Martinez and other aggrieved employees to not be relieved of their duties for compliant meal periods.

As a result, Ms. Martinez 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, PFG's other employees often interrupted Ms. Martinez's meal periods by asking her questions as Ms. Martinez was often in charge of training new employees. Additionally, Ms. Martinez frequently took her meal periods late, after the fifth hour of work, due to the lack of coverage and heavy workload.

Second, as stated, on information and belief, because PFG frowned upon employees accruing meal period premiums, PFG's management adjusted Ms. Martinez's and other aggrieved employees' time records to reflect compliant meal periods and/or pressured Ms. Martinez and other aggrieved employees to record compliant meal periods, even when they did not receive a compliant meal period, in order to strictly limit the meal period premiums that PFG would otherwise owe. As also stated, PFG's company-wide timekeeping system prevented Ms. Martinez and other aggrieved employees from recording when their meal periods were shortened or interrupted, because the system locked out Ms. Martinez 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. As a result of these policies, PFG falsified and deducted meal periods from Ms. Martinez's and other aggrieved employees' time records even when meal periods were missed, short, interrupted, and/or late and thus systematically failed to correctly record meal periods.

Third, PFG did not provide Ms. Martinez and other aggrieved employees with second 30-minute meal periods on days that they worked in excess of 10 hours in one day. For example, during the relevant time period, Ms. Martinez worked shifts in excess of 10 hours in one day and did not always receive a second meal period. Ms. Martinez 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.

Moreover, PFG had a company-wide policy of requiring all newly hired employees to sign blanket meal period waivers at or near their time of hire. PFG took the position that non-exempt, hourly paid employees had waived their rights to first meal periods for the entirety of their employment and, on that basis, did not provide them with all meal periods to which they were entitled. Further, PFG's "ACE Meal Period Waiver" form requires employees to provide advance written notice should they wish to revoke the waiver. PFG's presumption that meal periods would not be provided for shifts in excess of five (5) hours but less than six (6) hours, due to blanket meal period waivers signed at or near the time of hire, and imposition on employees to revoke waivers by providing advance written notice, discouraged and impeded Ms. Martinez and other aggrieved employees from taking all meal periods to which they were entitled.

Furthermore, an employer's obligation to provide a meal period is only "triggered" when the employer "employs an employee for a work period of more than five hours per day." Brinker, 53 Cal. 4th at 1039 ("If an employer engages, suffers, or permits anyone to work for a full five hours, its meal break obligation is triggered.").

[A]fter the meal break obligation is triggered . . . an employer is put to a choice: it must (1) afford an off-duty meal period; (2) consent to a mutually agreed-upon waiver if one hour or less will end the shift; or (3) obtain written agreement to an on-duty meal period if circumstances permit. Failure to do one of these will render the employer liable for premium pay.

Id. (citing Cal. Labor Code § 226.7; Wage Order No. 5, subd. 11(A), (B)). That PFG required Ms. Martinez and other aggrieved employees to sign meal period waivers simultaneously at or near their time of hire (as opposed to on a specific work day) renders them invalid and unenforceable, because PFG's obligation to provide Ms. Martinez and other aggrieved employees with meal periods did not arise until they had employed them for a full five (5) hours.

At all times herein mentioned, PFG knew or should have known that, as a result of these policies, Ms. Martinez and other aggrieved employees were prevented from being relieved of all duties and required to perform some of their assigned duties during meal periods. PFG further knew or should

have known that PFG did not pay Ms. Martinez and other aggrieved employees meal period premiums when meal periods were missed, shortened, interrupted, and/or late. PFG's company-wide written policy was to treat noncompliant meal periods as voluntarily taken, and, pursuant to this policy, PFG would not pay Ms. Martinez and other aggrieved employees meal period premiums unless they notified a district manager and filled out, signed, scanned, and emailed a request form to Human Resources. Specifically, PFG's "California Meal and Rest Period Policy" states, in relevant part:

Employees who believe they are unable to take an uninterrupted meal or rest period or take a short or late meal period due to the demands of the business must (1) contact their District Manager and (2) complete a California Meal and Rest Period Premium Request Form (a sample of which is attached) and submit it to the [HR Manager] at least one day prior to the end of the relevant pay period to ensure that Employees are properly compensated.

