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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF RIVERSIDE

STEPHANIA PADILLA, individually, and
on behalf of other members of the general
public similarly situated,

Plaintiff,

vs.

MAGNOLIA AVENUE, INC., a California
corporation; BALDWIN PARK
PANCAKES, INC., a California
corporation; EIGHT TWENTY-THREE,
INC., a California corporation; GRANADA
HILLS PANCAKES, INC., a California
corporation; 'K & J MANAGEMENT,
INC.', a California corporation; NINE
FIFTY COMPANY, INC., a California
corporation; ONE JEFFERSON
PANCAKES, INC., a California
corporation; SAN JOSE PANCAKES,
INC., a California corporation; SEVEN
FIFTY-FOUR, INC., a California
corporation; SIX FOURTEEN, INC., A
CALIFORNIA CORPORATION, a
California corporation; UNION CITY
PANCAKES, INC., a California
corporation; and DOES 1 through 10,
inclusive,

Defendants.

Case No.: CVRI2501573

**FIRST AMENDED CLASS ACTION
COMPLAINT & ENFORCEMENT
ACTION UNDER THE PRIVATE
ATTORNEYS GENERAL ACT,
CALIFORNIA LABOR CODE §§ 2698, ET
SEQ.**

- (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime);
- (2) Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 (Unpaid Minimum Wages);
- (3) Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198 (Failure to Provide Meal Periods);
- (4) Violation of California Labor Code §§ 226.7, 516, and 1198 (Failure to Authorize and Permit Rest Periods);
- (5) Violation of California Labor Code §§ 226(a), 1174(d), and 1198 (Non-Compliant Wage Statements and Failure to Maintain Payroll Records);
- (6) Violation of California Labor Code §§ 201 and 202 (Wages Not Timely Paid Upon Termination);
- (7) Violation of California Labor Code § 204 (Failure to Timely Pay Wages During Employment);
- (8) Violation of Labor Code § 1198 and California Code of Regulations, Title 8, Section 11050 Subdivision 5(A) (Failure to Provide Reporting Time Pay);

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- (9) Violation of California Labor Code § 2802 (Unreimbursed Business Expenses);
- (10) Civil Penalties for Violations of California Labor Code, Pursuant to PAGA, §§ 2698, *et seq.*;
- (11) Violation of California Business & Professions Code §§ 17200, *et seq.* (Unlawful Business Practices); and
- (12) Violation of California Business & Professions Code §§ 17200, *et seq.* (Unfair Business Practices)

Jury Trial Demanded

1 Plaintiff Stephanie Padilla, individually and on behalf of all other members of the
2 public similarly situated, and as an aggrieved employee and on behalf of all aggrieved
3 employees, alleges as follows:

4 JURISDICTION AND VENUE

5 1. This class action is brought pursuant to California Code of Civil Procedure
6 section 382 and California Labor Code sections 2698, *et seq.* (“PAGA”) to recover civil
7 penalties and any other available relief on behalf of Plaintiff, the State of California, and other
8 current and former employees who worked for Defendants in California as non-exempt,
9 hourly paid employees and received at least one wage statement and against whom one or
10 more violations of any provision in Division 2 Part 2 Chapter 1 of the Labor Code or any
11 provision regulating hours and days of work in the applicable Industrial Welfare Commission
12 (“IWC”) Wage Order were committed, as set forth in this complaint. The monetary damages,
13 penalties, and restitution sought by Plaintiff exceed the minimal jurisdiction limits of the
14 Superior Court and will be established according to proof at trial. This Court has jurisdiction
15 over this action pursuant to the California Constitution, Article VI, section 10. The statutes
16 under which this action is brought do not specify any other basis for jurisdiction. Plaintiff’s
17 share of damages, penalties, and other relief sought in this action does not exceed \$75,000.

18 2. This Court has jurisdiction over Defendants because Defendants are either
19 citizens of California, have sufficient minimum contacts in California, or otherwise
20 intentionally avail themselves of the California market so as to render the exercise of
21 jurisdiction over them by the California courts consistent with traditional notions of fair play
22 and substantial justice. There is no basis for federal diversity jurisdiction in this action
23 because there is no complete diversity, and this case falls within the statutory exceptions to
24 “minimal diversity” jurisdiction under the Class Action Fairness Act, 28 U.S.C. § 1332(d)(4).
25 Upon information and belief, two-thirds or more of the class members and Defendants are
26 citizens of California and/or (a) two-thirds of the class members and Defendants are citizens
27 of California; (b) the alleged wage and hour violations occurred in California; (c) significant
28 relief is being sought against Defendants whose violations of California wage and hour laws

1 form a significant basis for Plaintiff's claims; and (d) no other class action has been filed
2 within the past three (3) years on behalf of the same proposed class against Defendants
3 asserting the same or similar factual allegations.

4 3. Venue is proper in this Court because Defendants employ persons in this
5 county, and employed Plaintiff in this county, and thus a substantial portion of the transactions
6 and occurrences related to this action occurred in this county.

7 **THE PARTIES**

8 4. Plaintiff Stephania Padilla is a resident of Riverside, California. Defendants
9 employed Plaintiff as an hourly paid, non-exempt employee from approximately February
10 2022 to October 2024. Plaintiff worked for Defendants as a Server at their IHOP restaurant
11 located at 10301 Magnolia Avenue in Riverside, California. During her employment, Plaintiff
12 typically worked six (6) to eight (8) or more hours per day and two (2) to five (5) days per
13 week. Plaintiff's primary job duties included, without limitation, taking food orders,
14 delivering food and beverages to customers, maintaining table cleanliness, and processing
15 customer payments.

16 5. MAGNOLIA AVENUE, INC. was and is, upon information and belief, a
17 California corporation, and at all times hereinafter mentioned, an employer whose employees
18 are engaged throughout this county and the State of California.

19 6. BALDWIN PARK PANCAKES, INC. was and is, upon information and belief,
20 a California corporation, and at all times hereinafter mentioned, an employer whose
21 employees are engaged throughout this county and the State of California.

22 7. EIGHT TWENTY-THREE, INC. was and is, upon information and belief, a
23 California corporation, and at all times hereinafter mentioned, an employer whose employees
24 are engaged throughout this county and the State of California.

25 8. GRANADA HILLS PANCAKES, INC. was and is, upon information and
26 belief, a California corporation, and at all times hereinafter mentioned, an employer whose
27 employees are engaged throughout this county and the State of California.

28 9. 'K & J MANAGEMENT, INC.' was and is, upon information and belief, a

1 California corporation, and at all times hereinafter mentioned, an employer whose employees
2 are engaged throughout this county and the State of California.

3 10. NINE FIFTY COMPANY, INC. was and is, upon information and belief, a
4 California corporation, and at all times hereinafter mentioned, an employer whose employees
5 are engaged throughout this county and the State of California.

6 11. ONE JEFFERSON PANCAKES, INC. was and is, upon information and belief,
7 a California corporation, and at all times hereinafter mentioned, an employer whose
8 employees are engaged throughout this county and the State of California.

9 12. SAN JOSE PANCAKES, INC. was and is, upon information and belief, a
10 California corporation, and at all times hereinafter mentioned, an employer whose employees
11 are engaged throughout this county and the State of California.

12 13. SEVEN FIFTY-FOUR, INC. was and is, upon information and belief, a
13 California corporation, and at all times hereinafter mentioned, an employer whose employees
14 are engaged throughout this county and the State of California.

15 14. SIX FOURTEEN, INC., A CALIFORNIA CORPORATION was and is, upon
16 information and belief, a California corporation, and at all times hereinafter mentioned, an
17 employer whose employees are engaged throughout this county and the State of California.

18 15. UNION CITY PANCAKES, INC. was and is, upon information and belief, a
19 California corporation, and at all times hereinafter mentioned, an employer whose employees
20 are engaged throughout this county and the State of California.

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

25 17. Plaintiff is informed and believes, and thereon alleges, that DOES 1 through 10
26 were the partners, agents, owners, or managers of Defendants at all relevant times.

