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SUPERIOR COURT OF THE STATE OF CALIFORNIA
 FOR THE COUNTY OF LOS ANGELES

KYLE SHRAMEK, as an aggrieved
 employee pursuant to the Private
 Attorneys General Act ("PAGA"), on
 behalf of the State of California and
 other non-party Aggrieved
 Employees,

Plaintiff,

vs.

HEALTHY SPOT LLC, a California
 limited liability company; HEALTHY
 SPOT 007 LLC, a California limited
 liability company; HEALTHY SPOT
 014 LLC, a California limited liability
 company; HEALTHY SPOT 016
 LLC, a California limited liability
 company; HEALTHY SPOT ALPHA,
 LLC, a California limited liability
 company; HEALTHY SPOT B001
 LLC, a California limited liability
 company; HEALTHY SPOT BETA
 LLC, a California limited liability
 company; HEALTHY SPOT
 GAMMA, LLC, a California limited
 liability company; HEALTHY SPOT
 INCENTIVE UNITS, LLC, a
 California limited liability company;
 and DOES 1 through 10, inclusive,

Defendants.

Case No.: **22STCV29435**

**COMPLAINT – PAGA ENFORCEMENT
 ACTION**

- (1) Claim for Civil Penalties for Violations
 of California Labor Code, Pursuant to
 PAGA, §§ 2698, *et seq.*

Jury Trial Demanded

1 Plaintiff Kyle Shramek, as an aggrieved employee and on behalf of the State of
2 California and all other non-party Aggrieved Employees, alleges as follows:

3 JURISDICTION AND VENUE

4 1. This is an enforcement action under the Labor Code Private Attorneys General
5 Act of 2004, California Labor Code sections 2698, *et seq.* (“PAGA”) to recover civil penalties
6 and any other available relief on behalf of Plaintiff, the State of California, and other current
7 and former employees who worked for Defendants in California as a non-exempt, hourly paid
8 employee and received at least one wage statement and against whom one or more violations
9 of any provision in Division 2 Part 2 Chapter 1 of the Labor Code or any provision regulating
10 hours and days of work in the applicable Industrial Welfare Commission (“IWC”) Wage
11 Order were committed, as set forth in this complaint, at any time between one year prior to the
12 filing of the pre-filing written notice to the Labor and Workforce Development Agency
13 (“LWDA”) in this case on July 5, 2022, until judgment (“non-party Aggrieved Employees”).
14 Plaintiff’s share of civil penalties sought in this action does not exceed \$75,000.

15 2. This Court has jurisdiction over this action pursuant to the California
16 Constitution, Article VI, section 10. The statute under which this action is brought does not
17 specify any other basis for jurisdiction.

18 3. This Court has jurisdiction over all Defendants because, on information and
19 belief, Defendants are either citizens of California, have sufficient minimum contacts in
20 California, or otherwise intentionally avail themselves of the California market so as to render
21 the exercise of jurisdiction over them by the California courts consistent with traditional
22 notions of fair play and substantial justice. There is no basis for federal diversity jurisdiction
23 in this action given that the State of California, as the real party in interest in this action, is not
24 a “citizen” for purposes of satisfying diversity jurisdiction. *Urbino v. Orkin Servs. of Cal.*,
25 726 F.3d 1118, 1123 (9th Cir. Cal. 2013). *Urbino* also holds that civil penalties cannot be
26 aggregated to satisfy the amount in controversy requirement for federal diversity jurisdiction
27 in this action, and that diversity jurisdiction cannot be established when Plaintiff’s share of the
28 civil penalties attributable to violations personally suffered are less than \$75,000. *Id.* at 1122.

4. Venue is proper in this Court, because Defendants filed Statement of Information forms with the Secretary of State designating a principal place of business in Culver City, County of Los Angeles, in accordance with California Corporation Code section 2105(a)(3). Cal. Code Civ. P. § 395.5. Venue is also proper in this Court because employ persons in this county, and employed Plaintiff in this county, and thus a substantial portion of the transactions and occurrences related to this action occurred in this county.

5. California Labor Code sections 2698, *et seq.*, the “Labor Code Private Attorneys General Act of 2004” (“PAGA”), authorize aggrieved employees to sue as private attorneys general their current or former employers for various civil penalties for violations of various provisions in the California Labor Code.

THE PARTIES

6. Plaintiff Kyle Shramek is a resident of Redondo Beach, in Los Angeles County, California. Defendants employed Plaintiff as an hourly paid, non-exempt employee from approximately August 2020 to May 2022. Plaintiff worked as a Keyholder and Certified Keyholder for Defendants at their stores located in Marina Del Rey, Playa Vista, Long Beach, and Costa Mesa, California. Plaintiff typically worked eight (8) hours per day, five (5) days per week, and approximately 40 hours per week. At the time Plaintiff's employment with Defendants ended, he was compensated approximately \$16.50 per hour. Plaintiff's job duties included, without limitation, greeting customers, providing customer service, receiving shipments, and re-stocking inventory.

7. HEALTHY SPOT LLC was and is, upon information and belief, a California limited liability company, and at all times hereinafter mentioned, an employer whose employees are engaged throughout this county, the State of California.

8. HEALTHY SPOT 007 LLC was and is, upon information and belief, a California limited liability company, and at all times hereinafter mentioned, an employer whose employees are engaged throughout this county, the State of California.

9. HEALTHY SPOT 014 LLC was and is, upon information and belief, a California limited liability company, and at all times hereinafter mentioned, an employer

1 whose employees are engaged throughout this county, the State of California.

2 10. HEALTHY SPOT 016 LLC was and is, upon information and belief, a
3 California limited liability company, and at all times hereinafter mentioned, an employer
4 whose employees are engaged throughout this county, the State of California.

5 11. HEALTHY SPOT ALPHA, LLC was and is, upon information and belief, a
6 California limited liability company, and at all times hereinafter mentioned, an employer
7 whose employees are engaged throughout this county, the State of California.

8 12. HEALTHY SPOT B001 LLC was and is, upon information and belief, a
9 California limited liability company, and at all times hereinafter mentioned, an employer
10 whose employees are engaged throughout this county, the State of California.

11 13. HEALTHY SPOT BETA LLC was and is, upon information and belief, a
12 California limited liability company, and at all times hereinafter mentioned, an employer
13 whose employees are engaged throughout this county, the State of California.

14 14. HEALTHY SPOT GAMMA, LLC was and is, upon information and belief, a
15 California limited liability company, and at all times hereinafter mentioned, an employer
16 whose employees are engaged throughout this county, the State of California.

17 15. HEALTHY SPOT INCENTIVE UNITS, LLC was and is, upon information
18 and belief, a California limited liability company, and at all times hereinafter mentioned, an
19 employer whose employees are engaged throughout this county, the State of California.

20 16. Plaintiff is unaware of the true names or capacities of the Defendants sued
21 herein under the fictitious names DOES 1 through 10, but will seek leave of this Court to
22 amend the complaint and serve such fictitiously named Defendants once their names and
23 capacities become known.

24 17. Plaintiff is informed and believes, and thereon alleges, that DOES 1 through 10
25 were the partners, agents, owners, or managers of HEALTHY SPOT LLC; HEALTHY SPOT
26 007 LLC; HEALTHY SPOT 014 LLC; HEALTHY SPOT 016 LLC; HEALTHY SPOT
27 ALPHA, LLC; HEALTHY SPOT B001 LLC; HEALTHY SPOT BETA LLC; HEALTHY
28 SPOT GAMMA, LLC; and HEALTHY SPOT INCENTIVE UNITS, LLC, at all relevant

1 times.

2 18. Plaintiff is informed and believes, and thereon alleges, that each and all of the
3 acts and omissions alleged herein was performed by, or is attributable to, HEALTHY SPOT
4 LLC; HEALTHY SPOT 007 LLC; HEALTHY SPOT 014 LLC; HEALTHY SPOT 016 LLC;
5 HEALTHY SPOT ALPHA, LLC; HEALTHY SPOT B001 LLC; HEALTHY SPOT BETA
6 LLC; HEALTHY SPOT GAMMA, LLC; HEALTHY SPOT INCENTIVE UNITS, LLC;
7 and/or DOES 1 through 10 (collectively, “Defendants” or “HEALTHY SPOT”), each acting
8 as the agent, employee, alter ego, and/or joint venturer of, or working in concert with, each of
9 the other co-Defendants and was acting within the course and scope of such agency,
10 employment, joint venture, or concerted activity with legal authority to act on the others’
11 behalf. The acts of any and all Defendants were in accordance with, and represent, the official
12 policy of Defendants.

13 19. At all relevant times, Defendants, and each of them, ratified each and every act
14 or omission complained of herein. At all relevant times, Defendants, and each of them, aided
15 and abetted the acts and omissions of each and all the other Defendants in proximately causing
16 the damages herein alleged.

17 20. Plaintiff is informed and believes, and thereon alleges, that each of said
18 Defendants is in some manner intentionally, negligently, or otherwise responsible for the acts,
19 omissions, occurrences, and transactions alleged herein.

20 21. Under California law, Defendants are jointly and severally liable as employers
21 for the violations alleged herein because they have each exercised sufficient control over the
22 wages, hours, working conditions, and employment status of Plaintiff and other non-party
23 Aggrieved Employees. Each Defendant had the power to hire and fire Plaintiff and other non-
24 party Aggrieved Employees, supervised and controlled their work schedule and/or conditions
25 of employment, determined their rate of pay, and maintained their employment records.
26 Defendants suffered or permitted Plaintiff and other non-party Aggrieved Employees to work
27 and/or “engaged” Plaintiff and other non-party Aggrieved Employees so as to create a
28 common-law employment relationship. As joint employers of Plaintiff and other non-party

1 Aggrieved Employees, Defendants are jointly and severally liable for the civil penalties
2 available to Plaintiff and other non-party Aggrieved Employees under the law.

3 22. Plaintiff is informed and believes, and thereon alleges, that at all relevant times,
4 Defendants, and each of them, have acted as joint employers with respect to Plaintiff and other
5 non-party Aggrieved Employees because Defendants have:

- 6 (a) jointly exercised meaningful control over the work performed by
7 Plaintiff and other non-party Aggrieved Employees;
- 8 (b) jointly exercised meaningful control over Plaintiff's and other non-party
9 Aggrieved Employees' wages, hours, and working conditions, including
10 the quantity, quality standards, speed, scheduling, and operative details
11 of the tasks performed by Plaintiff and other non-party Aggrieved
12 Employees;
- 13 (c) jointly required that Plaintiff and other non-party Aggrieved Employees
14 perform work which is an integral part of Defendants' businesses; and
- 15 (d) jointly exercised control over Plaintiff and other non-party Aggrieved
16 Employees as a matter of economic reality in that Plaintiff and other
17 non-party Aggrieved Employees were dependent on Defendants, who
18 shared the power to set the wages of Plaintiff and other non-party
19 Aggrieved Employees and determined their working conditions, and
20 who jointly reaped the benefits from the underpayment of their wages
21 and noncompliance with other statutory provisions governing their
22 employment.

23 23. Plaintiff is informed and believes, and thereon alleges, that at all relevant times
24 there has existed a unity of interest and ownership between Defendants such that any
25 individuality and separateness between the entities has ceased.

26 24. HEALTHY SPOT LLC; HEALTHY SPOT 007 LLC; HEALTHY SPOT 014
27 LLC; HEALTHY SPOT 016 LLC; HEALTHY SPOT ALPHA, LLC; HEALTHY SPOT B001
28 LLC; HEALTHY SPOT BETA LLC; HEALTHY SPOT GAMMA, LLC; HEALTHY SPOT

1 INCENTIVE UNITS, LLC; and/or DOES 1 through 10 are therefore alter egos of each other.

2 25. Adherence to the fiction of the separate existence of Defendants would permit
3 an abuse of the corporate privilege, and would promote injustice by protecting Defendants
4 from liability for the wrongful acts committed by them under the name HEALTHY SPOT.

5 26. Plaintiff further alleges, upon information and belief, that the Defendants
6 HEALTHY SPOT LLC; HEALTHY SPOT 007 LLC; HEALTHY SPOT 014 LLC;
7 HEALTHY SPOT 016 LLC; HEALTHY SPOT ALPHA, LLC; HEALTHY SPOT B001 LLC;
8 HEALTHY SPOT BETA LLC; HEALTHY SPOT GAMMA, LLC; and HEALTHY SPOT
9 INCENTIVE UNITS, LLC are alter egos of each other for the following reasons:

10 (a) On the California Secretary of State's website
11 (<https://bizfileonline.sos.ca.gov/>), HEALTHY SPOT LLC; HEALTHY
12 SPOT 007 LLC; HEALTHY SPOT 014 LLC; HEALTHY SPOT 016
13 LLC; HEALTHY SPOT ALPHA, LLC; HEALTHY SPOT B001 LLC;
14 HEALTHY SPOT BETA LLC; HEALTHY SPOT GAMMA, LLC; and
15 HEALTHY SPOT INCENTIVE UNITS, LLC have the same principal
16 office address and mailing address, "6089 BRISTOL P[AR]KW[A]Y,
17 SUITE 200, CULVER CITY, CA 90230";

18 (b) According to their most recent "Statement of Information" forms filed
19 with the California Secretary of State, HEALTHY SPOT LLC;
20 HEALTHY SPOT 007 LLC; HEALTHY SPOT 014 LLC; HEALTHY
21 SPOT 016 LLC; HEALTHY SPOT ALPHA, LLC; HEALTHY SPOT
22 B001 LLC; HEALTHY SPOT BETA LLC; HEALTHY SPOT
23 GAMMA, LLC; and HEALTHY SPOT INCENTIVE UNITS, LLC
24 share the same officers, managers, and/or members, including, but not
25 limited to, Andrew Kim, who serves as Chief Executive Officer,
26 Manager, and/or Member;

27 (c) According to the California Secretary of State's website, HEALTHY
28 SPOT LLC; HEALTHY SPOT 007 LLC; HEALTHY SPOT 014 LLC;

1 HEALTHY SPOT 016 LLC; HEALTHY SPOT ALPHA, LLC;
2 HEALTHY SPOT B001 LLC; HEALTHY SPOT BETA LLC;
3 HEALTHY SPOT GAMMA, LLC; and HEALTHY SPOT INCENTIVE
4 UNITS, LLC share the same agent for service of process, Registered
5 Agent Solutions, Inc. (C2392069); and

6 (d) On information and belief, HEALTHY SPOT LLC; HEALTHY SPOT
7 007 LLC; HEALTHY SPOT 014 LLC; HEALTHY SPOT 016 LLC;
8 HEALTHY SPOT ALPHA, LLC; HEALTHY SPOT B001 LLC;
9 HEALTHY SPOT BETA LLC; HEALTHY SPOT GAMMA, LLC; and
10 HEALTHY SPOT INCENTIVE UNITS, LLC utilize the same
11 standardized employment forms and issue the same employment
12 policies.

13 **PAGA REPRESENTATIVE ALLEGATIONS**

14 27. Defendants own and operate approximately 22 pet store locations which also
15 offer dog grooming and dog daycare services in California. Upon information and belief,
16 Defendants maintain a single, centralized Human Resources (HR) department at their
17 corporate headquarters in Culver City, California, for all non-exempt, hourly paid employees
18 working for Defendants in California, which is responsible for the recruiting and hiring of new
19 employees, and communicating and implementing Defendants' company-wide policies,
20 including timekeeping policies and meal and rest period policies, to employees throughout
21 California.