If an Employee does not submit a Premium Request Form, the Company will assume the Employee who fails to record a meal period, records a less-than-30 minute meal period, takes and records a late meal period or fails to take a rest period did so voluntarily and will be paid for the time the Employee worked through the meal or rest period. (Emphasis added.)

Because of PFG's company-wide written meal period policy, Ms. Martinez and other aggrieved employees did not receive all meal period premiums when meal periods were missed, shortened, interrupted, and/or late unless they affirmatively requested the premiums through the above-mentioned process. Thus, Ms. Martinez and other aggrieved employees were not paid all meal period premiums to which they were entitled.

Thus, PFG 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, Ms. Martinez and other aggrieved employees have not received premium pay for missed, late, and interrupted meal periods.

Accordingly, PFG failed to provide all meal periods in violation of California Labor Code sections 226.7, 512(a), 516, and 1198. Ms. Martinez and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring PFG 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, PFG regularly failed to authorize and permit Ms. Martinez 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, PFG’s company-wide practices, including single-staffing and/or understaffing, and pressuring to meet certain sales goals, prevented Ms. Martinez and other aggrieved employees from being relieved of all duty to take rest periods. Additionally, PFG failed to schedule rest periods, which, coupled with PFG’s failure to provide adequate rest period coverage, further led to Ms. Martinez and other aggrieved employees not being authorized and permitted to take rest periods.

Furthermore, during the relevant time period, PFG maintained and implemented a company-wide on-premises rest period policy, which mandated that Ms. Martinez and other aggrieved employees remain on the work premises during their rest periods. The written policy states, in relevant part: “Employees must not leave the premises during rest periods.” Because Ms. Martinez and other aggrieved employees were 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, PFG maintained control over Ms. Martinez and other aggrieved employees during rest periods.

As a result of PFG’s practices and policies, Ms. Martinez 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, Ms. Martinez missed her rest periods entirely due to the lack of coverage and heavy workload. Moreover, as set forth above, PFG’s company-wide “California Meal and Rest Period Policy” treated noncompliant rest periods as voluntarily taken, and PFG did not pay Ms. Martinez and other aggrieved employees the rest period premiums to which they were entitled unless they affirmatively requested the rest period premiums.

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

Accordingly, PFG failed to authorize and permit all rest periods in violation of California Labor Code sections 226.7, 516, and 1198. Ms. Martinez and other aggrieved employees are entitled to recover civil penalties, attorneys’ fees, costs, and interest thereon, and seek injunctive relief to bring PFG 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. PFG has not provided Ms. Martinez and other aggrieved employees with properly itemized wage statements. 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).

During the relevant time period, PFG has knowingly and intentionally provided Ms. Martinez and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, PFG issued uniform wage statements to Ms. Martinez and other aggrieved employees that fail to correctly list: gross wages earned; total hours worked; net wages earned; and 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, PFG violated sections 226(a)(1), 226(a)(2), 226(a)(5), and 226(a)(9).

Because PFG did not record the time Ms. Martinez and other aggrieved employees spent working off-the-clock and deducted time from their meal periods that were missed and/or interrupted (and therefore time for which they should have been paid), PFG did not list the correct amount of gross wages and net wages earned by Ms. Martinez and other aggrieved employees, in compliance with section 226(a)(1) and section 226(a)(5). For the same reason, PFG failed to accurately list the total number of the hours worked by Ms. Martinez 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 aggrieved 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). During the relevant time period, and in violation of Labor Code section 1174(d), PFG willfully failed to maintain accurate payroll records for Ms. Martinez 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, PFG engaged in company-wide practices and/or policies of failing to record actual hours worked (including falsifying time records by recording that compliant meal periods were taken regardless of if or when meal periods were actually taken), and thereby failed to keep accurate records of work period start and end times for Ms. Martinez and other aggrieved employees in violation of section 1198. Furthermore, in light of PFG's failure to provide Ms. Martinez and other aggrieved employees with second 30-minute meal periods to which they were entitled, PFG kept no records of meal start and end times for second meal periods.