27 18. Plaintiff is informed and believes, and thereon alleges, that each and all of the
28 acts and omissions alleged herein was performed by, or is attributable to, MAGNOLIA

1 AVENUE, INC.; BALDWIN PARK PANCAKES, INC.; EIGHT TWENTY-THREE, INC.;
2 GRANADA HILLS PANCAKES, INC.; 'K & J MANAGEMENT, INC.'; NINE FIFTY
3 COMPANY, INC.; ONE JEFFERSON PANCAKES, INC.; SAN JOSE PANCAKES, INC.;
4 SEVEN FIFTY-FOUR, INC.; SIX FOURTEEN, INC., A CALIFORNIA CORPORATION;
5 UNION CITY PANCAKES, INC.; and/or DOES 1 through 10 (collectively, "Defendants" or
6 "K&J"), each acting as the agent, employee, alter ego, and/or joint venturer of, or working in
7 concert with, each of the other co-Defendants and was acting within the course and scope of
8 such agency, employment, joint venture, or concerted activity with legal authority to act on
9 the others' behalf. The acts of any and all Defendants were in accordance with, and represent,
10 the official policy of Defendants.

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

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

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

28 22. Plaintiff is informed and believes, and thereon alleges, that at all relevant times,

Defendants, and each of them, have acted as joint employers with respect to Plaintiff and class members because Defendants have:

- (a) jointly exercised meaningful control over the work performed by Plaintiff and class members;
- (b) jointly exercised meaningful control over Plaintiff's and class members' wages, hours, and working conditions, including the quantity, quality standards, speed, scheduling, and operative details of the tasks performed by Plaintiff and class members;
- (c) jointly required that Plaintiff and class members perform work which is an integral part of Defendants' businesses; and
- (d) jointly exercised control over Plaintiff and class members as a matter of economic reality in that Plaintiff and class members were dependent on Defendants, who shared the power to set the wages of Plaintiff and class members and determined their working conditions, and who jointly reaped the benefits from the underpayment of their wages and noncompliance with other statutory provisions governing their employment.

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

24. MAGNOLIA AVENUE, INC.; BALDWIN PARK PANCAKES, INC.; EIGHT TWENTY-THREE, INC.; GRANADA HILLS PANCAKES, INC.; 'K & J MANAGEMENT, INC.'; NINE FIFTY COMPANY, INC.; ONE JEFFERSON PANCAKES, INC.; SAN JOSE PANCAKES, INC.; SEVEN FIFTY-FOUR, INC.; SIX FOURTEEN, INC., A CALIFORNIA CORPORATION; UNION CITY PANCAKES, INC.; and DOES 1 through 10 are therefore alter egos of each other.

25. Adherence to the fiction of the separate existence of Defendants would permit an abuse of the corporate privilege, and would promote injustice by protecting Defendants

1 from liability for the wrongful acts committed by them the name “K&J.”

2 26. Plaintiff further alleges, upon information and belief, that Defendants
3 MAGNOLIA AVENUE, INC.; BALDWIN PARK PANCAKES, INC.; EIGHT TWENTY-
4 THREE, INC.; GRANADA HILLS PANCAKES, INC.; ‘K & J MANAGEMENT, INC.’;
5 NINE FIFTY COMPANY, INC.; ONE JEFFERSON PANCAKES, INC.; SAN JOSE
6 PANCAKES, INC.; SEVEN FIFTY-FOUR, INC.; SIX FOURTEEN, INC., A CALIFORNIA
7 CORPORATION; and UNION CITY PANCAKES, INC. are alter egos of each other for the
8 following reasons:

- 9 (a) On the California Secretary of State’s website
10 (<https://bizfileonline.sos.ca.gov/>), MAGNOLIA AVENUE, INC.;
11 BALDWIN PARK PANCAKES, INC.; EIGHT TWENTY-THREE,
12 INC.; GRANADA HILLS PANCAKES, INC.; ‘K & J
13 MANAGEMENT, INC.’; NINE FIFTY COMPANY, INC.; ONE
14 JEFFERSON PANCAKES, INC.; SAN JOSE PANCAKES, INC.;
15 SEVEN FIFTY-FOUR, INC.; SIX FOURTEEN, INC., A
16 CALIFORNIA CORPORATION; and UNION CITY PANCAKES,
17 INC. share the same principal address and mailing address of “9567
18 Melvin Ave[nue] Northridge, CA 91324”;
- 19 (b) According to Statement of Information forms filed with the California
20 Secretary of State, MAGNOLIA AVENUE, INC.; BALDWIN PARK
21 PANCAKES, INC.; EIGHT TWENTY-THREE, INC.; GRANADA
22 HILLS PANCAKES, INC.; ‘K & J MANAGEMENT, INC.’; NINE
23 FIFTY COMPANY, INC.; ONE JEFFERSON PANCAKES, INC.;
24 SAN JOSE PANCAKES, INC.; SEVEN FIFTY-FOUR, INC.; SIX
25 FOURTEEN, INC., A CALIFORNIA CORPORATION; and UNION
26 CITY PANCAKES, INC. share the same officers and/or directors,
27 including, but not limited to: Karen Jo Miles, who serves as Chief
28 Executive Officer, Financial Chief Officer, and Director;

- (c) On the California Secretary of State’s website, MAGNOLIA AVENUE, INC.; BALDWIN PARK PANCAKES, INC.; EIGHT TWENTY-THREE, INC.; GRANADA HILLS PANCAKES, INC.; ‘K & J MANAGEMENT, INC.’; NINE FIFTY COMPANY, INC.; ONE JEFFERSON PANCAKES, INC.; SAN JOSE PANCAKES, INC.; SEVEN FIFTY-FOUR, INC.; SIX FOURTEEN, INC., A CALIFORNIA CORPORATION; and UNION CITY PANCAKES, INC. share the same agent for service of process, Karen Jo Miles; and
- (d) On information and belief, MAGNOLIA AVENUE, INC.; BALDWIN PARK PANCAKES, INC.; EIGHT TWENTY-THREE, INC.; GRANADA HILLS PANCAKES, INC.; ‘K & J MANAGEMENT, INC.’; NINE FIFTY COMPANY, INC.; ONE JEFFERSON PANCAKES, INC.; SAN JOSE PANCAKES, INC.; SEVEN FIFTY-FOUR, INC.; SIX FOURTEEN, INC., A CALIFORNIA CORPORATION; and UNION CITY PANCAKES, INC. utilize the same standardized employment forms and issue the same employment policies.

GENERAL ALLEGATIONS

27. Defendants own and operate approximately 10 IHOP franchise restaurant locations in California. Upon information and belief, Defendants maintain a single, centralized Human Resources (“HR”) department at their corporate headquarters in Northridge, California, which is responsible for the recruiting and hiring of new employees, and communicating and implementing Defendants’ company-wide policies, including timekeeping policies and meal and rest period policies, to employees throughout California.

28. In particular, Plaintiff and class members, on information and belief, received the same standardized documents and/or written policies. Upon information and belief, the usage of standardized documents and/or written policies, including new-hire documents, indicate that Defendants dictated policies at the corporate level and implemented them

1 company-wide, regardless of their employees' assigned locations or positions.

2 29. Upon information and belief, Defendants maintain a centralized Payroll
3 department at their corporate headquarters in Northridge, California, which processes payroll
4 for all non-exempt, hourly paid employees working for Defendants at their various locations
5 in California, including Plaintiff and class members. Based upon information and belief,
6 Defendants issue the same formatted wage statements to all non-exempt, hourly paid
7 employees in California, irrespective of their work locations. Upon information and belief,
8 Defendants process payroll for departing employees in the same manner throughout the State
9 of California, regardless of the manner in which each employee's 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 class
17 members were not paid for all hours worked because all hours worked were not recorded.

18 33. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
19 should have known that Plaintiff and class members were entitled to receive certain wages for
20 overtime compensation and that they were not receiving certain wages for overtime
21 compensation.

22 34. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
23 should have known that Plaintiff and class members were entitled to receive at least minimum
24 wages for compensation and that they were not receiving at least minimum wages for work
25 that was required to be done off-the-clock. In violation of the California Labor Code, Plaintiff
26 and class members were not paid at least minimum wages for work done off-the-clock.