22 28. In particular, Plaintiff and other non-party Aggrieved Employees, on
23 information and belief, received the same standardized documents and/or written policies.
24 Upon information and belief, the usage of standardized documents and/or written policies,
25 including new-hire documents, indicate that Defendants dictated policies at the corporate level
26 and implemented them company-wide, regardless of their employees' assigned locations or
27 positions. Upon information and belief, Defendants set forth uniform policies and procedures
28 in several documents provided at an employee's time of hire.

1 29. Upon information and belief, Defendants maintain a centralized Payroll
2 department at their corporate headquarters in Culver City, California, which processes payroll
3 for all non-exempt, hourly paid employees working for Defendants at their various locations
4 and jobsites in California, including Plaintiff and other non-party Aggrieved Employees.
5 Based upon information and belief, Defendants issue the same formatted wage statements to
6 all non-exempt, hourly paid employees in California, irrespective of their work locations.
7 Upon information and belief, Defendants process payroll for departing employees in the same
8 manner throughout the State of California, regardless of the manner in which each employee's
9 employment ends.

10 30. Defendants continue to employ non-exempt or hourly paid employees in
11 California.

12 31. Plaintiff is informed and believes, and thereon alleges, that at all times herein
13 mentioned, Defendants were advised by skilled lawyers and other professionals, employees
14 and advisors knowledgeable about California labor and wage law, employment and personnel
15 practices, and about the requirements of California law.

16 32. Plaintiff is informed and believes, and thereon alleges, that Plaintiff and other
17 non-party Aggrieved Employees were not paid for all hours worked because all hours worked
18 were not recorded.

19 33. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
20 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
21 receive certain wages for overtime compensation and that they were not receiving certain
22 wages for overtime compensation.

23 34. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
24 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
25 be paid at a regular rate of pay, and corresponding rates of pay for overtime wages and/or
26 meal and rest period premiums, that included as eligible income all remuneration required by
27 law, including but not limited to, all income derived from incentive pay, nondiscretionary
28 bonuses, and/or other forms of compensation, but failed to include all forms of remuneration

1 in calculating the regular rate of pay for Plaintiff and other non-party Aggrieved Employees.

2 35. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
3 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
4 receive at least minimum wages for compensation and that they were not receiving at least
5 minimum wages for work that was required to be done off-the-clock. In violation of the
6 California Labor Code, Plaintiff and other non-party Aggrieved Employees were not paid at
7 least minimum wages for work done off-the-clock.

8 36. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
9 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
10 meal periods in accordance with the California Labor Code and applicable IWC Wage Order
11 or payment of one (1) additional hour of pay at their regular rates of pay when they were not
12 provided with timely, uninterrupted, thirty (30) minute meal periods and that Plaintiff and
13 other non-party Aggrieved Employees were not provided with all meal periods or payment of
14 one (1) additional hour of pay at their regular rates of pay when they did not receive a timely,
15 uninterrupted, thirty (30) minute meal period.

16 37. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
17 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
18 rest periods in accordance with the California Labor Code and applicable IWC Wage Order or
19 payment of one (1) additional hour of pay at their regular rates of pay when they were not
20 authorized and permitted to take a compliant rest period. In violation of the California Labor
21 Code, Plaintiff and other non-party Aggrieved Employees were not authorized and permitted
22 to take compliant rest periods, nor did Defendants provide Plaintiff and other non-party
23 Aggrieved Employees with payment of one (1) additional hour of pay at their regular rates of
24 pay when they were not authorized and permitted to take a compliant rest period.

25 38. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
26 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
27 receive complete and accurate wage statements in accordance with California law. In
28 violation of the California Labor Code, Plaintiff and other non-party Aggrieved Employees

1 were not provided complete and accurate wage statements.

2 39. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
3 should have known that they had a duty to maintain accurate and complete payroll records in
4 accordance with the Labor Code and applicable IWC Wage Order, but willfully, knowingly,
5 and intentionally failed to do so.

6 40. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
7 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
8 timely payment of wages during their employment. In violation of the California Labor Code,
9 Plaintiff and other non-party Aggrieved Employees did not receive payment of all wages,
10 including, but not limited to, overtime wages, minimum wages, and/or meal and rest period
11 premiums, within permissible time periods.

12 41. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
13 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
14 timely payment of all wages earned upon termination of employment. In violation of the
15 California Labor Code, Plaintiff and other non-party Aggrieved Employees did not receive
16 payment of all wages due, including, but not limited to, overtime wages, minimum wages,
17 and/or meal and rest period premiums, within permissible time periods.

18 42. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
19 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
20 suitable resting facilities to cease work and recover during meal or rest periods, but failed to
21 provide suitable resting facilities.

22 43. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
23 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
24 suitable seating and/or were entitled to sit when it did not interfere with the performance of
25 their duties and also have seats nearby to use during a lull in tasks that do require moving
26 about or standing. In violation of the California Labor Code and applicable IWC Wage Order,
27 Defendants failed to provide Plaintiff and other non-party Aggrieved Employees with suitable
28 seating.

1 44. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
2 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
3 receive reimbursement for all business-related expenses and costs they incurred during the
4 course and scope of their employment and that they did not receive reimbursement of
5 applicable business-related expenses and costs incurred.

6 45. Plaintiff is informed and believes, and thereon alleges, that at all times herein
7 mentioned, Defendants knew or should have known that they had a duty to compensate
8 Plaintiff and other non-party Aggrieved Employees for all hours worked, and that Defendants
9 had the financial ability to pay such compensation, but willfully, knowingly, and intentionally
10 failed to do so, and falsely represented to Plaintiff and other non-party Aggrieved Employees
11 that they were properly denied wages, all in order to increase Defendants' profits.

12 46. At all times herein set forth, PAGA provides that any provision of law under
13 the Labor Code and applicable IWC Wage Order that provides for a civil penalty to be
14 assessed and collected by the LWDA for violations of the California Labor Code and
15 applicable IWC Wage Order may, as an alternative, be recovered by aggrieved employees in a
16 civil action brought on behalf of themselves and other current or former employees pursuant
17 to procedures outlined in California Labor Code section 2699.3.

18 47. PAGA defines an "aggrieved employee" in Labor Code section 2699(c) as "any
19 person who was employed by the alleged violator and against whom one or more of the
20 alleged violations was committed."

21 48. Plaintiff and other current and former employees of Defendants are "aggrieved
22 employees" as defined by Labor Code section 2699(c) in that they are all Defendants' current
23 or former employees and one or more of the alleged violations were committed against them.

24 49. Pursuant to California Labor Code sections 2699.3 and 2699.5, an aggrieved
25 employee, including Plaintiff, may pursue a civil action arising under PAGA after the
26 following requirements have been met:

- 27 (a) The aggrieved employee shall give written notice by online filing
28 (hereinafter "Employee's Notice") to the LWDA and by certified mail

1 to the employer of the specific provisions of the California Labor Code
2 alleged to have been violated, including the facts and theories to support
3 the alleged violations.

4 (b) An aggrieved employee's notice filed with the LWDA pursuant to
5 2699.3(a) and any employer response to that notice shall be
6 accompanied by a filing fee of seventy-five dollars (\$75).

7 (c) The LWDA shall provide notice (hereinafter "LWDA Notice") to the
8 employer and the aggrieved employee by certified mail that it does not
9 intend to investigate the alleged violation within sixty (60) calendar
10 days of the postmark date of the Employee's Notice. Upon receipt of
11 the LWDA Notice, or if the LWDA Notice is not provided within sixty-
12 five (65) calendar days of the postmark date of the Employee's Notice,
13 the aggrieved employee may commence a civil action pursuant to
14 California Labor Code section 2699 to recover civil penalties in addition
15 to any other penalties to which the employee may be entitled.

16 50. Pursuant to California Labor Code sections 2699.3(c), aggrieved employees,
17 through Plaintiff, may pursue a civil action arising under PAGA for violations of any
18 provision other than those listed in Section 2699.5 after the following requirements have been
19 met:

20 (a) The aggrieved employee or representative shall give written notice by
21 online filing to the LWDA and by certified mail to the employer of the
22 specific provisions of the California Labor Code alleged to have been
23 violated (other than those listed in Section 2699.5), including the facts
24 and theories to support the alleged violation.

25 (b) An aggrieved employee's notice filed with the LWDA pursuant to
26 2699.3(c) and any employer response to that notice shall be
27 accompanied by a filing fee of seventy-five dollars (\$75).

28 (c) The employer may cure the alleged violation within thirty-three (33)

1 calendar days of the postmark date of the notice. The employer shall
2 give written notice by certified mail within that period of time to the
3 aggrieved employee or representative and the agency if the alleged
4 violation is cured, including a description of actions taken, and no civil
5 action pursuant to Section 2699 may commence. If the alleged violation
6 is not cured within the 33-day period, the employee may commence a
7 civil action pursuant to Section 2699.

8 51. On July 5, 2022, Plaintiff provided written notice by online filing to the LWDA
9 and by certified mail to Defendants of the specific provisions of the California Labor Code
10 alleged to have been violated, including facts and theories to support the alleged violations, in
11 accordance with California Labor Code section 2699.3. Plaintiff's written notice was
12 accompanied with the applicable filing fee of seventy-five dollars (\$75). The LWDA PAGA
13 Administrator has confirmed receipt of Plaintiff's written notice and assigned Plaintiff PAGA
14 Case Number LWDA-CM-893273-22. A true and correct copy of Plaintiff's written notice to
15 the LWDA and Defendants dated July 5, 2022, is attached hereto as "Exhibit 1."

16 52. As of the filing date of this complaint, over 65 days have passed since Plaintiff
17 sent the written notice described above, and the LWDA has not responded that it intends to
18 investigate Plaintiff's claims, and Defendants have not cured the violations.

19 53. Thus, Plaintiff has satisfied the administrative prerequisites under California
20 Labor Code sections 2699.3(a) and 2699.3(c) to recover civil penalties against Defendants for
21 violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 510, 512(a), 516,
22 1174(d), 1182.12, 1194, 1197, 1198, and 2802.

23 54. Labor Code section 558(a) provides "[a]ny employer or other person acting on
24 behalf of an employer who violates, or causes to be violated, a section of this chapter or any
25 provision regulating hours and days of work in any order of the Industrial Welfare
26 Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty
27 dollars (\$50) for each underpaid employee for each pay period for which the employee was
28 underpaid. . . . (2) For each subsequent violation, one hundred dollars (\$100) for each

1 underpaid employee for each pay period for which the employee was underpaid. . . .” Labor
2 Code section 558(c) provides “[t]he civil penalties provided for in this section are in addition
3 to any other civil or criminal penalty provided by law.” Plaintiff, acting in the public interest
4 as a private attorney general, seeks assessment and collection of civil penalties under Labor
5 Code section 558 for himself, all other non-party Aggrieved Employees, and the State of
6 California against Defendants for violations of Labor Code sections 510, 512(a), 516, 1198,
7 and the applicable IWC Wage Order. Plaintiff, acting in the public interest as a private
8 attorney general, does not seek the recovery of unpaid wages under Labor Code section 558
9 from Defendants for violations of Labor Code sections 510, 512(a), 516, 1198, and the
10 applicable IWC Wage Order.

11 55. Defendants, at all times relevant to this complaint, were employers or persons
12 acting on behalf of an employer(s) who violated Plaintiff’s and other non-party Aggrieved
13 Employees’ rights by violating various sections of the California Labor Code as set forth
14 above.

15 56. As set forth below, Defendants have violated numerous provisions of both the
16 Labor Code sections regulating hours and days of work as well as the applicable IWC Wage
17 Order.

18 57. Pursuant to PAGA, and in particular, California Labor Code sections 2699(a),
19 2699.3(a), 2699.3(c), 2699.5, and section 558, Plaintiff, acting in the public interest as a
20 private attorney general, seeks assessment and collection of civil penalties for himself, all
21 other non-party Aggrieved Employees, and the State of California against Defendants for
22 violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 510, 512(a), 516,
23 1174(d), 1182.12, 1194, 1197, 1198, and 2802.

24 **FIRST CAUSE OF ACTION**

25 **For Civil Penalties, Pursuant to California Labor Code §§ 2698, *et seq.***

26 **(Against all Defendants)**

27 58. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
28 and every allegation set forth above.

1 59. California Labor Code §§ 2698, *et seq.* (“PAGA”) permits Plaintiff to recover
2 civil penalties for the violation(s) of the Labor Code sections enumerated in Labor Code
3 section 2699.5. Section 2699.5 enumerates Labor Code sections 201, 202, 204, 226(a), 226.7,
4 510, 512(a), 1174(d), 1194, 1197, 1198, and 2802. Labor Code section 2699.3(c) permits
5 aggrieved employees, including Plaintiff, to recover civil penalties for violations of those
6 Labor Code sections not found in section 2699.5, including sections 516, and 1182.12.

7 60. Defendants’ conduct, as alleged herein, violates numerous sections of the
8 California Labor Code, including, but not limited to, the following:

- 9 (a) Violation of Labor Code sections 510 and 1198, and the applicable IWC
10 Wage Order for Defendants’ failure to compensate Plaintiff and other
11 non-party Aggrieved Employees with all required overtime pay, as set
12 forth below;
- 13 (b) Violation of Labor Code sections 226.7, 510, and 1198, and the
14 applicable IWC Wage Order for Defendants’ failure to include all forms
15 of remuneration in the “regular rate” of pay as required by law for
16 purposes of paying overtime wages and/or meal and rest period
17 premiums to Plaintiff and other non-party Aggrieved Employees, as set
18 forth below;
- 19 (c) Violation of Labor Code sections 1182.12, 1194, 1197, and 1198, and
20 the applicable IWC Wage Order for Defendants’ failure to compensate
21 Plaintiff and other non-party Aggrieved Employees with at least
22 minimum wages for all hours worked, as set forth below;
- 23 (d) Violation of Labor Code sections 226.7, 512(a), 516, and 1198, and the
24 applicable IWC Wage Order for Defendants’ failure to provide Plaintiff
25 and other non-party Aggrieved Employees with meal periods, as set
26 forth below;
- 27 (e) Violation of Labor Code sections 226.7, 516, and 1198, and the
28 applicable IWC Wage Order for Defendants’ failure to authorize and

1 permit Plaintiff and other non-party Aggrieved Employees to take rest
2 periods, as set forth below;

3 (f) Violation of Labor Code sections 226(a) and 1198, and the applicable
4 IWC Wage Order for failure to provide accurate and complete wage
5 statements to Plaintiff and other non-party Aggrieved Employees, as set
6 forth below;

7 (g) Violation of Labor Code sections 1174(d) and 1198, and the applicable
8 IWC Wage Order for failure to maintain payroll records, as set forth
9 below;

10 (h) Violation of Labor Code sections 204 for failure to pay all earned wages
11 during employment, as set forth below;

12 (i) Violation of Labor Code section 201 and 202 for failure to pay all
13 earned wages upon termination, as set forth below;

14 (j) Violation of Labor Code section 1198 and the applicable IWC Wage
15 Order for failure to provide suitable resting facilities to Plaintiff and
16 other non-party Aggrieved Employees, as set forth below;

17 (k) Violation of Labor Code section 1198 and the applicable IWC Wage
18 Order for failing to provide suitable seating to Plaintiff and other non-
19 party Aggrieved Employees, as set forth below; and

20 (l) Violation of Labor Code sections 2802 for failure to reimburse Plaintiff
21 and other non-party Aggrieved Employees for all business expenses
22 necessarily incurred, as set forth below.