Because PFG failed to provide the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on wage statements, Ms. Martinez and other aggrieved employees have been prevented from verifying, solely from information on the wage statements themselves, that they were paid correctly and in full. Instead, Ms. Martinez and other aggrieved employees have had to look to sources outside of the wage statements themselves and reconstruct time records to determine whether in fact they were paid correctly and the extent of underpayment, thereby causing them injury.

Ms. Martinez and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring PFG 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, PFG failed to pay Ms. Martinez 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.

Ms. Martinez and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring PFG 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.

On information and belief, PFG has a company-wide practice and/or policy of paying departing employees their final wages late, instead of adhering to the time requirements set forth in Labor Code sections 201 and 202. For example, PFG terminated Ms. Martinez's employment on June 4, 2024. However, Ms. Martinez was not provided with her final wages until a few weeks later after Ms. Martinez made a number of attempts to obtain her paycheck from PFG. Thus, PFG failed to pay Ms. Martinez her final wages immediately, in violation of California Labor Code section 201.

Additionally, PFG willfully failed to pay Ms. Martinez and other aggrieved employees who are no longer employed by PFG all their earned wages, 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 PFG's employ.

Ms. Martinez and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring PFG 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. 4-2001, 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."

During the relevant time period, PFG, on a company-wide basis, required that Ms. Martinez 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 the costs of their work-related mobile device expenses. For example, Ms. Martinez and other aggrieved employees were required to use their personal mobile devices for work-related tasks, including responding to calls from management regarding scheduling and shift coverage. Although PFG required Ms. Martinez and other aggrieved employees to utilize their personal mobile devices and/or mobile data to carry out their work-related responsibilities, PFG failed to reimburse them for these costs.

Second, during the relevant time period, PFG, on a company-wide basis, required that Ms. Martinez and other aggrieved employees use their own personal vehicles to travel to attend training classes and/or meetings. For example, on two (2) occasions throughout her employment, Ms. Martinez was required to use her personal vehicle and travel to Riverside, California to attend mandatory classes regarding sales techniques. Additionally, during the relevant time period, Ms. Martinez was required to use her personal vehicle to travel to Corona, California for training meetings. Although PFG required Ms. Martinez and other aggrieved employees to utilize their personal vehicles to carry out

their work-related responsibilities, PFG failed to fully reimburse them for their mileage or travel expenses

PFG could have provided Ms. Martinez and other aggrieved employees with company mobile devices and company vehicles; or PFG could have reimbursed employees for the costs of their mobile device usage, mileage, and travel expenses. Instead, PFG passed these operating costs onto Ms. Martinez and other aggrieved employees. At all relevant times, Ms. Martinez did not earn at least two (2) times the minimum wage.

Thus, PFG 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. Ms. Martinez and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring PFG 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.” PFG, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Ms. Martinez’s and other aggrieved employees’ rights by violating various sections of the California Labor Code.

Accordingly, Ms. Martinez seeks the remedies set forth in Labor Code section 558 for herself, 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, Ms. Martinez, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties and injunctive relief for herself, all other aggrieved employees, and the State of California against PFG 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, Ms. Martinez seeks all applicable 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:

Ninel Kocharyan
Capstone Law APC
1875 Century Park East, Suite 1000
Los Angeles, CA 90067
(310) 556-4811

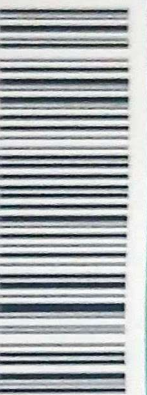
Best Regards,

A handwritten signature in cursive script, appearing to read "Ninel", is shown within a light gray rectangular box.

Ninel Kocharyan

Copy: POPULUS FINANCIAL GROUP, INC. (via U.S. Certified Mail); ACE CASH EXPRESS
INSURANCE SERVICES LLC (via U.S. Certified Mail)

Capstone Law, APC
1875 Century Park, East, 1000
Los Angeles, CA 90067



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