27 35. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
28 should have known that Plaintiff and class members were entitled to meal periods in

1 accordance with the California Labor Code and applicable IWC Wage Order or payment of
2 one (1) additional hour of pay at their regular rates of pay when they were not provided with
3 timely, uninterrupted, thirty (30) minute meal periods and that Plaintiff and class members
4 were not provided with all meal periods or payment of one (1) additional hour of pay at their
5 regular rates of pay when they did not receive a timely, uninterrupted, thirty (30) minute meal
6 period.

7 36. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
8 should have known that Plaintiff and class members were entitled to rest periods in
9 accordance with the California Labor Code and applicable IWC Wage Order or payment of
10 one (1) additional hour of pay at their regular rates of pay when they were not authorized and
11 permitted to take a compliant rest period and that Plaintiff and class members were not
12 authorized and permitted to take compliant rest periods or provided with payment of one (1)
13 additional hour of pay at their regular rates of pay when they were not authorized and
14 permitted to take a compliant rest period.

15 37. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
16 should have known that Plaintiff and class members were entitled to receive complete and
17 accurate wage statements in accordance with California law. In violation of the California
18 Labor Code, Plaintiff and class members were not provided complete and accurate wage
19 statements.

20 38. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
21 should have known that they had a duty to maintain accurate and complete payroll records in
22 accordance with the California Labor Code and applicable IWC Wage Order, but willfully,
23 knowingly, and intentionally failed to do so.

24 39. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
25 should have known that Plaintiff and class members were entitled to timely payment of all
26 wages earned upon termination of employment. In violation of the California Labor Code,
27 Plaintiff and class members did not receive payment of all wages due, including, but not
28 limited to, overtime wages, minimum wages, meal and rest period premiums, and/or reporting

1 time pay, within permissible time periods.

2 40. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
3 should have known that Plaintiff and class members were entitled to timely payment of wages
4 during their employment. In violation of the California Labor Code, Plaintiff and class
5 members did not receive payment of all wages, including, but not limited to, overtime wages,
6 minimum wages, meal and rest period premiums, and/or reporting time pay, within
7 permissible time periods.

8 41. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
9 should have known that they were not permitted to compel or coerce Plaintiff and class
10 members to patronize their business in the purchase of anything of value, but did in fact
11 require Plaintiff and class members to purchase various items, including uniform items, from
12 Defendants.

13 42. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
14 should have known that Plaintiff and class members were entitled to receive all reporting time
15 pay when Plaintiff and class members were required to report to work but were put to work
16 for less than half of their usual or scheduled shift. In violation of the California Labor Code
17 and applicable IWC Wage Order, Plaintiff and class members were not paid all reporting time
18 pay.

19 43. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
20 should have known that Plaintiff and class members were entitled to receive full
21 reimbursement for all business-related expenses and costs they incurred during the course and
22 scope of their employment and that they did not receive full reimbursement of applicable
23 business-related expenses and costs incurred.

24 44. Plaintiff is informed and believes, and thereon alleges, that at all times herein
25 mentioned, Defendants knew or should have known that Defendants had a duty to provide
26 Plaintiff and class members with written notice of the material terms of their employment with
27 Defendants as required by the California Wage Theft Prevention Act, but failed to do so.

28 45. Plaintiff is informed and believes, and thereon alleges, that at all times herein

mentioned, Defendants knew or should have known that they had a duty to compensate Plaintiff and class members for all hours worked, and that Defendants had the financial ability to pay such compensation, but willfully, knowingly, and intentionally failed to do so, and falsely represented to Plaintiff and class members that they were properly denied wages, all in order to increase Defendants' profits.

PAGA REPRESENTATIVE ALLEGATIONS

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

47. PAGA defines an "aggrieved employee" in Labor Code section 2699(c)(1) as "any person who was employed by the alleged violator and personally suffered each of the violations alleged."

48. Plaintiff and other current and former employees of Defendants are "aggrieved employees" as defined by Labor Code section 2699(c)(1) in that they are all Defendants' current or former employees and each of the alleged violations were committed against them.

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

(a) The aggrieved employee or representative shall give written notice by online filing with the LWDA and by certified mail to the employer of the specific provisions of the California Labor Code alleged to have been violated, including the facts and theories to support the alleged violation.

(b) An aggrieved employee's notice filed with the LWDA pursuant to

2699.3(a) and any employer response to that notice shall be accompanied by a filing fee of seventy-five dollars (\$75).

- (c) The LWDA shall notify the employer and the aggrieved employee or representative by certified mail that it does not intend to investigate the alleged violation (“LWDA Notice”) within sixty (60) calendar days of the postmark date of the aggrieved employee’s notice. Upon receipt of the LWDA Notice, or if no LWDA Notice is provided within sixty-five (65) calendar days of the postmark date of the aggrieved employee’s notice, the aggrieved employee may commence a civil action pursuant to California Labor Code section 2699 to recover civil penalties.

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

- (a) The aggrieved employee or representative shall give written notice by online filing with the LWDA and by certified mail to the employer of the specific provisions of the California Labor Code alleged to have been violated (other than those listed in Section 2699.5), including the facts and theories to support the alleged violation.
- (b) An aggrieved employee’s notice filed with the LWDA pursuant to 2699.3(c) and any employer response to that notice shall be accompanied by a filing fee of seventy-five dollars (\$75).
- (c) The employer may cure the alleged violation within thirty-three (33) calendar days of the postmark date of the notice sent by the aggrieved employee or representative. The employer shall give written notice within that period of time by certified mail to the aggrieved employee or representative and by online filing with the LWDA if the alleged violation is cured, including a description of actions taken, and no civil

1 action pursuant to Section 2699 may commence. If the alleged violation
2 is not cured within the 33-day period, the aggrieved employee may
3 commence a civil action pursuant to Section 2699.

4 51. On March 26, 2025, Plaintiff provided written notice by online filing to the
5 LWDA and by Certified Mail to Defendants of the specific provisions of the California Labor
6 Code alleged to have been violated, including facts and theories to support the alleged
7 violations, in accordance with California Labor Code section 2699.3. Plaintiff's written
8 notice was accompanied with the applicable filing fee of seventy-five dollars (\$75). The
9 LWDA PAGA Administrator confirmed receipt of Plaintiff's written notice and assigned
10 Plaintiff PAGA Case Number LWDA-CM-1088580-25. A true and correct copy of Plaintiff's
11 written notice to the LWDA and Defendants is attached hereto as "Exhibit 1."

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

15 53. Thus, Plaintiff has satisfied the administrative prerequisites under California
16 Labor Code sections 2699.3(a) and 2699.3(c) to recover civil penalties against Defendants for
17 violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 450, 510, 512(a),
18 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5.

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

28 55. Defendants, at all times relevant to this complaint, were employers or persons

1 acting on behalf of an employer(s) who violated Plaintiff's and other aggrieved employees'
2 rights by violating various sections of the California Labor Code as set forth above.

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

6 57. Pursuant to PAGA, and in particular, California Labor Code sections 1194.5,
7 2699(a), 2699(k), 2699.3(a), 2699.3(c), and 2699.5, and section 558, Plaintiff, acting in the
8 public interest as a private attorney general, seeks assessment and collection of civil penalties
9 and injunctive relief for herself, all other aggrieved employees, and the State of California
10 against Defendants for violations of California Labor Code sections 201, 202, 204, 226(a),
11 226.7, 450, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5.

12 **CLASS ACTION ALLEGATIONS**

13 58. Plaintiff brings this action on her own behalf, as well as on behalf of each and
14 all other persons similarly situated, and thus seeks class certification under California Code of
15 Civil Procedure section 382.

16 59. All claims alleged herein arise under California law for which Plaintiff seeks
17 relief authorized by California law.

18 60. Plaintiff's proposed class consists of and is defined as follows:

19 All persons who worked for Defendants as non-exempt, hourly
20 paid employees in California, within four years prior to the filing
of the initial complaint until the date of trial ("Class").