23 **FAILURE TO PAY OVERTIME**

24 **VIOLATION OF LABOR CODE SECTIONS 510 AND 1198**

25 61. Labor Code section 1198 makes it illegal to employ an employee under
26 conditions of labor that are prohibited by the applicable wage order. California Labor Code
27 section 1198 requires that “. . . the standard conditions of labor fixed by the commission shall
28 be the . . . standard conditions of labor for employees. The employment of any employee . . .

1 under conditions of labor prohibited by the order is unlawful.”

2 62. California Labor Code section 1198 and the applicable IWC Wage Order
3 provide that it is unlawful to employ persons without compensating them at a rate of pay
4 either time-and-one-half or two-times that person’s regular rate of pay, depending on the
5 number of hours worked by the person on a daily or weekly basis.

6 63. Specifically, the applicable IWC Wage Order provides that Defendants are and
7 were required to pay Plaintiff and other non-party Aggrieved Employees working more than
8 eight (8) hours in a day or more than forty (40) hours in a workweek, at the rate of time and
9 one-half (1 ½) for all hours worked in excess of eight (8) hours in a day or more than forty
10 (40) hours in a workweek.

11 64. The applicable IWC Wage Order further provides that Defendants are and were
12 required to pay Plaintiff and other non-party Aggrieved Employees working more than twelve
13 (12) hours in a day, overtime compensation at a rate of two (2) times their regular rate of pay.
14 An employee’s regular rate of pay includes all remuneration for employment paid to, or on
15 behalf of, the employee, including nondiscretionary bonuses and incentive pay.

16 65. California Labor Code section 510 codifies the right to overtime compensation
17 at one and one-half (1 ½) times the regular rate of pay for hours worked in excess of eight (8)
18 hours in a day or forty (40) hours in a week or for the first eight (8) hours worked on the
19 seventh (7th) day of work, and to overtime compensation at twice the employee’s regular rate
20 of pay for hours worked in excess of twelve (12) hours in a day or in excess of eight (8) hours
21 in a day on the seventh (7th) day of work.

22 66. During the relevant time period, Defendants willfully failed to pay all overtime
23 wages owed to Plaintiff and other non-party Aggrieved Employees. During the relevant time
24 period, Plaintiff and other non-party Aggrieved Employees were not paid overtime premiums
25 for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12)
26 hours in a day, and/or in excess of forty (40) hours in a week, because all hours worked were
27 not recorded.

28 67. First, during the relevant period, Defendants had a company-wide policy and/or

1 practice of discouraging and impeding Plaintiff and other non-party Aggrieved Employees
2 from recording hours worked that were outside of their scheduled shifts, in order to limit the
3 amount of overtime employees could accrue. Specifically, Defendants' management had a
4 policy of disciplining and writing up employees who had accrued unauthorized overtime
5 hours. On information and belief, this policy of limiting overtime, coupled with Defendants'
6 use of labor budgets and assignment of heavy workloads (*see infra*), led Plaintiff and other
7 non-party Aggrieved Employees to work off-the-clock before and after their scheduled shift
8 times. For example, twice per month, Plaintiff was pressured to clock out at the end of his
9 scheduled shift and continue working—throwing away trash or assisting customers so other
10 employees could finish their closing shift duties—for approximately five (5) minutes per
11 instance. Further, Plaintiff and other non-party Aggrieved Employees were required to drive
12 to Defendants' other store locations to pick up inventory or supplies outside of their scheduled
13 shifts, but were not compensated for their travel time or time spent obtaining the necessary
14 items. For example, approximately twice per month, Plaintiff was required to drive from his
15 home in Lakewood, California to Defendants' Long Beach or Manhattan Beach store
16 locations, and pick up inventory or plastic bags before driving to work at Defendants' Playa
17 Vista location. Plaintiff spent an hour or more driving to and from other store locations while
18 off-the-clock, and was not paid for this time spent traveling or time running errands for
19 Defendants. Moreover, Plaintiff and other non-party Aggrieved Employees were required to
20 respond to phone communications from management before and after their shifts or on their
21 days off. For example, at least once a week, Defendants' management would call Plaintiff on
22 his personal cellular phone, while off-the-clock, to discuss store inventory needs, complaints
23 from customers, or his work performance, typically taking 5-10 minutes per instance.

24 68. This off-the-clock work could have been recorded by Defendants, but they
25 refused to do so to avoid payment of additional wages to Plaintiff and other non-party
26 Aggrieved Employees. Thus, Defendants failed to track all of the time that employees spent
27 performing work-related tasks before and after their scheduled shifts, and Plaintiff and other
28 non-party Aggrieved Employees received no compensation for this time.

1 69. Second, on information and belief, as stated, Defendants had, and continue to
2 have, a company-wide policy and/or practice of strictly staffing their store locations based on
3 the labor hours allocated by each location's labor or payroll budget set by corporate.
4 Defendants' uniform use of labor budgets, combined with the assignment of heavy workloads,
5 resulted in chronic understaffing, such that there were too few employees on duty to handle
6 the workload and attend to customers. Also, Defendants have systematically, and on a
7 company-wide basis, understaffed their locations by adopting a single-staffing model for some
8 positions, such as the retail-side employees, pursuant to their labor budget practices, thereby
9 failing to provide adequate meal period coverage to permit those employees to take compliant
10 meal periods. Defendants also had a practice of failing to schedule meal periods and/or
11 adhere to a schedule for meal periods, which further caused Plaintiff and other non-party
12 Aggrieved Employees to not be relieved of their duties for compliant meal periods. For
13 example, Plaintiff would often have his meal periods interrupted and/or shortened by five (5)
14 minutes per instance, attending to walk-in customers, answering phone calls from customers
15 regarding dog-grooming appointments, and responding to phone calls from his manager to
16 discuss other work-related issues. Consequently, Plaintiff and other non-party Aggrieved
17 Employees were required to work through and/or had their unpaid meal periods interrupted in
18 order to complete their assigned duties and handle customer demand, time for which they
19 were not paid.

20 70. Further, on information and belief, because Defendants frowned upon
21 employees accruing meal period penalties, Defendants pressured Plaintiff and other non-party
22 Aggrieved Employees to clock out for meal periods and/or adjusted their time records to
23 reflect compliant meal periods, even when they did not receive a compliant meal period.
24 Furthermore, Defendants' company-wide timekeeping system prevented Plaintiff and other
25 non-party Aggrieved Employees from recording all hours worked when their meal periods
26 were shortened or interrupted, because the system locked out Plaintiff and other non-party
27 Aggrieved Employees once they clocked out for a meal period, and would not permit them to
28 clock back in from a meal period before 30 minutes had elapsed. Thus, Defendants did not

1 record all hours worked during meal periods and Plaintiff and other non-party Aggrieved
2 Employees performed work during meal periods for which they were not paid.

3 71. Defendants knew or should have known that, as a result of these company-wide
4 practices and/or policies, Plaintiff and other non-party Aggrieved Employees were performing
5 their assigned duties off-the-clock before and after their shifts and during meal periods, and
6 were suffered or permitted to perform work for which they were not paid. Because Plaintiff
7 and other non-party Aggrieved Employees worked shifts of eight (8) hours a day or more, or
8 forty (40) hours a week or more, some of this off-the-clock work qualified for overtime
9 premium pay. Therefore, Plaintiff and other non-party Aggrieved Employees were not paid
10 overtime wages for all of the overtime hours they actually worked.

11 72. Furthermore, Defendants did not pay Plaintiff and other non-party Aggrieved
12 Employees the correct overtime rates for the recorded overtime hours that they generated. In
13 addition to an hourly wage, Defendants paid Plaintiff and other non-party Aggrieved
14 Employees incentive pay, nondiscretionary bonuses, and/or other forms of remuneration.
15 However, in violation of the California Labor Code, Defendants failed to incorporate all
16 remunerations, including incentive pay and/or nondiscretionary bonuses, into the calculation
17 of the regular rate of pay for purposes of calculating the overtime wage rates. Therefore,
18 during times when Plaintiff and other non-party Aggrieved Employees worked overtime and
19 received these other forms of pay, Defendants failed to pay all overtime wages by paying a
20 lower overtime rate than required.

21 73. For example, Defendants paid Plaintiff and other non-party Aggrieved
22 Employees incentive pay and/or nondiscretionary bonuses. During pay periods that Plaintiff
23 and other non-party Aggrieved Employees were paid overtime wages, Defendants failed to
24 incorporate the incentive pay and/or nondiscretionary bonuses into Plaintiff's and other non-
25 party Aggrieved Employees' regular rate of pay and, as a result, paid them at incorrect and
26 lower rates of pay for overtime hours worked. Specifically, Defendants paid Plaintiff and
27 other non-party Aggrieved Employees 1.5 times their hourly rate of pay instead of 1.5 times
28 their regular rate of pay. Defendants' failure to properly calculate the overtime rates of pay

1 based on all remuneration paid has resulted in an underpayment of overtime wages to Plaintiff
2 and other non-party Aggrieved Employees on a company-wide basis.

3 74. Defendants' failure to pay Plaintiff and other non-party Aggrieved Employees
4 the balance of overtime compensation as required by California law, violates the provisions of
5 California Labor Code sections 510 and 1198. Plaintiff and other non-party Aggrieved
6 Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections
7 558 and/or 2699(a), (f), and (g).

8 **FAILURE TO PAY MINIMUM WAGES**

9 **VIOLATION OF LABOR CODE SECTIONS 1182.12, 1194, 1197, AND 1198**

10 75. At all relevant times, California Labor Code sections 1182.12, 1194, 1197, and
11 1198 provide that the minimum wage for employees fixed by the IWC is the minimum wage
12 to be paid to employees, and the payment of a wage less than the minimum so fixed is
13 unlawful. Compensable work time is defined in IWC Wage Order No. 7-2001 as "the time
14 during which an employee is subject to the control of an employer, and includes all the time
15 the employee is suffered or permitted to work, whether or not required to do so." Cal. Code.
16 Regs. tit. 8, § 11070(2)(G) (defining "Hours Worked").

17 76. As stated above, due to Defendants' restrictions on overtime accrual,
18 Defendants systematically failed to pay Plaintiff and other non-party Aggrieved Employees
19 for actual hours worked before and after their scheduled shifts, because these hours were not
20 accurately recorded. As stated, because Defendants discouraged and impeded Plaintiff and
21 other non-party Aggrieved Employees from recording hours worked that were outside of their
22 scheduled shifts, Plaintiff and other non-party Aggrieved Employees were required to perform
23 work off-the-clock before and after their scheduled shift start and end-times, including
24 throwing out garbage, assisting customers, driving to other store locations to pick up
25 inventory and supplies, and answering phone calls from management.

26 77. Additionally, as stated above, due to Defendants' company-wide practices of
27 utilizing labor budgets, understaffing and/or single-staffing, assignment of heavy workloads,
28 failure to schedule meal periods and/or adhere to a schedule for meal periods, and subsequent

1 lack of meal period coverage, Plaintiff and other non-party Aggrieved Employees were
2 impeded from taking all uninterrupted meal periods to which they were entitled and were
3 required to work during their meal periods, time for which they were not paid.

4 78. Moreover, as stated, on information and belief, in order to limit meal penalties
5 that Defendants would otherwise owe, Defendants pressured Plaintiff and other non-party
6 Aggrieved Employees to clock out for meal periods and/or adjusted their time records to
7 reflect compliant meal periods, even when they did not receive a compliant meal period.
8 Also, as set forth above, during the relevant time period, Defendants systematically failed to
9 pay Plaintiff and other non-party Aggrieved Employees for actual hours worked during unpaid
10 meal periods, because Defendants' timekeeping system locked out Plaintiff and other non-
11 party Aggrieved Employees for 30 minutes when they clocked out for a meal period. Thus,
12 Defendants systematically failed to pay Plaintiff and other non-party Aggrieved Employees
13 for actual hours worked during unpaid meal periods because these hours were not always
14 correctly recorded.

15 79. Thus, Defendants did not pay minimum wages for all hours worked by Plaintiff
16 and other non-party Aggrieved Employees. To the extent that these off-the-clock hours did
17 not qualify for overtime premium payment, Defendants did not pay at least minimum wages
18 for those hours worked off-the-clock in violation of California Labor Code sections 1182.12,
19 1194, 1197, and 1198.

20 80. Defendants' failure to pay Plaintiff and other non-party Aggrieved Employees
21 minimum wages violates California Labor Code sections 1182.12, 1194, 1197, and 1198.
22 Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover civil
23 penalties pursuant to Labor Code sections 2699(a), (f), and (g).

24 **FAILURE TO PROVIDE AND RECORD MEAL PERIODS**
25 **VIOLATION OF LABOR CODE SECTIONS 226.7, 512(a), 516, AND 1198**

26 81. At all relevant times herein set forth, the applicable IWC Wage Order and
27 California Labor Code sections 226.7, 512(a), 516, and 1198 were applicable to Plaintiff's and
28 non-party Aggrieved Employees' employment by Defendants.

1 82. At all relevant times herein set forth, California Labor Code section 512(a)
2 provides that an employer may not require, cause, or permit an employee to work for a period
3 of more than five (5) hours per day without providing the employee with a meal period of not
4 less than thirty (30) minutes, except that if the total work period per day of the employee is
5 not more than six (6) hours, the meal period may be waived by mutual consent of both the
6 employer and the employee. Under California law, first meal periods must start after no more
7 than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (2012).

8 83. At all relevant times herein set forth, California Labor Code sections 226.7,
9 512(a), 516, and 1198 provide that no employer shall require an employee to work during any
10 meal period mandated by an applicable order of the IWC.

11 84. At all relevant times herein set forth, Labor Code sections 226.7, 512(a), 1198,
12 and the applicable IWC Wage Order also require employers to provide a second meal period
13 of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay
14 an employee one (1) additional hour of pay at the employee's regular rate, except that if the
15 total hours worked is no more than twelve (12) hours, the second meal period may be waived
16 by mutual consent of the employer and the employee only if the first meal period was not
17 waived.

18 85. As stated above, Defendants had, and continue to have, company-wide policies
19 and/or practices of understaffing and/or single-staffing their store locations due to labor
20 budgeting, which, combined with heavy workloads and a failure to schedule meal periods
21 and/or adhere to a schedule for meal periods, has resulted in a lack of meal period coverage
22 and prevented Plaintiff and other non-party Aggrieved Employees from taking all timely,
23 uninterrupted meal periods to which they were entitled.

24 86. As a result, Plaintiff and other non-party Aggrieved Employees had to work
25 through all or part of their meal periods, had their meal periods interrupted, and/or had to wait
26 extended periods of time before taking meal periods. For example, Plaintiff often took his
27 meal periods late, after having worked in excess of five (5) hours into his shift, due to the lack
28 of coverage when he worked alone and in order to meet Defendants' customer service

1 expectations. Moreover, as stated, Plaintiff's meal periods were interrupted and/or shortened
2 by five (5) minutes per instance, attending to walk-in customers, answering phone calls from
3 customers regarding dog-grooming appointments, and responding to phone calls from his
4 manager to discuss other work-related issues.

5 87. Furthermore, as stated, because Defendants frowned upon employees accruing
6 meal period penalties, Defendants' management pressured Plaintiff and other non-party
7 Aggrieved Employees to clock out for meal periods and/or adjusted Plaintiff's and other non-
8 party Aggrieved Employees' time records to reflect compliant meal periods, regardless of
9 whether they had received a compliant meal period, in order to strictly limit meal penalties
10 that would need to be paid by Defendants. For example, Plaintiff was required to clock out
11 for his meal period to record that he had received compliant meal periods on shifts when he
12 had not, in fact, received these timely meal periods. Also, as stated, Defendants' company-
13 wide timekeeping system prevented Plaintiff and other non-party Aggrieved Employees from
14 recording all hours worked when their meal periods were shortened or interrupted, because the
15 system locked out Plaintiff and other non-party Aggrieved Employees once they clocked out
16 for a meal period, and would not permit them to clock back in from a meal period before 30
17 minutes had elapsed.