21 61. Plaintiff's proposed subclass consists of and is defined as follows:

22 All persons who worked for Defendants as non-exempt, hourly
23 paid employees in California and who received at least one wage
24 statement within one (1) year prior to the filing of the initial
complaint until the date of trial ("Subclass").

25 62. Members of the Class and Subclass are referred to herein as "class members."

26 63. Plaintiff reserves the right to redefine the Class and Subclass and to add
27 additional subclasses as appropriate based on further investigation, discovery, and specific
28 theories of liability.

1 64. There are common questions of law and fact as to class members that
2 predominate over questions affecting only individual members, including, but not limited to:

- 3 (a) Whether Defendants required Plaintiff and class members to work over
4 eight (8) hours per day, over twelve (12) hours per day, or over forty
5 (40) hours per week and failed to pay all legally required overtime
6 compensation to Plaintiff and class members;
- 7 (b) Whether Defendants failed to pay Plaintiff and class members at least
8 minimum wages for all hours worked;
- 9 (c) Whether Defendants failed to provide Plaintiff and class members meal
10 periods;
- 11 (d) Whether Defendants failed to authorize and permit Plaintiff and class
12 members to take rest periods;
- 13 (e) Whether Defendants provided Plaintiff and class members with
14 complete and accurate wage statements as required by California Labor
15 Code section 226(a);
- 16 (f) Whether Defendants maintained accurate payroll records as required by
17 California Labor Code section 1174(d);
- 18 (g) Whether Defendants failed to pay earned overtime wages, minimum
19 wages, meal and rest period premiums, and/or reporting time pay due to
20 Plaintiff and class members upon their discharge;
- 21 (h) Whether Defendants failed to timely pay overtime wages, minimum
22 wages, meal and rest period premiums, and/or reporting time pay to
23 Plaintiff and class members during their employment;
- 24 (i) Whether Defendants compelled and/or coerced Plaintiff and class
25 members to patronize their business;
- 26 (j) Whether Defendants required Plaintiff and class members to report to
27 work, but failed to provide them with work or provided them with less
28 than half their usual or scheduled day's work, without properly

compensating them as required by California Code of Regulations, Title 8, section 11050(5);

- (k) Whether Defendants failed to reimburse Plaintiff and class members for necessary and required business-related expenditures and/or losses incurred by them in the scope of their employment;
- (l) Whether Defendants failed to provide written notice of information material to Plaintiff's and class members' employment with Defendants;
- (m) Whether Defendants engaged in unlawful and unfair business practices in violation of California Business & Professions Code sections 17200, *et seq.*; and
- (n) The appropriate amount of damages, restitution, or monetary penalties resulting from Defendants' violations of California law.

65. There is a well-defined community of interest in the litigation and the class members are readily ascertainable:

- (a) Numerosity: The class members are so numerous that joinder of all members would be unfeasible and impractical. The membership of the entire class is unknown to Plaintiff at this time; however, the class is estimated to be greater than one hundred (100) individuals and the identity of such membership is readily ascertainable by inspection of Defendants' employment records.
- (b) Typicality: Plaintiff is qualified to, and will, fairly and adequately protect the interests of each class member with whom she has a well-defined community of interest, and Plaintiff's claims (or defenses, if any) are typical of all class members as demonstrated herein.
- (c) Adequacy: Plaintiff is qualified to, and will, fairly and adequately protect the interests of each class member with whom she has a well-defined community of interest and typicality of claims, as demonstrated herein. Plaintiff acknowledges that she has an obligation to make

1 known to the Court any relationship, conflicts or differences with any
2 class member. Plaintiff's attorneys, the proposed class counsel, are
3 versed in the rules governing class action discovery, certification, and
4 settlement. Plaintiff has incurred, and throughout the duration of this
5 action, will continue to incur costs and attorneys' fees that have been,
6 are, and will be necessarily expended for the prosecution of this action
7 for the substantial benefit of each class member.

8 (d) Superiority: The nature of this action makes the use of class action
9 adjudication superior to other methods. A class action will achieve
10 economies of time, effort, and expense as compared with separate
11 lawsuits, and will avoid inconsistent outcomes because the same issues
12 can be adjudicated in the same manner and at the same time for the
13 entire class.

14 (e) Public Policy Considerations: Employers in the State of California
15 violate employment and labor laws every day. Current employees are
16 often afraid to assert their rights out of fear of direct or indirect
17 retaliation. Former employees are fearful of bringing actions because
18 they believe their former employers might damage their future
19 endeavors through negative references and/or other means. Class
20 actions provide the class members who are not named in the complaint
21 with a type of anonymity that allows for the vindication of their rights
22 while simultaneously protecting their privacy.

23 **FIRST CAUSE OF ACTION**

24 **Violation of California Labor Code §§ 510 and 1198—Unpaid Overtime**

25 **(Against all Defendants)**

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

28 67. Labor Code section 1198 makes it illegal to employ an employee under

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

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

9 69. Specifically, the applicable IWC Wage Order provides that Defendants are and
10 were required to pay Plaintiff and class members working more than eight (8) hours in a day
11 or more than forty (40) hours in a workweek, at the rate of time and one-half (1 ½) for all
12 hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a
13 workweek.

14 70. The applicable IWC Wage Order further provides that Defendants are and were
15 required to pay Plaintiff and class members working more than twelve (12) hours in a day,
16 overtime compensation at a rate of two (2) times their regular rate of pay. An employee’s
17 regular rate of pay includes all remuneration for employment paid to, or on behalf of, the
18 employee, including nondiscretionary bonuses and incentive pay.

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

25 72. During the relevant time period, Defendants willfully failed to pay all overtime
26 wages owed to Plaintiff and class members. During the relevant time period, Plaintiff and
27 class members were not paid overtime premiums for all of the hours they worked in excess of
28 eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty (40)

1 hours in a week, because all hours worked were not recorded.

2 73. First, during the relevant time period, Defendants had, and continue to have, a
3 company-wide policy and/or practice of discouraging and impeding Plaintiff and class
4 members from recording hours worked that were outside of their scheduled shifts in order to
5 limit the amount of overtime employees could accrue. Defendants' "Overtime Approval"
6 policy states, "[a]ll employees . . . must receive approval from the appropriate supervisor prior
7 to performing overtime work, or they may be subject to disciplinary action, up to and
8 including immediate termination." Further, Defendants' "Work Schedule" policy states, in
9 part, "[d]o not begin work and do not clock in more than five (5) minutes before your
10 normally scheduled shift. Likewise, stop work and clock out no more than five (5) minutes
11 after the end of your scheduled shift. . . . Employees are not allowed to begin work early or
12 stay late without manager approval." Thus, Defendants' timekeeping policies and/or practices
13 led Plaintiff and class members to work off-the-clock outside of their scheduled shift times.

14 74. For example, Defendants' management pressured Plaintiff and class members
15 to record their scheduled shift start-times and shift end-times instead of their actual hours
16 worked to limit the overtime hours employees were eligible to be compensated for.
17 Specifically, Defendants' management required Plaintiff to clock out at her regular shift end-
18 time and continue performing work, such as cashing out the register, which could take 5-10
19 minutes to complete. As another example, Plaintiff and the class members were required to
20 complete and submit weekly administrative reports detailing their cash counts after their shifts
21 concluded. This process was frequently interrupted by Plaintiff's supervisor asking questions
22 and by customer phone calls and walk-ins, forcing her to spend additional time working off-
23 the-clock.

24 75. In addition, Defendants had, and continue to have, a company-wide policy
25 and/or practice of requiring Plaintiff and class members to complete mandatory training
26 modules, but did not permit Plaintiff and class members to complete the training during their
27 shifts. For example, Defendants' management required Plaintiff to complete several training
28 modules on her days off and at home, which took approximately 45 minutes to complete.

1 Thus, Defendants failed to track all the time Plaintiff and class members spent performing
2 work-related tasks outside of their scheduled shifts, and Plaintiff and class members received
3 no compensation for this time.

4 76. Second, during the relevant time period, Defendants' timekeeping system was
5 integrated with the company's point-of-sale ("POS") system and only three (3) monitors were
6 available for clocking in and out. Plaintiff and class members would sometimes have to wait
7 to clock in for the start of their shifts because other employees were using the POS system to
8 handle customer transactions. For instance, Plaintiff was sometimes required to wait several
9 minutes off-the-clock and under Defendants' control until a POS monitor was available for
10 clocking-in. Thus, Plaintiff and class members performed work that was not recorded, time
11 for which they were not paid.

12 77. Third, upon information and belief, Defendants had, and continue to have, a
13 company-wide policy and/or practice of strictly staffing their locations based on the labor
14 hours allocated by each location's labor or payroll budget set by the corporate office.
15 Defendants' uniform use of labor budgeting and understaffing resulted in a failure to provide
16 Plaintiff and class members with adequate meal period coverage, because there were too few
17 employees on duty to handle the workload and attend to customers. Because Defendants did
18 not employ or staff a sufficient number of employees to meet customer demand, there was no
19 one available to relieve employees needing meal period coverage, and Plaintiff and class
20 members were not always afforded uninterrupted 30-minute meal periods during shifts when
21 they were entitled to receive a meal period. Moreover, Defendants had a practice of failing to
22 schedule meal periods, which further caused Plaintiff and class members to not be relieved of
23 their duties for compliant meal periods. For example, Plaintiff's meal periods were
24 interrupted 2-4 times a month because her manager or coworkers asked her questions about
25 her tables or requested that she return to work to keep up with customer demand.

26 78. Fourth, during the relevant time period, Defendants' company-wide
27 timekeeping system prevented Plaintiff and class members from recording all hours worked
28 when their meal periods were shortened or interrupted, because the system locked out Plaintiff

1 and class members once they clocked out for a meal period, and would not permit them to
2 clock back in from a meal period before 30 minutes had elapsed. Thus, Defendants did not
3 record all hours worked during meal periods, and Plaintiff and class members performed work
4 during meal periods for which they were not paid.

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

12 80. Defendants' failure to pay Plaintiff and class members the balance of overtime
13 compensation as required by California law, violates the provisions of California Labor Code
14 sections 510 and 1198. Pursuant to California Labor Code section 1194, Plaintiff and class
15 members are entitled to recover from Defendants their unpaid overtime compensation, as well
16 as interest, costs, and attorneys' fees.

17 **SECOND CAUSE OF ACTION**

18 **Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198—Unpaid** 19 **Minimum Wages** 20 **(Against all Defendants)**

21 81. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
22 and every allegation set forth above.

23 82. At all relevant times, California Labor Code sections 1182.12, 1194, 1197,
24 1197.1, and 1198 provide that the minimum wage for employees fixed by the IWC is the
25 minimum wage to be paid to employees, and the payment of a wage less than the minimum so
26 fixed is unlawful. Compensable work time is defined in IWC Wage Order No. 5-2001 as "the
27 time during which an employee is subject to the control of an employer, and includes all the
28 time the employee is suffered or permitted to work, whether or not required to do so." Cal.

1 Code Regs. Tit. 8, § 11050(2)(M) (defining “Hours Worked”).

2 83. First, as stated, as a result of Defendants’ policies and/or practices of limiting
3 the amount of overtime employees could accrue, Defendants required Plaintiff and class
4 members to perform work outside of their scheduled shift start- and end-times and on days
5 off, including completing cash counts, finalizing and submitting administrative reports, and
6 completing training modules. Moreover, as stated, because Defendants’ timekeeping system
7 was integrated with the company’s POS system, Plaintiff and class members sometimes had to
8 wait to clock in for the start of their shifts when other employees were using the POS system
9 to handle customer transactions. Defendants failed to track this time that Plaintiff and class
10 members spent working off-the-clock, and thus, Plaintiff and class members received no
11 compensation for this time.

12 84. Second, as stated, due to Defendants’ company-wide policies and/or practices
13 of utilizing labor budgets and/or limited payroll allocation, understaffing, assigning heavy
14 workloads, and failing to schedule meal periods, Plaintiff and class members were impeded
15 from taking all uninterrupted meal periods to which they were entitled and were required to
16 work off-the-clock during meal periods, time for which they were not paid. Moreover, as
17 stated, Defendants’ company-wide timekeeping system prevented Plaintiff and class members
18 from entering time worked during meal periods because the system locked out Plaintiff and
19 class members for a full 30 minutes. Thus, Defendants systematically failed to pay Plaintiff
20 and class members for actual hours worked during unpaid meal periods because these hours
21 were not always correctly recorded.

22 85. Defendants did not pay minimum wages for all hours worked by Plaintiff and
23 class members. To the extent that these off-the-clock hours did not qualify for overtime
24 premium payment, Defendants did not pay at least minimum wages for those hours worked
25 off-the-clock in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and
26 1198.

27 86. Defendants’ failure to pay Plaintiff and class members minimum wages violates
28 California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Pursuant to

1 California Labor Code section 1194.2, Plaintiff and class members are entitled to recover from
2 Defendants liquidated damages in an amount equal to the wages unlawfully unpaid and
3 interest thereon.

4 **THIRD CAUSE OF ACTION**

5 **Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198—Meal Period** 6 **Violations** 7 **(Against all Defendants)**

8 87. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
9 and every allegation set forth above.

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

17 89. At all relevant times herein set forth, California Labor Code sections 226.7,
18 512(a), 516, and 1198 provide that no employer shall require an employee to work during any
19 meal period mandated by an applicable order of the IWC.

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

26 91. First, as stated, during the relevant time period, Defendants had, and continue
27 to have, a company-wide policy and/or practice of understaffing locations due to labor
28 budgeting and/or limited payroll allocation, which, combined with the assignment of heavy

workloads, including pressuring employees to greet and serve customers within two (2) minutes from when they are seated, has resulted in a lack of meal period coverage and prevented Plaintiff and class members from taking all timely, uninterrupted meal periods to which they were entitled. Moreover, Defendants also failed to schedule meal periods, which further caused Plaintiff and class members to not be relieved of their duties for compliant meal periods.

92. As a result, Plaintiff and class members had to work through 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, Plaintiff took her meal periods late due to the heavy workload and lack of coverage. Additionally, as stated, Plaintiff's meal periods were interrupted 2-4 times a month because she was required to answer questions from coworkers or managers and/or return early to attend to customers and tables. Thus, Defendants failed to provide Plaintiff and class members with compliant, 30-minute meal periods.

93. Second, as stated, during the relevant time period, Defendants' company-wide timekeeping system prevented Plaintiff and class members from recording when their meal periods were shortened or interrupted, because the system locked out Plaintiff and class members 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.

94. Third, Plaintiff and class members worked shifts in excess of ten (10) hours without receiving an uninterrupted second 30-minute meal period. For example, during her employment, Plaintiff worked shifts in excess of ten (10) or more hours per day, but was not provided a second 30-minute meal period. Plaintiff and class members did not sign valid meal period waivers on days that they were entitled to meal periods and were not relieved of all duties.

95. Moreover, Defendants had a company-wide policy of requiring all newly hired employees to sign blanket meal period waivers at or near their time of hire. Defendants took the position that non-exempt, hourly paid employees had waived their rights to first and/or second meal periods for the entirety of their employment and, on that basis, did not provide

1 them with all meal periods to which they were entitled. Further, Defendants’ “Meal Break
2 Waiver Agreement” form requires employees to provide written notice should they wish to
3 revoke the waiver. Defendants’ presumption that meal periods would not be provided for
4 shifts in excess of five (5) hours but less than six (6) hours and/or for shifts in excess of ten
5 (10) hours but less than twelve (12) hours, due to blanket meal period waivers signed at or
6 near the time of hire, and imposition on employees to revoke the waivers in writing,
7 discouraged and impeded Plaintiff and class members from taking all meal periods to which
8 they were entitled.

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

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

17 *Id.* (citing Cal. Labor Code § 226.7; Wage Order No. 5, subd. 11(A), (B)). That Defendants
18 required Plaintiff and class members to sign meal period waivers simultaneously at or near
19 their time of hire (as opposed to on a specific work day) renders them invalid and
20 unenforceable, because Defendants’ obligation to provide Plaintiff and class members with
21 meal periods did not arise until they had employed them for a full five (5) hours.