18 88. Also, Defendants did not provide other non-party Aggrieved Employees with
19 second 30-minute meal periods on days that they worked in excess of ten (10) hours in one
20 day. Plaintiff and other non-party Aggrieved Employees did not sign valid meal period
21 waivers on days that they were entitled to meal periods and were not relieved of all duties.

22 89. At all times mentioned herein, Defendants knew or should have known that as a
23 result of their policies, Plaintiff and other non-party Aggrieved Employees were not actually
24 relieved of all duties to take timely, uninterrupted meal periods. Defendants further knew or
25 should have known that they did not pay Plaintiff and other non-party Aggrieved Employees
26 meal period premiums when meal periods were late, interrupted, shortened, and/or missed.

27 90. Furthermore, Defendants engaged in a company-wide practice and/or policy of
28 not paying all meal period premiums owed when compliant meal periods are not provided.

1 Because of this practice and/or policy, Plaintiff and other non-party Aggrieved Employees
2 have not received premium pay for missed, late, and interrupted meal periods. Alternatively,
3 to the extent that Defendants did pay Plaintiff and other non-party Aggrieved Employees
4 premium pay for missed, late, and interrupted meal periods, Defendants did not pay Plaintiff
5 and other non-party Aggrieved Employees the correct rate of pay for premiums because
6 Defendant systematically failed to include all forms of compensation such as incentive pay
7 and/or nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of
8 pay.

9 91. Defendants' conduct violates the applicable IWC Wage Order, and California
10 Labor Code sections 226.7, 512(a), 516, and 1198. Plaintiff and other non-party Aggrieved
11 Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections
12 558 and/or 2699(a), (f), and (g).

13 **FAILURE TO AUTHORIZE AND PERMIT REST PERIODS**

14 **VIOLATION OF LABOR CODE SECTIONS 226.7, 516, AND 1198**

15 92. At all relevant times herein set forth, the applicable IWC Wage Order and
16 California Labor Code sections 226.7, 516, and 1198 were applicable to Plaintiff's and other
17 non-party Aggrieved Employees' employment by Defendants.

18 93. At all relevant times, the applicable IWC Wage Order provides that "[e]very
19 employer shall authorize and permit all employees to take rest periods, which insofar as
20 practicable shall be in the middle of each work period" and that the "rest period time shall be
21 based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4)
22 hours or major fraction thereof" unless the total daily work time is less than three and one-half
23 (3 ½) hours.

24 94. At all relevant times, California Labor Code section 226.7 provides that no
25 employer shall require an employee to work during any rest period mandated by an applicable
26 order of the California IWC. To comply with its obligation to authorize and permit rest
27 periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an
28 employer must "relinquish any control over how employees spend their break time, and

1 relieve their employees of all duties—including the obligation that an employee remain on
2 call. A rest period, in short, must be a period of rest.” *Augustus v. ABM Security Services,*
3 *Inc.*, 2 Cal. 5th 257, 269-270 (2016).

4 95. Pursuant to the applicable IWC Wage Order and California Labor Code section
5 226.7(c), Plaintiff and other non-party Aggrieved Employees are entitled to recover from
6 Defendants one (1) additional hour of pay at their regular rates of pay for each work day that a
7 required rest period was not authorized and permitted.

8 96. During the relevant time period, Defendants regularly failed to authorize and
9 permit Plaintiff and other non-party Aggrieved Employees to take a ten (10) minute rest
10 period per each four (4) hour period worked or major fraction thereof. As with meal periods,
11 Defendants’ policies and/or practices of understaffing and/or single-staffing and assignment of
12 heavy workloads prevented Plaintiff and other non-party Aggrieved Employees from being
13 relieved of all duty in order to take their rest periods. Defendants also failed to schedule rest
14 periods and/or adhere to a schedule for rest periods, which, coupled with Defendants’ failure
15 to provide adequate rest period coverage, further led to Plaintiff and other non-party
16 Aggrieved Employees not being authorized and permitted to take compliant rest periods.

17 97. Furthermore, upon information and belief, Defendants maintained a company-
18 wide on-premises rest period policy, which effectively required that Plaintiff and other non-
19 party Aggrieved Employees remain on or near the work premises during their rest periods.
20 Because Plaintiff and other non-party Aggrieved Employees were restricted from leaving the
21 premises during rest periods, they were denied the ability to use their rest periods freely for
22 their own purposes, such as running personal errands. Thus, Defendants effectively
23 maintained control over Plaintiff and other non-party Aggrieved Employees during rest
24 periods.

25 98. As a result of Defendants’ practices and policies, Plaintiff and other non-party
26 Aggrieved Employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in
27 excess of 10 hours without receiving all uninterrupted 10-minute rest periods to which they
28 were entitled. For example, approximately five (5) times per week, Plaintiff would miss his

1 rest periods to meet customer demand and due to a lack of rest period coverage.

2 99. Defendants have also engaged in a systematic, company-wide practice and/or
3 policy of not paying rest period premiums owed when rest periods are not authorized and
4 permitted. Because of this practice and/or policy, Plaintiff and other non-party Aggrieved
5 Employees have not received premium pay for all missed rest periods. Alternatively, to the
6 extent that Defendants did pay Plaintiff and other non-party Aggrieved Employees one (1)
7 additional hour of premium pay for missed rest periods, Defendants did not pay Plaintiff and
8 other non-party Aggrieved Employees at the correct rate of pay for premiums because
9 Defendants failed to include all forms of compensation, such as incentive pay,
10 nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.

11 100. Accordingly, Defendants failed to authorize and permit all compliant rest
12 periods and failed to pay the full rest period premiums due. Defendants' conduct violates the
13 applicable IWC Wage Order and California Labor Code sections 226.7, 516, and 1198.
14 Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover civil
15 penalties pursuant to Labor Code sections 558 and/or 2699(a), (f), and (g).

16 **FAILURE TO PROVIDE AND MAINTAIN COMPLIANT WAGE STATEMENTS**
17 **VIOLATION OF LABOR CODE SECTIONS 226(a), 1174(d), AND 1198**

18 101. At all relevant times herein, California Labor Code section 226(a) provides that
19 every employer shall furnish each of his or her employees an accurate and complete itemized
20 wage statement in writing, including, but not limited to, the name and address of the legal
21 entity that is the employer, the inclusive dates of the pay period, total hours worked, and all
22 applicable rates of pay.

23 102. During the relevant time period, Defendants have knowingly and intentionally
24 provided Plaintiff and other non-party Aggrieved Employees with uniform, incomplete, and
25 inaccurate wage statements. For example, Defendants issued uniform wage statements to
26 Plaintiff and other non-party Aggrieved Employees that fail to correctly list: gross wages
27 earned; total hours worked; net wages earned; and all applicable hourly rates in effect during
28 the pay period, including rates of pay for overtime wages and/or meal and rest period

1 premiums, and the corresponding number of hours worked at each hourly rate. Specifically,
2 Defendants violated sections 226(a)(1), 226(a)(2), 226(a)(5), and 226(a)(9).

3 103. Because Defendants did not record the time Plaintiff and other non-party
4 Aggrieved Employees spent working off-the-clock and deducted time from their records for
5 meal periods that were interrupted and/or missed (and therefore time for which they should
6 have been paid), Defendants did not list the correct amount of gross wages and net wages
7 earned by Plaintiff and other non-party Aggrieved Employees in compliance with section
8 226(a)(1) and section 226(a)(5), respectively. For the same reason, Defendants failed to
9 accurately list the total number of hours worked by Plaintiff and other non-party Aggrieved
10 Employees, in violation of section 226(a)(2), and failed to list the applicable hourly rates of
11 pay in effect during the pay period and the corresponding accurate number of hours worked at
12 each hourly rate, in violation of section 226(a)(9).

13 104. Additionally, because Defendants did not calculate Plaintiff's and other non-
14 party Aggrieved Employees' regular rate of pay correctly for purposes of paying overtime
15 wages and/or meal and rest period premiums, Defendants did not list the correct amount of
16 gross wages in compliance with section 226(a)(1) and did not list the correct amount of net
17 wages in violation of section 226(a)(5). Defendants also failed to correctly list all applicable
18 hourly rates in effect during the pay period, namely, correct rates of pay for overtime wages
19 and/or meal and rest period premiums, in violation of section 226(a)(9).

20 105. The wage statement deficiencies also include, among other things, failing to list
21 the number of piece-rate units earned and any applicable piece rate if the employee is paid on
22 a piece-rate basis; failing to list all deductions; failing to list the inclusive dates of the period
23 for which aggrieved employees were paid; failing to list the name of the employee and only
24 the last four digits of his or her social security number or an employee identification number
25 other than a social security number; failing to list the name and address of the legal entity that
26 is the employer; and/or failing to state all hours worked as a result of not recording or stating
27 the hours they worked off-the-clock.

28 106. 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), Defendants willfully failed to maintain accurate payroll records for Plaintiff and other non-party 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.

107. 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, Defendants 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 and meal period start and stop times for Plaintiff and other non-party Aggrieved Employees, in violation of section 1198. Furthermore, in light of Defendants’ failure to provide other non-party Aggrieved Employees with second 30-minute meal periods to which they were entitled, Defendants kept no records of meal start and end times for second meal periods.

108. Defendants’ conduct violates California Labor Code 226(a), 1174(d), and 1198. Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover civil

1 penalties pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f), and (g).

2 **FAILURE TO PAY WAGES DURING EMPLOYMENT**

3 **VIOLATION OF LABOR CODE SECTION 204**

4 109. At all relevant times herein set forth, California Labor Code section 204
5 requires that all wages earned by any person in any employment between the 1st and the 15th
6 days, inclusive, of any calendar month, other than those wages due upon termination of an
7 employee, are due and payable between the 16th and the 26th day of the month during which
8 the labor was performed. Labor Code section 204 further provides that all wages earned by
9 any person in any employment between the 16th and the last day, inclusive, of any calendar
10 month, other than those wages due upon termination of an employee, are due and payable
11 between the 1st and the 10th day of the following month.

12 110. At all relevant times herein, California Labor Code section 204 also requires
13 that all wages earned for labor in excess of the normal work period shall be paid no later than
14 the payday for the next regular payroll period. Alternatively, at all relevant times herein,
15 Labor Code section 204 provides that the requirements of this section are deemed satisfied by
16 the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not
17 more than seven (7) calendar days following the close of the payroll period.

18 111. During the relevant time period, Defendants willfully failed to pay Plaintiff and
19 other non-party Aggrieved Employees all wages due to them within any time period specified
20 by California Labor Code section 204 including, but not limited to, overtime wages, minimum
21 wages, and/or meal and rest period premiums.

22 112. Plaintiff and other non-party Aggrieved Employees are therefore entitled to
23 recover civil penalties pursuant to Labor Code sections 210 and/or 2699(a), (f), and (g).

24 **FAILURE TO PAY WAGES UPON TERMINATION**

25 **VIOLATION OF LABOR CODE SECTIONS 201 AND 202**

26 113. At all times relevant herein set forth, Labor Code sections 201 and 202 provide
27 that if an employer discharges an employee, the wages earned and unpaid at the time of
28 discharge are due and payable immediately, and that if an employee voluntarily leaves his or

1 her employment, his or her wages shall become due and payable not later than seventy-two
2 (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of
3 his or her intention to quit, in which case the employee is entitled to his or her wages at the
4 time of quitting.

5 114. Defendants willfully failed to pay Plaintiff and other non-party Aggrieved
6 Employees who are no longer employed by Defendants the earned and unpaid wages set forth
7 above, including but not limited to, overtime wages, minimum wages, and/or meal and rest
8 period premiums, either at the time of discharge, or within seventy-two (72) hours of their
9 leaving Defendants' employ.

10 115. Defendants' failure to pay Plaintiff and those non-party Aggrieved Employees
11 who are no longer employed by Defendants their wages earned and unpaid at the time of
12 discharge, or within seventy-two (72) hours of their leaving Defendants' employ, violates
13 Labor Code sections 201 and 202. Plaintiff and other non-party Aggrieved Employees are
14 therefore entitled to recover civil penalties pursuant to Labor Code sections 256 and/or
15 2699(a), (f), and (g).

16 **FAILURE TO PROVIDE SUITABLE RESTING FACILITIES**
17 **VIOLATION OF LABOR CODE SECTION 1198 AND CALIFORNIA CODE OF**
18 **REGULATIONS, TITLE 8, SECTION 11070(13)(B)**

19 116. At all relevant times herein, California Labor Code section 1198 makes it
20 illegal to employ an employee under conditions of labor that are prohibited by the applicable
21 wage order. California Labor Code section 1198 requires that “. . . the standard conditions of
22 labor fixed by the commission shall be the . . . standard conditions of labor for employees.
23 The employment of any employee . . . under conditions of labor prohibited by the order is
24 unlawful.” California Code of Regulations, Title 8, section 11070(13)(B) provides that
25 “[s]uitable resting facilities shall be provided in an area separate from the toilet rooms and
26 shall be available to employees during work hours.”

27 117. Defendants' California stores are generally similar in their layout and design
28 and there was, and continues to be, space that allows for a resting facility that employees may

1 use to cease work and recover during meal or rest periods. Defendants could have provided
2 Plaintiff and other non-party Aggrieved Employees with a resting facility within all of their
3 stores, with reasonable or no modification, but instead denied, and continue to deny,
4 employees suitable areas to rest (e.g., a breakroom with seats). As a result, Plaintiff and other
5 non-party Aggrieved Employees were forced to adjust to areas not conducive to resting,
6 namely, facilities outside of the store which are not designated or reserved for their rest, such
7 as their personal vehicles.

8 118. Defendants did not provide Plaintiff and other non-party Aggrieved Employees
9 with suitable resting facilities during their work hours, particularly during meal or rest
10 periods. In other words, during the times when Plaintiff and other non-party Aggrieved
11 Employees were legally allowed to forgo assigned tasks, as in during a meal or rest period,
12 Defendants denied them any area within their stores to cease work and recover. Moreover,
13 Defendants did not inform Plaintiff and other non-party Aggrieved Employees of their rights
14 to suitable resting facilities under California law.

15 119. As a result of Defendants' company-wide policy and/or practice of denying
16 employees any area to rest within their stores and company-wide failure to provide resting
17 facilities in their stores, Plaintiff and other non-party Aggrieved Employees were forced to
18 adjust to areas not conducive to resting or search for facilities outside their stores to cease
19 work and recover. Defendants' failure to provide suitable resting facilities to Plaintiff and
20 other non-party Aggrieved Employees violates California Labor Code section 1198 and IWC
21 Wage Order No. 7-2001, subdivision 13(B).

22 120. Plaintiff and other non-party Aggrieved Employees are therefore entitled to
23 recover civil penalties pursuant to Labor Code sections 2699(a), (f), and (g).