22 97. At all times herein mentioned, Defendants knew or should have known that, as
23 a result of these policies, Plaintiff and class members were prevented from being relieved of
24 all duties and were required to perform some of their assigned duties during meal periods.
25 Defendants further knew or should have known that Defendants did not pay Plaintiff and class
26 members all meal period premiums when meal periods were late, missed, shortened, or
27 interrupted.

28 98. Furthermore, Defendants engaged in a company-wide practice and/or policy of

1 not paying all meal period premiums owed when compliant meal periods were not provided.
2 Because of this practice and/or policy, Plaintiff and class members have not received premium
3 pay for all missed, late, and interrupted meal periods. As a result, Defendants failed to
4 provide Plaintiff and class members compliant meal periods in violation of California Labor
5 Code sections 226.7, 512(a), and 516 and failed to pay the full meal period premiums due.

6 99. Defendants' conduct violates the applicable IWC Wage Order, and California
7 Labor Code sections 226.7, 512(a), 516, and 1198. Plaintiff and class members are therefore
8 entitled to recover from Defendants one (1) additional hour of pay at the employee's regular
9 rate of compensation for each work day that the meal period was not provided.

10 **FOURTH CAUSE OF ACTION**

11 **Violation of California Labor Code §§ 226.7, 516, and 1198—Rest Period Violations** 12 **(Against all Defendants)**

13 100. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
14 and every allegation set forth above.

15 101. 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 class
17 members' employment by Defendants.

18 102. 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.

24 103. 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, 273 (2016). Pursuant to the applicable IWC Wage Order and California
4 Labor Code section 226.7(c), Plaintiff and class members are entitled to recover from
5 Defendants one (1) additional hour of pay at their regular rates of pay for each work day that a
6 required rest period was not authorized and permitted.

7 104. During the relevant time period, Defendants regularly failed to authorize and
8 permit Plaintiff and class members to take a ten (10) minute rest period per each four (4) hour
9 period worked or major fraction thereof. As with meal periods, Defendants’ company-wide
10 practices of labor budgeting and/or limited payroll allocation, understaffing, and assigning
11 heavy workloads, resulted in a lack of rest period coverage and prevented Plaintiff and class
12 members from being relieved of all duty in order to take compliant rest periods. Defendants
13 also failed to adhere to a schedule for rest periods, which, coupled with Defendants’ failure to
14 provide adequate rest period coverage, further led to Plaintiff and class members not being
15 authorized and permitted to take rest periods.

16 105. Furthermore, during the relevant time period, on information and belief,
17 Defendants maintained a company-wide on-premises rest period policy, which effectively
18 required that Plaintiff and/or class members remain on Defendants’ premises during their rest
19 periods. Because Plaintiff and/or class members were restricted from leaving the premises
20 during rest periods, they were denied the ability to use their rest periods freely for their own
21 purposes, such as running personal errands. Thus, Defendants effectively maintained control
22 over Plaintiff and/or class members during rest periods.

23 106. As a result of Defendants’ practices and policies, Plaintiff and class members
24 worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without
25 receiving all uninterrupted 10-minute rest periods to which they were entitled. For example,
26 Plaintiff had to forgo her rest periods because the restaurant was busy and she did not have
27 coverage. When Plaintiff was able to take her rest periods, they were cut short because she
28 was required to return to work to attend to customers.

107. Defendants have also engaged in a systematic, company-wide practice and/or policy of not paying rest period premiums owed when rest periods are not authorized and permitted. Because of this practice and/or policy, Plaintiff and class members have not received premium pay for all missed rest periods.

108. Defendants' conduct violates the applicable IWC Wage Order and California Labor Code sections 226.7, 516, and 1198. Plaintiff and class members are therefore entitled to recover from Defendants one (1) additional hour of pay at the employee's regular rate of compensation for each work day that a compliant rest period was not authorized and permitted.

FIFTH CAUSE OF ACTION

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

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

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

111. At all relevant times, Defendants have knowingly and intentionally provided Plaintiff and Subclass members with uniform, incomplete, and inaccurate wage statements. For example, Defendants issued uniform wage statements to Plaintiff and Subclass members that fail to correctly list: gross wages earned; total hours worked; net wages earned; the address of the legal entity that is the employer; and all applicable hourly rates in effect during the pay period, including rates of pay for overtime wages, and the corresponding number of hours worked at each hourly rate. Specifically, Defendants violated sections 226(a)(1), 226(a)(2), 226(a)(5), 226(a)(8), and 226(a)(9).

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

113. Further, and separate from these violations, Defendants issued uniform wage statements to Plaintiff and class members that failed to correctly list the address of the legal entity of the actual employer in violation of 226(a)(8). The purpose of section 226(a)(8) is to provide California employees with transparency as to the true identity of their employer, to allow the employee to contact their employer during employment or in the future for various reasons, including filing an administrative claim, judicial claim, or other action to seek relief against their employer, to obtain unemployment benefits, etc. During the relevant time period, Defendants systematically, and on a company-wide basis, issued wage statements to Plaintiff and Subclass members that fail to list the employing entity's correct address. Plaintiff's and Subclass members' wage statements incorrectly list the employer's address as "10301 Magnolia Ave Riverside CA 92505," but, according to the California Secretary of State's website, Defendant MAGNOLIA AVENUE, INC.'s address should be "9567 MELVIN AVENUE NORTHRIDGE, CA 91324."

114. 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 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 of the legal entity that is the employer; and/or

1 failing to state all hours worked as a result of not recording or stating hours worked off-the-
2 clock.

3 115. California Labor Code section 1174(d) provides that “[e]very person employing
4 labor in this state shall . . . [k]eep a record showing the names and addresses of all employees
5 employed and the ages of all minors” and “[k]eep, at a central location in the state or at the
6 plants or establishments at which employees are employed, payroll records showing the hours
7 worked daily by and the wages paid to, and the number of piece-rate units earned by and any
8 applicable piece rate paid to, employees employed at the respective plants or
9 establishments” At all relevant times, and in violation of Labor Code section 1174(d),
10 Defendants willfully failed to maintain accurate payroll records for Plaintiff and Subclass
11 members showing the daily hours they worked and the wages paid thereto as a result of failing
12 to record the off-the-clock hours that they worked.

13 116. California Labor Code section 1198 provides that the maximum hours of work
14 and the standard conditions of labor shall be those fixed by the Labor Commissioner and as
15 set forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he
16 employment of any employees for longer hours than those fixed by the order or under
17 conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC
18 Wage Order, employers are required to keep accurate time records showing when the
19 employee begins and ends each work period and meal period. During the relevant time
20 period, Defendants engaged in company-wide practices and/or policies of failing to record
21 actual hours worked, and thereby failed to keep accurate records of work period and meal
22 period start and end times for Plaintiff and Subclass members, in violation of section 1198.
23 Furthermore, in light of Defendants’ failure to provide Plaintiff and Subclass members with
24 second 30-minute meal periods to which they were entitled, Defendants kept no records of
25 meal start and end times for second meal periods.

26 117. Plaintiff and Subclass members are entitled to recover from Defendants the
27 greater of their actual damages caused by Defendants’ failure to comply with California Labor
28 Code section 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000) per

employee.

SIXTH CAUSE OF ACTION

Violation of California Labor Code §§ 201 and 202—Wages Not Timely Paid Upon Termination (Against all Defendants)

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

119. This cause of action is dependent upon, and wholly derivative of, the overtime wages, minimum wages, meal and rest period premiums, and/or reporting time pay that were not timely paid to Plaintiff and those class members no longer employed by Defendants upon their termination.

120. At all times relevant herein set forth, 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.

121. Defendants willfully failed to pay Plaintiff and class members who are no longer employed by Defendants the earned and unpaid wages set forth above, including but not limited to, overtime wages, minimum wages, meal and rest period premiums, and/or reporting time pay, either at the time of discharge, or within seventy-two (72) hours of their leaving Defendants' employ.

122. Defendants' failure to pay Plaintiff and class members who are no longer employed by Defendants their wages earned and unpaid at the time of discharge, or within seventy-two (72) hours of their leaving Defendants' employ, violates Labor Code sections 201 and 202. Plaintiff and class members are therefore entitled to recover from Defendants the statutory penalty wages for each day they were not paid, at their regular rate of pay, up to a

thirty (30) day maximum pursuant to California Labor Code section 203.

SEVENTH CAUSE OF ACTION

Violation of California Labor Code § 204—Failure to Timely Pay Wages During Employment (Against all Defendants)

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

124. This cause of action is dependent upon, and wholly derivative of, the overtime wages, minimum wages, meal and rest period premiums, and/or reporting time pay that were not timely paid to Plaintiff and class members during their employment.

125. At all times relevant herein set forth, Labor Code section 204 provides that all wages earned by any person in any employment between the first (1st) and the fifteenth (15th) days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the sixteenth (16th) and the twenty-sixth (26th) day of the month during which the labor was performed. Labor Code section 204 further provides that all wages earned by any person in any employment between the sixteenth (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 first (1st) and the tenth (10th) day of the following month.

126. At all times relevant herein, Labor Code section 204 provides 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, at all times relevant herein, 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.

127. During the relevant time period, Defendants willfully failed to pay Plaintiff and class members all wages due including, but not limited to, overtime wages, minimum wages, meal and rest period premiums, and/or reporting time pay, within the time periods specified

1 by California Labor Code section 204.

2 128. Defendants' failure to pay Plaintiff and class members all wages due violates
3 Labor Code section 204. Plaintiff and class members are therefore entitled to recover from
4 Defendants the statutory penalty wages pursuant to California Labor Code section 210.

5 **EIGHTH CAUSE OF ACTION**

6 **Violation of Labor Code § 1198 and California Code of Regulations Title 8, Section**
7 **11050 Subdivision 5(A)—Failure to Provide Reporting Time Pay**
8 **(Against all Defendants)**

9 129. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
10 and every allegation set forth above.

11 130. California Labor Code section 1198 dictates that no employer may employ an
12 employee under conditions of labor that are prohibited by the applicable IWC Wage Order.
13 California Labor Code section 1198 further requires that “. . . the standard conditions of labor
14 fixed by the commission shall be the . . . standard conditions of labor for employees. The
15 employment of any employee . . . under conditions of labor prohibited by the order is
16 unlawful.”

17 131. The applicable IWC Wage Order, California Code of Regulations, Title 8,
18 section 11050(5)(A), provides that “[e]ach workday an employee is required to report to the
19 work site and does report, but is not put to work or is furnished less than half of his/her usual
20 or scheduled day’s work, the employer shall be pay him/her for half the usual or scheduled
21 day’s work, but in no event for less than two (2) hours nor more than four (4) hours, at the
22 employee’s regular rate of pay, which shall not be less than the minimum wage.” The
23 “primary purpose of the reporting time regulation” is “to guarantee at least partial
24 compensation for employees who report to work expecting to work a specified number of
25 hours, and who are deprived of that amount because of inadequate scheduling or lack of
26 proper notice by the employer.” *Aleman v. AirTouch Cellular*, 209 Cal. App. 4th 556 (2012).

27 132. During the relevant time period, Defendants violated California Labor Code
28 section 1198 and California Code of Regulations, Title 8, section 11050(5)(A), because

Defendants failed to pay Plaintiff and class members reporting time pay when they reported to work for their usual or scheduled shift but were put to work for less than half of their usual or scheduled day's work.

133. Defendants had a company-wide practice of sending Plaintiff and class members home early from their shifts, including before they had worked at least half of their usual or scheduled shift, but would not pay Plaintiff and class members for half of their usual or scheduled shift. For example, on approximately 2-5 occasions, Plaintiff was scheduled to work a 5-hour shift but was sent home two (2) hours after the start of her shift by Defendants' managers, because business was slow. Although Plaintiff and class members reported to work based on the schedule that was provided to them, Defendants would send them home before they worked at least half of their usual or scheduled shifts. When this occurred, Defendants did not pay Plaintiff and class members for at least half of their scheduled day's work or the minimum reporting time pay.

134. Accordingly, Plaintiff and class members were not properly compensated with reporting time pay in violation of California Labor Code section 1198 and California Code of Regulations, Title 8, section 11050(5)(A). Plaintiff and class members are therefore entitled to recover from Defendants unpaid wages and interest.

NINTH CAUSE OF ACTION

Violation of California Labor Code § 2802—Unpaid Business-Related Expenses (Against all Defendants)

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

136. At all times herein set forth, California Labor Code section 2802 provides that an employer must reimburse employees 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. 5-2001, provides that: "[w]hen

1 tools or equipment are required by the employer or are necessary to the performance of a job,
2 such tools and equipment shall be provided and maintained by the employer, except that an
3 employee whose wages are at least two (2) times the minimum wage provided herein may be
4 required to provide and maintain hand tools and equipment customarily required by the trade
5 or craft.” IWC Wage Order No. 5-2001 further provides that: “[w]hen uniforms are required
6 by the employer to be worn by the employee as a condition of employment, such uniforms
7 shall be provided and maintained by the employer.”

8 137. First, Defendants had a company-wide policy of requiring Plaintiff and class
9 members to utilize their own personal vehicles for work purposes, but failed to reimburse
10 them for costs of travel, including mileage. For example, Plaintiff was required to drive to a
11 nearby grocery store to purchase restaurant ingredients such as butter. Although Defendants
12 required Plaintiff and class members to utilize their own vehicles to carry out their work-
13 related duties, Defendants did not reimburse them for their mileage or travel expenses.

14 138. Second, during the relevant time period, Defendants required Plaintiff and class
15 members to purchase supplies and equipment necessary for the performance of their duties,
16 but failed to reimburse them for their out-of-pocket costs. For example, Plaintiff spent
17 approximately \$10 a month on pens and paper necessary to take customer orders because
18 Defendants failed to provide her with the necessary supplies or equipment to complete her
19 work-related tasks. Although Defendants required Plaintiff and class members to purchase
20 their own supplies and supplies for use on the job, Defendants failed to reimburse them for
21 their costs incurred.

22 139. Third, during the relevant time period, Defendants required Plaintiff and class
23 members to report to work in clean and presentable uniforms, including a t-shirt bearing the
24 IHOP company logo. Defendants’ “Personal Appearance Policy” requires that “all clothing
25 must be properly laundered and pressed. Employees provided with Restaurant uniforms
26 should keep them in neat and clean condition as identified below. . . . Shirts should be clean
27 and wrinkle free each day. . . . Pants should be clean and wrinkle-free each day.” However,
28 Defendants did not provide their employees with sufficient uniform items to wear in relation

1 to the tasks they were required to perform and the number of shifts they worked throughout
2 the week. For example, Defendants only provided Plaintiff and class members with one (1)
3 uniform t-shirt at the time of hire. Because Defendants failed to provide Plaintiff and class
4 members with an adequate number of uniform items, Plaintiff and class members were forced
5 to wash their uniforms more frequently than they otherwise do laundry, and incur expenses in
6 doing so. For example, due to the nature of restaurant work, Plaintiff's uniform items would
7 become stained with grease, sweaty, soiled, and/or acquire an unpleasant odor such that she
8 was unable to mix these clothes in with other laundry. As a result, she had to wash her
9 uniform items separately from her regular clothing, thus incurring additional laundry expenses
10 for the upkeep of her uniforms. Thus, Defendants failed to maintain uniforms they required
11 Plaintiff and class members to wear during their shifts and forced them to incur the cost of
12 maintaining employee uniforms.

13 140. Moreover, during the relevant time period, Plaintiff and class members were
14 required to pay out-of-pocket for some of their uniform items, such as seasonally themed
15 uniform t-shirts. For example, Plaintiff was pressured by Defendants' management to
16 purchase and wear two (2) seasonally themed uniform shirts, which cost between \$10 and \$15
17 each, but was not reimbursed for these out-of-pocket expenses.