24 **FAILURE TO PROVIDE SUITABLE SEATING**
25 **VIOLATION OF LABOR CODE SECTION 1198 AND CALIFORNIA CODE OF**
26 **REGULATIONS, TITLE 8, SECTION 11070(14)(A)**

27 121. At all relevant times herein, California Labor Code section 1198 makes it
28 illegal to employ an employee under conditions of labor that are prohibited by the applicable

1 wage order. California Labor Code section 1198 requires that “. . . the standard conditions of
2 labor fixed by the commission shall be the . . . standard conditions of labor for employees.
3 The employment of any employee . . . under conditions of labor prohibited by the order is
4 unlawful.”

5 122. California Code of Regulations, Title 8, section 11070(14)(A) provides that
6 “[a]ll working employees shall be provided with suitable seats when the nature of the work
7 reasonably permits the use of seats.”

8 123. Defendants’ California stores are generally similar in their layout and design
9 and there was, and continues to be, space behind cash wraps to allow for the presence and use
10 of a seat or stool by Plaintiff and other non-party Aggrieved Employees (with reasonable or no
11 modification to these work areas) during the performance of their work duties. Defendants
12 could have provided Plaintiff and other non-party Aggrieved Employees with a seat or stool at
13 cash wraps, but instead denied them seating and forced Plaintiff and other non-party
14 Aggrieved Employees to stand throughout the day.

15 124. Plaintiff and other non-party Aggrieved Employees spent a portion of their day
16 behind these cash wraps. The nature of the work of an employee performing cashier duties
17 can reasonably be accomplished from a seated position. However, Defendants systematically,
18 and on a company-wide basis, do not provide seats or stools at or near the cash wraps, forcing
19 Plaintiff and other non-party Aggrieved Employees to stand throughout their work shifts.

20 125. Defendants violated California Labor Code section 1198 and California Code
21 of Regulations, Title 8, section 11070(14)(A), because Plaintiff and other non-party
22 Aggrieved Employees were not allowed to sit, even when it would not have interfered with
23 the performance of their duties, nor were they provided with suitable seats. Defendants’
24 management did not inform Plaintiff and other non-party Aggrieved Employees that they were
25 allowed to sit down, provide any means for them to sit down, or mention any policy regarding
26 sitting.

27 126. As a result of Defendants’ company-wide policy and/or practice of prohibiting
28 employees from sitting during their shifts and company-wide failure to provide suitable

1 seating, Plaintiff and other non-party Aggrieved Employees were forced to stand during shifts
2 and denied seats. Defendants' failure to provide suitable seating to Plaintiff and other non-
3 party Aggrieved Employees violated and continues to violate California Labor Code section
4 1198 and IWC Wage Order No. 7-2001, subdivision 14(A).

5 127. Plaintiff and other non-party Aggrieved Employees are therefore entitled to
6 recover civil penalties pursuant to Labor Code sections 2699(a), (f), and (g).

7 **FAILURE TO PROVIDE SUITABLE SEATING**
8 **VIOLATION OF LABOR CODE SECTION 1198 AND CALIFORNIA CODE OF**
9 **REGULATIONS, TITLE 8, SECTION 11070 SUBDIVISION 14(B)**

10 128. At all relevant times herein, California Labor Code section 1198 makes it
11 illegal to employ an employee under conditions of labor that are prohibited by the applicable
12 IWC Wage Order. California Labor Code section 1198 requires that “. . . the standard
13 conditions of labor fixed by the commission shall be the . . . standard conditions of labor for
14 employees. The employment of any employee . . . under conditions of labor prohibited by the
15 order is unlawful.”

16 129. California Code of Regulations, Title 8, section 11070 subdivision 14(B)
17 provides that “[w]hen employees are not engaged in the active duties of their employment and
18 the nature of the work requires standing, an adequate number of suitable seats shall be placed
19 in reasonable proximity to the work area and employees shall be permitted to use such seats
20 when it does not interfere with the performance of their duties.”

21 130. During the relevant time period, Defendants violated California Labor Code
22 section 1198 and California Code of Regulations, Title 8, section 11070(14)(B), because
23 Plaintiff and other non-party Aggrieved Employees were not allowed to sit, even during lulls
24 in their work duties, nor were they provided with suitable seats in reasonable proximity to
25 their work areas.

26 131. Defendants' California stores are generally similar in their layout and design
27 and there was, and continues to be, space near their work areas (with reasonable or no
28 modification to these work areas) to allow for the presence and use of a seat or stool by

1 Plaintiff and other non-party Aggrieved Employees during lulls in operation. Defendants
2 could have provided Plaintiff and other non-party Aggrieved Employees with a seat or stool in
3 their work areas, but instead denied Plaintiff and other non-party Aggrieved Employees
4 suitable seating altogether and effectively forced Plaintiff and other non-party Aggrieved
5 Employees to stand throughout the day.

6 132. Defendants did not provide Plaintiff and other non-party Aggrieved Employees
7 with seats or stools in reasonable proximity to their work areas to allow them to use seats
8 when it would not interfere with the performance of their duties for times when they were not
9 engaged in active duties that require standing. In other words, to the extent Plaintiff and other
10 non-party Aggrieved Employees engaged in duties in which the nature of the work required
11 standing, Defendants denied them the use of seats nearby during lulls in their work duties.
12 Moreover, Defendants did not inform Plaintiff and other non-party Aggrieved Employees of
13 their rights to a seat or stool under California law.

14 133. As a result of Defendants' company-wide policy and/or practice of prohibiting
15 employees from sitting at any time, even when they were not engaged in active duties
16 requiring standing, and company-wide failure to provide seats in reasonable proximity to their
17 work areas, Plaintiff and other non-party Aggrieved Employees were forced to stand during
18 shifts and denied seats. Defendants' failure to provide suitable seating to Plaintiff and other
19 non-party Aggrieved Employees violated and continues to violate California Labor Code
20 section 1198 and IWC Wage Order No. 7-2001, subdivision 14(B).

21 134. Plaintiff and other non-party Aggrieved Employees are therefore entitled to
22 recover civil penalties pursuant to Labor Code sections 2699(a), (f), and (g).

23 **FAILURE TO REIMBURSE NECESSARY BUSINESS EXPENSES**

24 **VIOLATION OF LABOR CODE SECTION 2802**

25 135. At all times herein set forth, California Labor Code section 2802 provides that
26 an employer must reimburse employees for all necessary expenditures and losses incurred by
27 the employee in the performance of his or her job. The purpose of Labor Code section 2802 is
28 to prevent employers from passing off their cost of doing business and operating expenses on

1 to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144
2 (2014). The applicable wage order, IWC Wage Order No. 7-2001, provides that: "[w]hen
3 tools or equipment are required by the employer or are necessary to the performance of a job,
4 such tools and equipment shall be provided and maintained by the employer, except that an
5 employee whose wages are at least two (2) times the minimum wage provided herein may be
6 required to provide and maintain hand tools and equipment customarily required by the trade
7 or craft." IWC Wage Order No. 7-2001 further provides that: "[w]hen uniforms are required
8 by the employer to be worn by the employee as a condition of employment, such uniforms
9 shall be provided and maintained by the employer."

10 136. First, Defendants had a company-wide policy of requiring Plaintiff and other
11 non-party Aggrieved Employees to utilize their own personal vehicles or obtain alternate
12 transportation to carry out company business, but failed to reimburse them for all costs of
13 travel, including mileage. For example, Plaintiff was required to drive to Defendants' stores
14 in Long Beach and Manhattan Beach, approximately 13 or more miles, to pick up inventory or
15 supplies. Although Defendants required Plaintiff and other non-party Aggrieved Employees
16 to utilize their own vehicles or obtain alternate transportation to carry out their work-related
17 responsibilities, Defendants did not reimburse them for their travel expenses.

18 137. Second, during the relevant time period, Defendants, on a company-wide basis,
19 required that Plaintiff and other non-party Aggrieved Employees use their own personal
20 mobile devices, including, but not limited to, cellular phones, and/or mobile data to carry out
21 their job duties, but failed to reimburse them for the costs of their work-related mobile device
22 expenses. For example, Plaintiff and other non-party Aggrieved Employees were required to
23 use their personal mobile devices for work-related tasks, including responding to calls or text
24 messages from Defendants' managers. Specifically, Plaintiff used his personal cellular phone
25 to respond to calls or text messages from his managers regarding store inventory needs or
26 customer complaints. Although Defendants required Plaintiff and other non-party Aggrieved
27 Employees to utilize their personal mobile devices and/or mobile data to carry out their work-
28 related responsibilities, Defendants failed to reimburse them for these costs.

1 138. Third, during the relevant time period, Defendants required Plaintiff and other
2 non-party Aggrieved Employees to purchase supplies and equipment necessary for the
3 performance of their duties, but failed to reimburse them for their out-of-pocket costs. For
4 example, Plaintiff spent approximately \$20 in total on office supplies such as pens, tape, and
5 permanent markers, because Defendants failed to provide him with the necessary supplies
6 which were required for the store to operate properly. Although Defendants required Plaintiff
7 and other non-party Aggrieved Employees to purchase supplies and equipment to carry out
8 their work-related responsibilities, Defendants failed to reimburse them for their out-of-pocket
9 costs.

10 139. Fourth, during the relevant time period, Defendants expected Plaintiff and other
11 non-party Aggrieved Employees to wear uniforms bearing the Healthy Spot company logo,
12 including uniform shirts. Due to the nature of work involved in a grooming salon, dog
13 daycare, and/or pet store, Plaintiff's uniform shirts would sometimes become contaminated
14 with fleas or ticks. As a result, Plaintiff was forced to wash his uniform shirts separately from
15 his other clothing items and more frequently than he would otherwise do laundry and incur
16 expenses in doing so, approximately \$16 to \$20 per month. Thus, Defendants failed to
17 maintain uniforms they required Plaintiff and other non-party Aggrieved Employees to wear
18 during their shifts and forced them to incur the cost of maintaining employee uniforms.

19 140. Defendants could have provided Plaintiff and other non-party Aggrieved
20 Employees with the actual equipment for use on the job, such as company vehicles, company
21 mobile devices, supplies and equipment, and access to laundering services. Or, Defendants
22 could have reimbursed employees for their mileage, travel expenses, mobile device usage,
23 supply and equipment expenses, and costs of their laundering expenses or provided a uniform
24 maintenance allowance. Instead, Defendants passed these operating costs off onto Plaintiff
25 and other non-party Aggrieved Employees. At all relevant times, Plaintiff did not earn at least
26 two (2) times the minimum wage.

27 141. Defendants' company-wide policy and/or practice of not reimbursing
28 employees for expenses necessarily incurred and passing on their operating costs to Plaintiff

1 and other non-party Aggrieved Employees violates California Labor Code section 2802.
2 Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover civil
3 penalties pursuant to Labor Code sections 2699(a), (f), and (g).

4 **REQUEST FOR JURY TRIAL**

5 Plaintiff requests a trial by jury.

6 **PRAYER FOR RELIEF**

7 Plaintiff, on behalf of all other non-party Aggrieved Employees, prays for relief and
8 judgment against Defendants, jointly and severally, as follows:

9 1. For civil penalties and attorneys' fees in excess of twenty-five thousand dollars
10 (\$25,000). Plaintiff reserves the right to amend his prayer for relief to seek a different
11 amount.

12 **As to the First Cause of Action**

13 2. That the Court declare, adjudge and decree that Defendants violated the
14 following California Labor Code provisions as to Plaintiff and/or other non-party Aggrieved
15 Employees: 510 and 1198 (by failing to pay all overtime compensation); 226.7, 510, and 1198
16 (by failing to include all forms of remuneration in the "regular rate" of pay for purposes of
17 paying overtime wages and/or meal and rest period premiums); 1182.12, 1194, 1197, and
18 1198 (by failing to pay at least minimum wages for all hours worked); 226.7, 512(a), 516,
19 1198 (by failing to provide all meal periods); 226.7, 516, and 1198 (by failing to authorize and
20 permit all rest periods); 226(a), 1174(d), and 1198 (by failing to provide accurate wage
21 statements and maintain accurate payroll records); 204 (by failing to timely pay all earned
22 wages during employment); 201 and 202 (by failing to timely pay all earned wages upon
23 termination); 1198 and the applicable IWC Wage Order (by failing to provide suitable resting
24 facilities and/or suitable seating); and 2802 (by failing to reimburse business expenses).

25 3. For civil penalties, pursuant to California Labor Code sections 210, 226.3, 256,
26 558, 1174.5, 2699(a), (f), and (g), for violations of California Labor Code sections 201, 202,
27 204, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1198, and 2802;

28 4. For attorneys' fees and costs pursuant to California Labor Code section

1 2699(g)(1), and any and all other relevant statutes, for Defendants' violations of California
2 Labor Code sections 201, 202, 204, 226(a), 226.7, 3, 510, 512(a), 516, 1174(d), 1182.12,
3 1194, 1197, 1198, and 2802;

4 5. For pre-judgment and post-judgment interest as provided by law; and

5 6. For such other and further relief as the Court may deem equitable and
6 appropriate.

7
8 Dated: September 9, 2022

Respectfully submitted,

9 Capstone Law APC

10
11 By: 

12 Orlando Villalba

13 Helga Hakimi

Roxanna Tabatabaeepour

14 Attorneys for Plaintiff Kyle Shramek
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EXHIBIT “1”



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ALEXANDER LIMA
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July 5, 2022

VIA ONLINE SUBMISSION

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

Subject: *Kyle Shramek v. Healthy Spot LLC, et al.*

Dear PAGA Administrator:

This office represents Kyle Shramek in connection with his claims under the California Labor Code. Mr. Shramek was an employee of HEALTHY SPOT LLC; HEALTHY SPOT 007 LLC; HEALTHY SPOT 014 LLC; HEALTHY SPOT 016 LLC; HEALTHY SPOT ALPHA, LLC; HEALTHY SPOT B001 LLC; HEALTHY SPOT BETA LLC; HEALTHY SPOT GAMMA, LLC; and/or HEALTHY SPOT INCENTIVE UNITS, LLC. For the purpose of this letter, Mr. Shramek collectively refers to these entities as "HEALTHY SPOT."

The employers may be contacted directly at the addresses below:

HEALTHY SPOT LLC
6089 BRISTOL PKWY SUITE 200
CULVER CITY, CA 90230

HEALTHY SPOT 007 LLC
6089 BRISTOL PARKWAY, SUITE 200
CULVER CITY, CA 90230

HEALTHY SPOT 014 LLC
6089 BRISTOL PARKWAY, SUITE 200
CULVER CITY, CA 90230

HEALTHY SPOT 016 LLC
6089 BRISTOL PARKWAY, SUITE 200
CULVER CITY, CA 90230

HEALTHY SPOT ALPHA, LLC
6089 BRISTOL PARKWAY, SUITE 200
CULVER CITY, CA 90230

HEALTHY SPOT B001 LLC
6089 BRISTOL PKWY. SUITE 200
CULVER CITY, CA 90230

HEALTHY SPOT BETA LLC
6089 BRISTOL PKWY SUITE 200
CULVER CITY, CA 90230

HEALTHY SPOT GAMMA, LLC
6089 BRISTOL PARKWAY, SUITE 200
CULVER CITY, CA 90230

HEALTHY SPOT INCENTIVE UNITS, LLC
6089 BRISTOL PARKWAY, SUITE 200
CULVER CITY, CA 90230

Mr. Shramek intends to seek civil penalties, attorney's 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. Shramek seeks relief on behalf of himself, the State of California, and other persons who are or were employed by HEALTHY SPOT 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.

HEALTHY SPOT employed Mr. Shramek as a non-exempt, hourly paid employee from approximately August 2020 to May 2022. During his employment with HEALTHY SPOT, Mr. Shramek worked as Keyholder and Certified Keyholder for HEALTHY SPOT at its stores located in Marina Del Rey, Playa Vista, Long Beach, Manhattan Beach, and Costa Mesa, California. He typically worked eight (8) hours per day, five (5) days per week, and approximately 40 hours per week. At the time his employment with HEALTHY SPOT ended, Mr. Shramek was compensated approximately \$16.50 per hour. His job duties included, without limitation, greeting customers, providing customer service, receiving shipments, and re-stocking inventory.

HEALTHY SPOT has committed one or more of the following Labor Code violations against Mr. Shramek, the facts and theories of which follow, making him an "aggrieved employee" pursuant to California Labor Code section 2699(c):¹

HEALTHY SPOT's Company-Wide and Uniform Payroll and HR Practices

HEALTHY SPOT LLC; HEALTHY SPOT 007 LLC; HEALTHY SPOT 014 LLC; HEALTHY SPOT 016 LLC; HEALTHY SPOT ALPHA, LLC; HEALTHY SPOT B001 LLC; HEALTHY SPOT BETA LLC; HEALTHY SPOT GAMMA, LLC; and/or HEALTHY SPOT INCENTIVE UNITS, LLC are California limited liability companies. Upon information and belief, HEALTHY SPOT owns and operates approximately 22 pet store locations which also offer dog grooming and dog daycare services in California. Upon information and belief, HEALTHY SPOT maintains a single, centralized Human Resources (HR) department at its corporate headquarters in Culver City, California, for all non-exempt, hourly paid employees working for HEALTHY SPOT in California, including Mr. Shramek and other aggrieved employees. At all relevant times, HEALTHY SPOT issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Mr. Shramek and other aggrieved employees, regardless of their location or position.

Upon information and belief, HEALTHY SPOT maintains a centralized Payroll department at its corporate headquarters in Culver City, California, which processes payroll for all non-exempt, hourly paid employees working for HEALTHY SPOT in California, including Mr. Shramek and other aggrieved employees. Further, HEALTHY SPOT issues the same formatted wage statements in the same manner for all non-exempt, hourly paid employees working in California, including Mr. Shramek and other aggrieved employees, irrespective of their location, position, or manner in which

¹ These facts, theories, and claims are based on Mr. Shramek's experience and counsel's review of those records currently available relating to Mr. Shramek'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. Shramek 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.

each employee's employment ended. In other words, HEALTHY SPOT utilized the same methods and formulas when calculating wages due to Mr. Shramek 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.

HEALTHY SPOT willfully failed to pay all overtime wages owed to Mr. Shramek and other aggrieved employees. During the relevant time period, Mr. Shramek 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, HEALTHY SPOT had a company-wide policy and/or practice of discouraging and impeding Mr. Shramek 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. Specifically, HEALTHY SPOT's management had a policy of disciplining and writing up employees who had accrued unauthorized overtime hours. On information and belief, this policy of limiting overtime, coupled with HEALTHY SPOT's use of labor budgets and assignment of heavy workloads (*see infra*), led Mr. Shramek and other aggrieved employees to work off-the-clock before and after their scheduled shift times. For example, twice per month, Mr. Shramek was pressured to clock out at the end of his scheduled shift and continue working—throwing away trash or assisting customers so other employees could finish their closing shift duties—for approximately five (5) minutes per instance. Further, Mr. Shramek and other aggrieved employees were required to drive to HEALTHY SPOT's other store locations to pick up inventory or supplies outside of their scheduled shifts, but were not compensated for their travel time or time spent obtaining the necessary items. For example, approximately twice per month, Mr. Shramek was required to drive from his home in Lakewood, California to HEALTHY SPOT's Long Beach or Manhattan Beach store locations, and pick up inventory or plastic bags before driving to work at HEALTHY SPOT's Playa Vista location. Mr. Shramek spent an hour or more driving to and from other store locations while off-the-clock, and was not paid for this time spent traveling or time running errands for HEALTHY SPOT. Moreover, Mr. Shramek and other aggrieved employees were required to respond to phone communications from management before and after their shifts or on their days off. For example, at least once a week, HEALTHY SPOT's management would call Mr. Shramek on his personal cellular phone, while off-the-clock, to discuss store inventory needs, complaints from customers, or his work performance, typically taking 5-10 minutes per instance.

This off-the-clock work could have been recorded by HEALTHY SPOT, but it refused to do so to avoid payment of additional wages to Mr. Shramek and other aggrieved employees. Thus, HEALTHY SPOT failed to track all of the time that employees spent performing work-related tasks

before and after their scheduled shifts, and Mr. Shramek and other aggrieved employees received no compensation for this time.

Second, on information and belief, as stated, HEALTHY SPOT had, and continues to have, a company-wide policy and/or practice of strictly staffing its store locations based on the labor hours allocated by each location's labor or payroll budget set by corporate. HEALTHY SPOT's uniform use of labor budgets, combined with the assignment of heavy workloads, resulted in chronic understaffing, such that there were too few employees on duty to handle the workload and attend to customers. Also, HEALTHY SPOT has systematically, and on a company-wide basis, understaffed its locations by adopting a single-staffing model for some positions, such as the retail-side employees, pursuant to its labor budget practices, thereby failing to provide adequate meal period coverage to permit those employees to take compliant meal periods. HEALTHY SPOT also had a practice of failing to schedule meal periods and/or adhere to a schedule for meal periods, which further caused Mr. Shramek and other aggrieved employees to not be relieved of their duties for compliant meal periods. For example, Mr. Shramek would often have his meal periods interrupted and/or shortened by five (5) minutes per instance, attending to walk-in customers, answering phone calls regarding dog-grooming appointments, and responding to phone calls from his manager to discuss other work-related issues. Consequently, Mr. Shramek and other aggrieved employees were required to work through and/or had their unpaid meal periods interrupted in order to complete their assigned duties and handle customer demand, time for which they were not paid.

Further, on information and belief, because HEALTHY SPOT frowned upon employees accruing meal period penalties, HEALTHY SPOT pressured Mr. Shramek and other aggrieved employees to clock out for meal periods and/or adjusted their time records to reflect compliant meal periods, even when they did not receive a compliant meal period. Furthermore, HEALTHY SPOT's company-wide timekeeping system prevented Mr. Shramek and other aggrieved employees from recording all hours worked when their meal periods were shortened or interrupted, because the system locked out Mr. Shramek 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, HEALTHY SPOT did not record all hours worked during meal periods and Mr. Shramek and other aggrieved employees performed work during meal periods for which they were not paid.

HEALTHY SPOT knew or should have known that, as a result of these company-wide practices and/or policies, Mr. Shramek 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 Mr. Shramek 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.

Furthermore, HEALTHY SPOT did not pay Mr. Shramek and/or other aggrieved employees the correct overtime rates for the recorded overtime hours that they generated. In addition to an hourly wage, HEALTHY SPOT paid Mr. Shramek and/or other aggrieved employees incentive pay, nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the California Labor Code, HEALTHY SPOT failed to incorporate all remunerations, including incentive pay and/or nondiscretionary bonuses, into the calculation of the regular rate of pay for purposes of calculating the overtime wage rates. Therefore, during times when Mr. Shramek and/or other aggrieved employees worked overtime and received these other forms of pay, HEALTHY SPOT failed to pay all overtime wages by paying a lower overtime rate than required.

HEALTHY SPOT's failure to pay Mr. Shramek 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. Shramek and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

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. 7-2001 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, § 11070(2)(G) (defining "Hours Worked").

As stated above, due to HEALTHY SPOT's restrictions on overtime accrual, HEALTHY SPOT systematically failed to pay Mr. Shramek and other aggrieved employees for actual hours worked before and after their scheduled shifts, because these hours were not accurately recorded. As stated, because HEALTHY SPOT discouraged and impeded Mr. Shramek and other aggrieved employees from recording hours worked that were outside of their scheduled shifts, Mr. Shramek and other aggrieved employees were required to perform work off-the-clock before and after their scheduled shift start and end-times, including throwing out garbage, assisting customers, driving to other store locations to pick up inventory and supplies, and answering phone calls from management.

Additionally, as stated above, due to HEALTHY SPOT's company-wide practices of utilizing labor budgets, understaffing and/or single-staffing, assignment of heavy workloads, failure to schedule meal periods and/or adhere to a schedule for meal periods, and subsequent lack of meal period coverage, Mr. Shramek and other aggrieved employees were impeded from taking all uninterrupted meal periods to which they were entitled and were required to work during their meal periods, time for which they were not paid.

Moreover, as stated, on information and belief, in order to limit meal penalties that HEALTHY SPOT would otherwise owe, HEALTHY SPOT pressured Mr. Shramek and other aggrieved employees to clock out for meal periods and/or adjusted their time records to reflect compliant meal periods, even when they did not receive a compliant meal period. Also, as set forth above, during the relevant time period, HEALTHY SPOT systematically failed to pay Mr. Shramek and other aggrieved employees for actual hours worked during unpaid meal periods, because HEALTHY SPOT's timekeeping system locked out Mr. Shramek and other aggrieved employees for 30 minutes when they clocked out for a meal period. Thus, HEALTHY SPOT systematically failed to pay Mr. Shramek and other aggrieved employees for actual hours worked during unpaid meal periods because these hours were not always correctly recorded.

Thus, HEALTHY SPOT did not pay minimum wages for all hours worked by Mr. Shramek and other aggrieved employees. To the extent that these off-the-clock hours did not qualify for overtime premium payment, HEALTHY SPOT 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, HEALTHY SPOT regularly failed to pay at least minimum wages to Mr. Shramek 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. Shramek and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f)-(g).

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 above, HEALTHY SPOT had, and continues to have, company-wide policies and/or practices of understaffing and/or single-staffing its store locations due to labor budgeting, which, combined with heavy workloads and a failure to schedule meal periods and/or adhere to a schedule for meal periods, has resulted in a lack of meal period coverage and prevented Mr. Shramek and other aggrieved employees from taking all timely, uninterrupted meal periods to which they were entitled.

As a result, Mr. Shramek 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, Mr. Shramek often took his meal periods late, after having worked in excess of five (5) hours into his shift, due to the lack of coverage when he worked alone and in order to meet the HEALTHY SPOT's customer service expectations. Moreover, as stated, Mr. Shramek's meal periods were interrupted and/or shortened by five (5) minutes per instance, attending to walk-in customers, answering phone calls regarding dog-grooming appointments, and responding phone calls from his manager to discuss other work-related issues.

Furthermore, as stated, because HEALTHY SPOT frowned upon employees accruing meal period penalties, HEALTHY SPOT's management pressured Mr. Shramek and other aggrieved employees to clock out for meal periods and/or adjusted Mr. Shramek's and other aggrieved employees' time records to reflect compliant meal periods, regardless of whether they had received a compliant meal period, in order to strictly limit meal penalties that would need to be paid by HEALTHY SPOT. For example, Mr. Shramek was required to clock out for his meal period to record that he had received compliant meal periods on shifts when he had not, in fact, received these timely meal periods. Also, as stated, HEALTHY SPOT's company-wide timekeeping system prevented Mr. Shramek and other aggrieved employees from recording all hours worked when their meal periods were shortened or interrupted, because the system locked out Mr. Shramek 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.

Also, HEALTHY SPOT did not provide other aggrieved employees with second 30-minute meal periods on days that they worked in excess of ten (10) hours in one day. Mr. Shramek 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 mentioned herein, HEALTHY SPOT knew or should have known that as a result of its policies, Mr. Shramek and other aggrieved employees were not actually relieved of all duties to take timely, uninterrupted meal periods. HEALTHY SPOT further knew or should have known that it did not pay Mr. Shramek and other aggrieved employees meal period premiums when meal periods were late, interrupted, shortened, and/or missed.

Furthermore, HEALTHY SPOT 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. Shramek and other aggrieved employees have not received premium pay for missed, late, and interrupted meal periods. Alternatively, to the extent that HEALTHY SPOT did pay Mr. Shramek and/or other aggrieved employees for missed, late, and interrupted meal periods, HEALTHY SPOT did not pay Mr. Shramek and/or other aggrieved employees at the correct rate of pay for premiums because HEALTHY SPOT systematically failed to include all forms of compensation, such as incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.

Accordingly, HEALTHY SPOT failed to provide all meal periods in violation of California Labor Code sections 226.7, 512(a), 516, and 1198. Mr. Shramek and other aggrieved employees are entitled to civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

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, 269-270 (2016).

During the relevant time period, HEALTHY SPOT regularly failed to authorize and permit Mr. Shramek 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, HEALTHY SPOT's policies and/or practices of understaffing and/or single-staffing and assignment of heavy workloads prevented Mr. Shramek and other aggrieved employees from being relieved of all duty in order to take their rest periods. HEALTHY SPOT also failed to schedule rest periods and/or adhere to a schedule for rest periods, which, coupled with HEALTHY SPOT's failure to provide adequate rest period coverage, further led to Mr. Shramek and other aggrieved employees not being authorized and permitted to take compliant rest periods.

Furthermore, upon information and belief, HEALTHY SPOT maintained a company-wide on-premises rest period policy, which mandated that Mr. Shramek and/or other aggrieved employees remain on HEALTHY SPOT's premises during their rest periods. Because Mr. Shramek and/or 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, HEALTHY SPOT effectively maintained control over Mr. Shramek and/or other aggrieved employees during rest periods.

As a result of HEALTHY SPOT's practices and policies, Mr. Shramek 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 10-minute rest periods to which they were entitled. For example, approximately five (5) times per week, Mr. Shramek would miss his rest periods to meet customer demand and due to a lack of rest period coverage.

HEALTHY SPOT 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, Mr. Shramek and other aggrieved employees have not received premium pay for all missed rest periods. Alternatively, to the extent that HEALTHY SPOT did pay Mr. Shramek and/or other aggrieved employees one (1) additional hour of premium pay for missed rest periods, HEALTHY SPOT did not pay Mr. Shramek and/or other aggrieved employees at the correct rate of pay for premiums because HEALTHY SPOT failed to include all forms of compensation, such as incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.

Accordingly, HEALTHY SPOT failed to authorize and permit all rest periods in violation of California Labor Code sections 226.7, 516, and 1198. Mr. Shramek and other aggrieved employees are entitled to civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

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. HEALTHY SPOT has not provided Mr. Shramek 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, HEALTHY SPOT has knowingly and intentionally provided Mr. Shramek and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, HEALTHY SPOT issued uniform wage statements to Mr. Shramek 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/or meal and rest period premiums, and the corresponding number of hours worked at each hourly rate. Specifically, HEALTHY SPOT violated sections 226(a)(1), 226(a)(2), 226(a)(5), and 226(a)(9).

Because HEALTHY SPOT did not record the time Mr. Shramek and other aggrieved employees spent working off-the-clock and deducted time from their records for meal periods that were missed and/or interrupted (and therefore time for which they should have been paid), HEALTHY SPOT did not list the correct amount of gross wages and net wages earned by Mr. Shramek and other aggrieved employees, in compliance with section 226(a)(1) and section 226(a)(5), respectively. For the same reason, HEALTHY SPOT failed to accurately list the total number of the hours worked by Mr. Shramek 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).

Furthermore, because HEALTHY SPOT did not calculate Mr. Shramek's and/or other aggrieved employees' regular rate of pay correctly for purposes of paying overtime wages and/or meal and rest period premiums, HEALTHY SPOT did not list the correct amount of gross wages earned by Mr. Shramek and/or other aggrieved employees in compliance with section 226(a)(1) and did not list the correct amount of net wages earned by Mr. Shramek and/or other aggrieved employees in violation of section 226(a)(5). HEALTHY SPOT also failed to correctly list all applicable hourly rates in effect during the pay period, namely, correct rates of pay for overtime wages and/or meal and rest period premiums, in violation of section 226(a)(9).

The wage statement deficiencies also include, without limitation, 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), HEALTHY SPOT willfully failed to maintain accurate payroll records for Mr. Shramek 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, HEALTHY SPOT 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 and meal period start and end times for Mr. Shramek and other aggrieved employees in violation of section 1198. Furthermore, in light of HEALTHY SPOT’s failure to provide other aggrieved employees with second 30-minute meal periods to which they were entitled, HEALTHY SPOT kept no records of meal start and end times for second meal periods.

Because HEALTHY SPOT failed to provide the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on wage statements, Mr. Shramek 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, Mr. Shramek 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.

Mr. Shramek and other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f)-(g).

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, HEALTHY SPOT failed to pay Mr. Shramek 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. Shramek and other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code sections 210 and/or 2699(a), (f)-(g).

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.

HEALTHY SPOT willfully failed to pay Mr. Shramek and other aggrieved employees who are no longer employed by HEALTHY SPOT 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 HEALTHY SPOT's employ.

Mr. Shramek and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 256 and/or 2699(a), (f)-(g).

Violation of California Labor Code § 1198 and California Code of Regulations Title 8, Section 11070 Subdivision 13(B) – Failure to Provide Suitable Resting Facilities

California Labor Code section 1198 makes it illegal to employ an employee under conditions of labor that are prohibited by the applicable wage order. California Labor Code section 1198 requires that "... the standard conditions of labor fixed by the commission shall be the ... standard conditions of labor for employees. The employment of any employee ... under conditions of labor prohibited by the order is unlawful." California Code of Regulations, Title 8, section 11070(13)(B) provides that "[s]uitable resting facilities shall be provided in an area separate from the toilet rooms and shall be available to employees during work hours."

HEALTHY SPOT's California stores are generally similar in their layout and design and there was, and continues to be, space that allows for a resting facility that employees may use to cease work and recover during meal or rest periods. HEALTHY SPOT could have provided Mr. Shramek and other aggrieved employees with a suitable resting facility within all of its stores, with reasonable or no modification, but instead denied, and continues to deny, employees suitable areas to rest (e.g., a breakroom with seats). As a result, Mr. Shramek and other aggrieved employees were forced to adjust to areas not conducive to resting or search for areas outside of the store which are not designated or reserved for their rest, such as in their personal vehicles.

HEALTHY SPOT did not provide Mr. Shramek and other aggrieved employees with suitable resting facilities during their work hours, particularly during rest or meal periods. In other words, during the times when Mr. Shramek and other aggrieved employees were legally allowed to forgo assigned tasks, as in during a meal or rest period, HEALTHY SPOT denied them any area within its stores to cease work and recover. Moreover, HEALTHY SPOT did not inform Mr. Shramek and other aggrieved employees of their rights to suitable resting facilities under California law.

As a result of HEALTHY SPOT's company-wide failure to provide suitable resting facilities in all of its stores, Mr. Shramek and other aggrieved employees were forced to adjust to areas not conducive to resting or search for facilities outside their stores to cease work and recover. HEALTHY SPOT's failure to provide suitable resting facilities to Mr. Shramek and other aggrieved employees violates California Labor Code section 1198 and IWC Wage Order No. 7-2001, subdivision 13(B).

Mr. Shramek and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, and seek injunctive relief to bring HEALTHY SPOT into compliance with California's resting facilities requirements, pursuant to Labor Code sections 1194.5 and/or 2699(a), (f)-(g).

Violation of California Labor Code § 1198 and California Code of Regulations Title 8, Section 11070 Subdivision 14(A) – Failure to Provide Suitable Seating

California Labor Code section 1198 makes it illegal to employ an employee under conditions of labor that are prohibited by the applicable wage order. California Labor Code section 1198 requires that “. . . the standard conditions of labor fixed by the commission shall be the . . . standard conditions of labor for employees. The employment of any employee . . . under conditions of labor prohibited by the order is unlawful.” California Code of Regulations, Title 8, section 11070(14)(A) provides that “[a]ll working employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats.”

“The ‘nature of the work’ refers to an employee’s tasks performed at a given location for which a right to a suitable seat is claimed, rather than a ‘holistic’ consideration of the entire range of an employee’s duties anywhere on the jobsite during a complete shift. If the tasks being performed at a given location reasonably permit sitting, and provision of a seat would not interfere with performance of any other tasks that may require standing, a seat is called for.” *Kilby v. CVS Pharmacy, Inc.*, 368 P.3d 554, 558 (Cal. 2016). “Whether the nature of the work reasonably permits sitting is a question to be determined objectively based on the totality of the circumstances. An employer’s business judgment and the physical layout of the workplace are relevant but not dispositive factors. The inquiry focuses on the nature of the work, not an individual employee’s characteristics.” *Id.* The burden of proof to show suitable seating is not available is on the employer. *Id.* at 568. In other words, the employer must show that compliance is “infeasible because no suitable seating exists.” *See id.*

HEALTHY SPOT’s California stores are generally similar in their layout and design and there was, and continues to be, space behind cash wraps to allow for the presence and use of a seat or stool by Mr. Shramek and other aggrieved employees (with reasonable or no modification to these work areas) during the performance of their work duties. HEALTHY SPOT could provide Mr. Shramek and other aggrieved employees with a seat or stool at its cash wraps, but instead denies employees seating and forces Mr. Shramek and other aggrieved employees to stand throughout the day.

Mr. Shramek and other aggrieved employees spent a portion of their day behind or at these cash wraps. The nature of the work of an employee performing cashier duties can reasonably be accomplished from a seated position. However, as set forth herein, HEALTHY SPOT systematically, and on a company-wide basis, does not provide seats or stools at or near the cash wraps, forcing Mr. Shramek and other aggrieved employees to stand throughout their work shifts.

HEALTHY SPOT violated California Labor Code section 1198 and California Code of Regulations, Title 8, section 11070(14)(A) because Mr. Shramek and other aggrieved employees were not allowed to sit, even when it would not have interfered with the performance of their duties, nor were they provided with suitable seats. HEALTHY SPOT’s management did not inform Mr. Shramek and other aggrieved employees that they were allowed to sit down, provide any means for them to sit down, or mention any policy regarding sitting.

As a result of HEALTHY SPOT's company-wide policy and/or practice of prohibiting employees from sitting during their shifts and company-wide failure to provide suitable seating, Mr. Shramek and other aggrieved employees were forced to stand during shifts and denied seats. HEALTHY SPOT's failure to provide suitable seating to Mr. Shramek and other aggrieved employees violates California Labor Code section 1198 and IWC Wage Order No. 7-2001, subdivision 14(A).

Mr. Shramek and other aggrieved employees are therefore entitled to recover civil penalties, attorney's fees, costs, and interest thereon, and seek injunctive relief to bring HEALTHY SPOT into compliance with California's seating requirements, pursuant to Labor Code sections 1194.5 and/or 2699(a), (f)-(g).

Violation of California Labor Code § 1198 and California Code of Regulations Title 8, Section 11070 Subdivision 14(B) – Failure to Provide Suitable Seating

California Labor Code section 1198 makes it illegal to employ an employee under conditions of labor that are prohibited by the applicable wage order. California Labor Code section 1198 requires that “. . . the standard conditions of labor fixed by the commission shall be the . . . standard conditions of labor for employees. The employment of any employee . . . under conditions of labor prohibited by the order is unlawful.” California Code of Regulations, Title 8, section 11070(14)(B) provides that “[w]hen employees are not engaged in the active duties of their employment and the nature of the work requires standing, an adequate number of suitable seats shall be placed in reasonable proximity to the work area and employees shall be permitted to use such seats when it does not interfere with the performance of their duties.”

The IWC states that subdivision 14(B) applies during “lulls in operation” when an employee, while still on the job, is not then actively engaged in any duties. *Kilby v. CVS Pharmacy, Inc.*, 368 P.3d 554, 565 (Cal. 2016), citing IWC, 1976 Wage Orders, Summary of Basic Provisions, Seats. When taken together, an employee is entitled to a seat under subdivision 14(A) if his or her actual tasks at a discrete location make seated work feasible, while working there. *Id.* However, if other job duties take the employee to a different location where he or she must perform tasks requiring standing, the employee would be entitled to a seat under subdivision 14(B) during “lulls in operation.” *Id.*

HEALTHY SPOT's California stores are generally similar in their layout and design and there was, and continues to be, space near their work areas (with reasonable or no modification to these work areas) to allow for the presence and use of a seat or stool by Mr. Shramek and other aggrieved employees during lulls in operation. HEALTHY SPOT could have provided Mr. Shramek and other aggrieved employees with a seat or stool in its work areas, but instead denied, and continues to deny, employees seating, forcing them to stand throughout the day.

HEALTHY SPOT did not provide Mr. Shramek and other aggrieved employees with seats or stools in reasonable proximity to their work areas to allow them to use seats when it would not interfere with the performance of their duties for times when they were not engaged in active duties that require standing. In other words, to the extent Mr. Shramek and other aggrieved employees engaged in duties in which the nature of the work required standing, HEALTHY SPOT denied them the use of seats nearby during lulls in their work duties. Moreover, HEALTHY SPOT did not inform Mr. Shramek and other aggrieved employees of their rights to a seat or stool under California law.

As a result of HEALTHY SPOT's company-wide policy and/or practice of prohibiting employees from sitting at any time, even when they were not engaged in active duties requiring standing, and company-wide failure to provide seats in reasonable proximity to their work areas, Mr. Shramek and

other aggrieved employees were forced to stand during shifts and denied seats. HEALTHY SPOT's failure to provide suitable seating to Mr. Shramek and other aggrieved employees violates California Labor Code section 1198 and IWC Wage Order No. 7-2001, subdivision 14(B).

Mr. Shramek and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, and seek injunctive relief to bring HEALTHY SPOT into compliance with California's seating requirements, pursuant to Labor Code sections 1194.5 and/or 2699(a), (f)-(g).

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. 7-2001, 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." IWC Wage Order No. 7-2001 further provides that: "[w]hen uniforms are required by the employer to be worn by the employee as a condition of employment, such uniforms shall be provided and maintained by the employer."

First, HEALTHY SPOT had a company-wide policy of requiring Mr. Shramek and other aggrieved employees to utilize their own personal vehicles or obtain alternate transportation to carry out company business, but failed to reimburse them for all costs of travel, including mileage. For example, Mr. Shramek was required to drive to HEALTHY SPOT's stores in Long Beach and Manhattan Beach, approximately 13 or more miles, to pick up inventory or supplies. Although HEALTHY SPOT required Mr. Shramek and other aggrieved employees to utilize their own vehicles or obtain alternate transportation to carry out their work-related responsibilities, HEALTHY SPOT did not reimburse them for their travel expenses.

Second, during the relevant time period, HEALTHY SPOT, on a company-wide basis, required Mr. Shramek and other aggrieved employees to 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 cost of their work-related mobile device expenses. Mr. Shramek and other aggrieved employees were required to use their personal mobile devices for work-related tasks, including responding to calls or text messages from HEALTHY SPOT's management. Specifically, Mr. Shramek used his personal cellular phone to respond to calls or text messages from his managers regarding store inventory needs or customer complaints. Although HEALTHY SPOT required Mr. Shramek and other aggrieved employees to utilize their personal mobile devices and/or mobile data to carry out their work-related responsibilities, HEALTHY SPOT failed to reimburse them for these costs.

Third, during the relevant time period, HEALTHY SPOT required Mr. Shramek 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. Shramek spent approximately \$20 in total on office supplies such as pens, tape, and permanent markers, because HEALTHY SPOT failed to provide him with the necessary supplies which were required for the

store to operate properly. Although HEALTHY SPOT required Mr. Shramek and other aggrieved employees to purchase supplies and equipment to carry out their work-related responsibilities, HEALTHY SPOT failed to reimburse them for their out-of-pocket costs.

Fourth, during the relevant time period, HEALTHY SPOT expected Mr. Shramek and other aggrieved employees to wear uniforms bearing the company logo, including uniform shirts. Due to the nature of work involved in a grooming salon, dog daycare, and/or pet store, Mr. Shramek's uniform shirts would sometimes become contaminated with fleas or ticks. As a result, Mr. Shramek was forced to wash his uniform shirts separately from his other clothing items and more frequently than he would otherwise do laundry and incur expenses in doing so, approximately \$16 to \$20 per month. Thus, HEALTHY SPOT failed to maintain the uniforms it required Mr. Shramek and other aggrieved employees to wear during their shifts and forced them to incur the cost of maintaining employee uniforms.

HEALTHY SPOT could have provided Mr. Shramek and other aggrieved employees with the actual tools for use on the job, such as company vehicles, company mobile devices, supplies and equipment, and access to laundering services. Or, HEALTHY SPOT could have reimbursed employees for their mileage, travel expenses, mobile device usage, supply and equipment expenses, and costs of their laundering expenses or provided a uniform maintenance allowance. Instead, HEALTHY SPOT passed these operating costs off onto Mr. Shramek and other aggrieved employees. At all relevant times, Mr. Shramek did not earn at least two (2) times the minimum wage.

Thus, HEALTHY SPOT 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. Shramek and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

Violation of California Labor Code § 2810.5(a)(1)(A)-(C) – Failure to Provide Notice of Material Terms of Employment

California's Wage Theft Prevention Act was enacted to ensure that employers provide employees with basic information material to their employment relationship at the time of hiring, and to ensure that employees are given written and timely notice of any changes to basic information material to their employment. Codified at California Labor Code section 2810.5, the Wage Theft Prevention Act provides that at the time of hiring, an employer must provide written notice to employees of the rate(s) of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, the regular payday designated by the employer, and any allowances claims as part of the minimum wage, including meal or lodging allowances. Effective January 1, 2015, an employer's written notice pursuant to section 2810.5 must also include a statement that the employee may accrue and use sick leave; has a right to request and use accrued paid sick leave; may not be terminated or retaliated against for using or requesting the use of accrued paid sick leave; and has the right to file a complaint against an employer who retaliates.

At all relevant times, on information and belief, HEALTHY SPOT failed, on a company-wide basis, to provide written notice to Mr. Shramek and other aggrieved employees that lists the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C). HEALTHY SPOT's failure to provide Mr. Shramek and other aggrieved employees with written notice of basic information regarding their employment with HEALTHY SPOT is in violation of Labor Code section 2810.5.

Mr. Shramek and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

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." HEALTHY SPOT, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Mr. Shramek's and other aggrieved employees' rights by violating various sections of the California Labor Code.

Accordingly, Mr. Shramek 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), 2699.3(a) and 2699.3(c), 2699.5, and 558, Mr. Shramek, 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 HEALTHY SPOT 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, 2802, and 2810.5.

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

Pre-Litigation Demand

This notice shall further serve as Mr. Shramek's reasonable attempt to settle his dispute with HEALTHY SPOT prior to litigation. Pursuant to *Graham v. Daimler Chrysler Corp.*, 34 Cal. 4th 553 (2004), this notice serves to inform HEALTHY SPOT of Mr. Shramek's aforementioned grievances and the proposed remedies as detailed below, while affording HEALTHY SPOT a reasonable opportunity to satisfy Mr. Shramek's demands.

Demand is hereby made that HEALTHY SPOT shall, within 30 calendar days of this notice, agree, in writing to the following corrective actions:

1. HEALTHY SPOT shall pay Mr. Shramek and all other aggrieved employees employed by HEALTHY SPOT at any time during the past three years from the date of this notice unpaid wages and compensation for the above-referenced violations.
2. HEALTHY SPOT shall comply with all California labor laws and ensure that its non-exempt employees are paid overtime wages and minimum wages for all hours worked and provided lawful meal and rest periods.
3. HEALTHY SPOT shall conduct a survey or interview all current and former aggrieved employees in California who worked for HEALTHY SPOT in the past three years to obtain

information from them regarding the above-referenced violations, including, but not limited to: the number of meal periods which were not provided; the number of rest periods which were not authorized and permitted; and the number of employees who were required to pay for travel expenses, mileage, mobile device expenses, supply and equipment expenses, uniform maintenance, or other expenditures in the discharge of their duties, with the investigation to be completed within 60 days.

4. HEALTHY SPOT shall pay each aggrieved employee one hour of pay at his or her regular rate of pay for each work day he or she was not provided one or more meal periods, as required by Labor Code sections 226.7, 512(a), 516, and 1198. HEALTHY SPOT also shall pay each aggrieved employee one hour of pay at his or her regular rate of pay for each work day he or she was not authorized and permitted one or more rest periods, as required by Labor Code sections 226.7, 516, and 1198.
5. HEALTHY SPOT shall reimburse Mr. Shramek and all aggrieved employees who were required to pay for any business expenses incurred for HEALTHY SPOT's benefit, including, but not limited to, costs of travel expenses, mileage, mobile device expenses, supply and equipment expenses, and uniform maintenance, as required by Labor Code section 2802.
6. HEALTHY SPOT shall pay accrued legal interest to Mr. Shramek and all aggrieved employees at the rate of 10% per annum for said unpaid wages.
7. HEALTHY SPOT shall provide Mr. Shramek and all aggrieved employees employed by HEALTHY SPOT at any time during the past three years from the date of this notice corrected wage statements that include the requisite information set forth in Labor Code section 226(a).
8. HEALTHY SPOT shall implement and provide suitable seating to all aggrieved employees.
9. HEALTHY SPOT shall provide all aggrieved employees written notice of basic information regarding their employment that includes the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C).
10. HEALTHY SPOT shall pay waiting time penalties, equal to 30 days of pay, to each former aggrieved employee who was not paid all wages due as described herein.
11. HEALTHY SPOT shall pay all penalties arising from the violations of the Labor Code and IWC Wage Order sections referenced above and pursuant to PAGA, Labor Code sections 2698, *et seq.*, including, but not limited to, penalties under Labor Code sections 210, 226.3, 256, 558, 1174.5, 1197.1, and 2699, and Wage Order No. 7-2001, section 20.

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

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

Best Regards,

A handwritten signature in black ink, appearing to read 'Alexander Lima', followed by a series of horizontal lines and dots.

Alexander Lima

Copy: HEALTHY SPOT LLC (via U.S. Certified Mail); HEALTHY SPOT 007 LLC (via U.S. Certified Mail); HEALTHY SPOT 014 LLC (via U.S. Certified Mail); HEALTHY SPOT 016 LLC (via U.S. Certified Mail); HEALTHY SPOT ALPHA, LLC (via U.S. Certified Mail); HEALTHY SPOT B001 LLC (via U.S. Certified Mail); HEALTHY SPOT BETA LLC (via U.S. Certified Mail); HEALTHY SPOT GAMMA, LLC (via U.S. Certified Mail); HEALTHY SPOT INCENTIVE UNITS, LLC (via U.S. Certified Mail)

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Street and Apt. No., or PO Box No.

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City, State, ZIP+4®

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1. Article Addressed to:

HEALTHY SPOT LLC
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9590 9402 5816 0034 8459 32

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- ☐ Return Receipt for Merchandise
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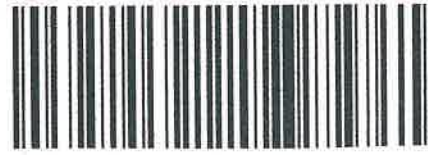
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HEALTHY SPOT 007 LLC
6089 BRISTOL PARKWAY, SUITE 200
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9590 9402 5816 0034 8460 14

2. Article Number (Transfer from service label)

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A. Signature

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☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
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3. Service Type

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- ☒ Certified Mail[®]
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HEALTHY SPOT 014 LLC
6089 BRISTOL PARKWAY, SUITE 200
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1. Article Addressed to:

HEALTHY SPOT 014 LLC
6089 BRISTOL PARKWAY, SUITE 200
CULVER CITY, CA 90230



9590 9402 5816 0034 8460 07

2. Article Number (Transfer from service label)

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A. Signature

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☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail
☐ Insured Mail Restricted Delivery over \$500

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HEALTHY SPOT 016 LLC
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CULVER CITY, CA 90230

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1. Article Addressed to:

HEALTHY SPOT 016 LLC
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CULVER CITY, CA 90230



9590 9402 5816 0034 8459 94

2. Article Number (Transfer from service label)

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☐ Addressee

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C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
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3. Service Type

☐ Adult Signature
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☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
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☐ Insured Mail Restricted Delivery (over \$500)

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☐ Return Receipt for Merchandise

☐ Signature Confirmation™

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☐ Adult Signature Restricted Delivery \$

Postage

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1. Article Addressed to:

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CULVER CITY, CA 90230



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Service Type

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☐ Insured Mail Restricted Delivery
over \$500

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☐ Registered Mail™

☐ Registered Mail Restricted Delivery

☐ Return Receipt for Merchandise

☐ Signature Confirmation™

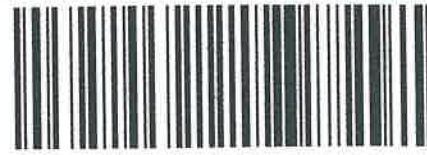
☐ Signature Confirmation Restricted Delivery

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Los Angeles, California 90067

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☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postage

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City, State, ZIP+4® CULVER CITY, CA 90230

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CULVER CITY, CA 90230

SENDER: COMPLETE THIS SECTION

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1. Article Addressed to:

HEALTHY SPOT B001 LLC
6089 BRISTOL PKWY. SUITE 200
CULVER CITY, CA 90230



9590 9402 5816 0034 8459 70

2. Article Number (Transfer from service label)

7021 1970 0000 2660 1013

PS Form 3811, July 2015 PSN 7530-02-000-9053

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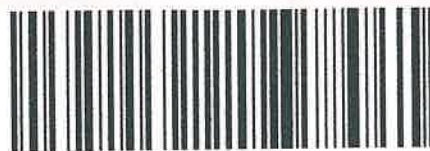
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail
☐ Insured Mail Restricted Delivery (over \$500)

☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

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LAW APC

1875 Century Park East, Suite 1000
Los Angeles, California 90067



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☐ Adult Signature Required \$

☐ Adult Signature Restricted Delivery \$

Postage

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Total Postage and Fees

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Sent To **HEALTHY SPOT BETA**

Street and Apt. No., or PO Box No.
6089 BRISTOL PKWY S 200

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Here

**HEALTHY SPOT BETA LLC
6089 BRISTOL PKWY SUITE 200
CULVER CITY, CA 90230**

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

**HEALTHY SPOT BETA LLC
6089 BRISTOL PKWY SUITE 200
CULVER CITY, CA 90230**



9590 9402 5816 0034 8459 49

2. Article Number (Transfer from service label)

7021 1970 0000 2660 1181

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☐ Adult Signature

☐ Adult Signature Restricted Delivery

☒ Certified Mail®

☐ Certified Mail Restricted Delivery

☐ Collect on Delivery

☐ Collect on Delivery Restricted Delivery

☐ Insured Mail

☐ Insured Mail Restricted Delivery (over \$500)

☐ Priority Mail Express®

☐ Registered Mail™

☐ Registered Mail Restricted Delivery

☐ Return Receipt for Merchandise

☐ Signature Confirmation™

☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

Capstone
LAW APC

1875 Century Park East, Suite 1000
Los Angeles, California 90067

CERTIFIED MAIL®



7021 1970 0000 2660 1006

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT

Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee

\$

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postage

\$

Total Postage and Fees

\$

Sent To

HEALTHY SPOT GAMMA

Street and Apt. No., or PO Box No.

6089 BRISTOL PARKWAY, S 200

City, State, ZIP+4®

CULVER CITY, CA 90230

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

Postmark
Here

HEALTHY SPOT GAMMA, LLC
6089 BRISTOL PARKWAY, SUITE 200
CULVER CITY, CA 90230

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1. Article Addressed to:

HEALTHY SPOT GAMMA, LLC
6089 BRISTOL PARKWAY, SUITE 200
CULVER CITY, CA 90230



9590 9402 5816 0034 8459 63

2. Article Number (Transfer from service label)

7021 1970 0000 2660 1006

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service type

☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail
☐ Insured Mail Restricted Delivery (over \$500)

☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

Capstone
LAW APC

1875 Century Park East, Suite 1000
Los Angeles, California 90067

CERTIFIED MAIL®



7021 1970 0000 2660 0993

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

7021 1970 0000 2660 0993

Certified Mail Fee

\$

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postage

\$

Total Postage and Fees

\$

Sent To

HEALTHY SPOT INCENTIVE UNITS

Street and Apt. No., or PO Box No.

6089 BRISTOL PARKWAY S 200

City, State, ZIP+4®

CULVER CITY, CA 90230

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

Postmark
Here

HEALTHY SPOT INCENTIVE UNITS, LLC
6089 BRISTOL PARKWAY, SUITE 200
CULVER CITY, CA 90230

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1. Article Addressed to:

HEALTHY SPOT INCENTIVE UNITS, LLC
6089 BRISTOL PARKWAY, SUITE 200
CULVER CITY, CA 90230



9590 9402 5816 0034 8459 56

2. Article Number (Transfer from service label)

7021 1970 0000 2660 0993

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☐ Adult Signature

☐ Adult Signature Restricted Delivery

☐ Certified Mail®

☐ Certified Mail Restricted Delivery

☐ Collect on Delivery

☐ Collect on Delivery Restricted Delivery

☐ Insured Mail

☐ Insured Mail Restricted Delivery (over \$500)

☐ Priority Mail Express®

☐ Registered Mail™

☐ Registered Mail Restricted Delivery

☐ Return Receipt for Merchandise

☐ Signature Confirmation™

☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

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6089 BRISTOL PARKWAY, SUITE 200
CULVER CITY, CA 90230



9590 9402 5816 0034 8459 56

2. Article Number (Transfer from service label)

7021 1970 0000 2660 0993

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

☐ Adult Signature

☐ Adult Signature Restricted Delivery

☒ Certified Mail®

☐ Certified Mail Restricted Delivery

☐ Collect on Delivery

☐ Collect on Delivery Restricted Delivery

☐ Insured Mail

☐ Insured Mail Restricted Delivery
(over \$500)

☐ Priority Mail Express®

☐ Registered Mail™

☐ Registered Mail Restricted
Delivery

☐ Return Receipt for
Merchandise

☐ Signature Confirmation™

☐ Signature Confirmation
Restricted Delivery

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1. Article Addressed to:

HEALTHY SPOT GAMMA, LLC
6089 BRISTOL PARKWAY, SUITE 200
CULVER CITY, CA 90230



9590 9402 5816 0034 8459 63

2. Article Number (Transfer from service label)

7021 1970 0000 2660 1006

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Insured Mail
- ☐ Insured Mail Restricted Delivery over \$500

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

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1. Article Addressed to:

HEALTHY SPOT B001 LLC
6089 BRISTOL PKWY. SUITE 200
CULVER CITY, CA 90230



9590 9402 5816 0034 8459 70

2. Article Number (Transfer from service label)

7021 1970 0000 2660 1013

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent

☐ Addressee

B. Received by (Printed Name)

Cond 19

C. Date of Delivery

7/8/22

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

☐ Adult Signature

☐ Adult Signature Restricted Delivery

☒ Certified Mail®

☐ Certified Mail Restricted Delivery

☐ Collect on Delivery

☐ Collect on Delivery Restricted Delivery

☐ Insured Mail

Insured Mail Restricted Delivery
(over \$500)

☐ Priority Mail Express®

☐ Registered Mail™

☐ Registered Mail Restricted Delivery

☐ Return Receipt for Merchandise

☐ Signature Confirmation™

☐ Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

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1. Article Addressed to:

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No

HEALTHY SPOT ALPHA, LLC
6089 BRISTOL PARKWAY, SUITE 200
CULVER CITY, CA 90230



9590 9402 5816 0034 8459 87

2. Article Number (Transfer from service label)

7021 1970 0000 2660 1020

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Insured Mail
- ☐ Insured Mail Restricted Delivery (over \$500)

☐ Priority Mail Express®☐ Registered Mail™☐ Registered Mail Restricted Delivery☐ Return Receipt for Merchandise☐ Signature Confirmation™☐ Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

HEALTH SPOT 01

6089 BRIST

C



9590 9402 5816 0034 8459 94

2. Article Number (Transfer from service label)

7021 1970 0000 2660 1037

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent

☐ Addressee

B. Received by (Printed Name)

Conradia

C. Date of Delivery

7/8/22

D. Is delivery address different from item 1?
If YES, enter delivery address below:

☐ Yes

☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Insured Mail
- ☐ Insured Mail Restricted Delivery (over \$500)

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

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1. Article Addressed to:

**HEALTHY SPOT 014 LLC
6089 BRISTOL PARKWAY, SUITE 200
CULVER CITY, CA 90230**



9590 9402 5816 0034 8460 07

2. Article Number (Transfer from service label)

7021 1970 0000 2660 1044

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

Ad

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

Conidia

C. Date of Delivery

7/8/22

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail
☐ Insured Mail Restricted Delivery (over \$500)

- ☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

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COMPLETE THIS SECTION ON DELIVERY

A. Signature

X*Ril*☐ Agent☐ Addressee

B. Received by (Printed Name)

Conidia

C. Date of Delivery

7/8/22

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No**HEALTHY SPOT 007 LLC****6089 BRISTOL PARKWAY, SUITE 200****CULVER CITY, CA 90230**

9590 9402 5816 0034 8460 14

2. Article Number (Transfer from service label)

7021 1970 0000 2660 1051

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Insured Mail
- ☐ Insured Mail Restricted Delivery (over \$500)

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

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1. Article Addressed to:

**HEALTHY SPOT LLC
6089 BRISTOL PKWY SUITE 200
CULVER CITY, CA 90230**



9590 9402 5816 0034 8459 32

2. Article Number (Transfer from service label)

7021 1970 0000 2660 1174

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?
If YES, enter delivery address below:

- ☐ Yes
☐ No

3. Service Type

- ☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail
☐ Insured Mail Restricted Delivery (over \$500)

- ☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

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1. Article Addressed to:

**HEALTHY SPOT BETA LLC
6089 BRISTOL PKWY SUITE 200
CULVER CITY, CA 90230**



9590 9402 5816 0034 8459 49

2. Article Number (Transfer from service label)

7021 1970 0000 2660 1181

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

☐ Adult Signature

☐ Adult Signature Restricted Delivery

☒ Certified Mail®

☐ Certified Mail Restricted Delivery

☐ Collect on Delivery

☐ Collect on Delivery Restricted Delivery

Insured Mail

Insured Mail Restricted Delivery

(over \$500)

☐ Priority Mail Express®

☐ Registered Mail™

☐ Registered Mail Restricted Delivery

☐ Return Receipt for Merchandise

☐ Signature Confirmation™

☐ Signature Confirmation Restricted Delivery