18 141. Defendants could have provided Plaintiff and class members with the actual
19 equipment for use on the job, such as company vehicles, supplies, and equipment, as well as
20 an adequate number of uniform items or access to laundering services. Or, Defendants could
21 have reimbursed employees for the costs of their mileage, supply and equipment expenses,
22 additional uniforms, and laundering expenses or provided a uniform maintenance allowance.
23 Instead, Defendants passed these operating costs onto Plaintiff and class members. At all
24 relevant times, Plaintiff did not earn at least two (2) times the minimum wage.

25 142. Defendants' company-wide policy and/or practice of not reimbursing
26 employees for expenses necessarily incurred and passing on their operating costs to Plaintiff
27 and class members violates California Labor Code section 2802. Defendants have
28 intentionally and willfully failed to reimburse Plaintiff and class members for necessary

business-related expenses and costs.

143. Pursuant to California Labor Code section 2802, Plaintiff and class members are entitled to recover from Defendants their business-related expenses incurred during the course and scope of their employment, plus interest, costs, and attorneys' fees.

TENTH CAUSE OF ACTION

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

(Against all Defendants)

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

145. California Labor Code §§ 2698, *et seq.* ("PAGA") permits Plaintiff to recover civil penalties for the violation(s) of the Labor Code sections enumerated in Labor Code section 2699.5. Section 2699.5 enumerates Labor Code sections 201, 202, 204, 450, 1174(d), and 1198. Labor Code section 2699.3(c) permits aggrieved employees, including Plaintiff, to recover civil penalties for violations of those Labor Code sections not found in section 2699.5, including sections 226(a), 226.7, 510, 512(a), 516, 1182.12, 1194, 1197, 1197.1, 2802, and 2810.5.

146. Defendants' conduct, as alleged herein, violates numerous sections of the California Labor Code, including, but not limited to, the following:

- (a) Violation of Labor Code sections 510 and 1198, and the applicable IWC Wage Order for Defendants' failure to compensate Plaintiff and other aggrieved employees with all required overtime pay, as alleged herein;
- (b) Violation of Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198, and the applicable IWC Wage Order for Defendants' failure to compensate Plaintiff and other aggrieved employees with at least minimum wages for all hours worked, as alleged herein;
- (c) Violation of Labor Code sections 226.7, 512(a), 516, and 1198, and the applicable IWC Wage Order for Defendants' failure to provide Plaintiff and other aggrieved employees with meal periods, as alleged herein;

- (d) Violation of Labor Code sections 226.7, 516, and 1198, and the applicable IWC Wage Order for Defendants' failure to authorize and permit Plaintiff and other aggrieved employees to take rest periods, as alleged herein;
- (e) Violation of Labor Code sections 226(a) and 1198, and the applicable IWC Wage Order for failure to provide accurate and complete wage statements to Plaintiff and other aggrieved employees, as alleged herein;
- (f) Violation of Labor Code sections 1174(d) and 1198, and the applicable IWC Wage Order for failure to maintain payroll records, as alleged herein;
- (g) Violation of Labor Code sections 201 and 202 for failure to pay all earned wages upon termination, as alleged herein;
- (h) Violation of Labor Code section 204 for failure to pay all earned wages during employment, as alleged herein;
- (i) Violation of Labor Code section 450 for compelling Plaintiff and other aggrieved employees to patronize Defendants' or any other person's business in the purchase of anything of value, as set forth below;
- (j) Violation of Labor Code sections 1198 and the applicable IWC Wage Order for failure to pay when Plaintiff and other aggrieved employees were put to work for less than half of their usual or scheduled shifts, as alleged herein;
- (k) Violation of Labor Code section 2802 for failure to reimburse Plaintiff and other aggrieved employees for all business expenses necessarily incurred, as alleged herein; and
- (l) Violation of Labor Code section 2810.5(a)(1)(A)-(C), for failure to provide notice of material terms of employment, as set forth below.

147. At all relevant times herein, California Labor Code section 450 provides that an employer may not "compel or coerce any employee, or applicant for employment, to patronize

1 his or her employer, or any other person, in the purchase of anything of value.” An employer
2 violates section 450 by forcing an employee to patronize the employer’s business in the
3 purchase of a company-provided good.

4 148. During the relevant time period, as stated, Defendants had a company-wide
5 policy and/or practice of pressuring Plaintiff and class members to purchase seasonally-
6 themed uniform shirts. Plaintiff purchased two (2) such shirts from Defendants for \$10 to \$15
7 dollars each.

8 149. Defendants’ conduct of compelling and/or coercing Plaintiff and other
9 aggrieved employees to purchase goods from them violates California Labor Code section
10 450. Plaintiff and other aggrieved employees are therefore entitled to recover civil penalties
11 pursuant to Labor Code sections 2699(a), (f), and (k).

12 150. At all relevant times herein, California’s Wage Theft Prevention Act was
13 enacted to ensure that employers provide employees with basic information material to their
14 employment relationship at the time of hiring, and to ensure that employees are given written
15 and timely notice of any changes to basic information material to their employment. Codified
16 at California Labor Code section 2810.5, the Wage Theft Prevention Act provides that at the
17 time of hiring, an employer must provide written notice to employees containing basic and
18 material payroll information, including, among other things, the rate(s) of pay and basis
19 thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise,
20 including any rates for overtime, the regular payday designated by the employer, and any
21 allowances claims as part of the minimum wage, including meal or lodging allowances. Labor
22 Code § 2810.5(a)(1)(A)-(C).

23 151. During the relevant time period, Defendants failed to provide written notice to
24 Plaintiff and other aggrieved employees that lists all of the requisite information set forth in
25 Labor Code section 2810.5(a)(1)(A)-(C). Specifically, Defendants failed to provide Plaintiff
26 and other aggrieved employees with the hourly rate(s) of pay, including the overtime rate(s) of
27 pay, in violation of section 2810.5(a)(1)(A). Instead, the wage theft form that Defendants
28 provided to Plaintiff is blank where the aforementioned wage information should be filled in.

Defendants’ failure to provide Plaintiff and other aggrieved employees with written notice of basic information regarding their employment with Defendants is in violation of California Labor Code section 2810.5.

152. Defendants’ failure to provide Plaintiff and other aggrieved employees with written notice of basic information regarding their employment with Defendants is in violation of California Labor Code section 2810.5. Plaintiff and other aggrieved employees are therefore entitled to recover civil penalties pursuant to Labor Code sections 2699(a), (f), and (k).

ELEVENTH CAUSE OF ACTION

Violation of California Business & Professions Code §§ 17200, *et seq.* –

Unlawful Business Practices

(Against all Defendants)

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

154. Defendants are “persons” as defined by California Business & Professions Code section 17201, as they are corporations, firms, partnerships, joint stock companies, and/or associations.

155. Defendants’ conduct, as alleged herein, has been, and continues to be, unfair, unlawful and harmful to Plaintiff, class members, and to the general public. Plaintiff has suffered injury in fact and has lost money as a result of Defendants’ unlawful business practices. Plaintiff seeks to enforce important rights affecting the public interest within the meaning of Code of Civil Procedure section 1021.5.

156. Defendants’ activities, as alleged herein, are violations of California law, and constitute unlawful business acts and practices in violation of California Business & Professions Code sections 17200, *et seq.*

157. A violation of California Business & Professions Code sections 17200, *et seq.* may be predicated on the violation of any state or federal law. In the instant case, Defendants’ policies and practices have violated state law in at least the following respects:

- 1 (a) Requiring non-exempt, hourly paid employees, including Plaintiff and
2 class members, to work overtime without paying them proper
3 compensation in violation of California Labor Code sections 510 and
4 1198, and the applicable IWC Wage Order, as alleged herein;
- 5 (b) Failing to pay at least minimum wage to Plaintiff and class members in
6 violation of California Labor Code sections 1182.12, 1194, 1197,
7 1197.1, and 1198, and the applicable IWC Wage Order, as alleged
8 herein;
- 9 (c) Failing to provide all meal periods to Plaintiff and class members in
10 violation of California Labor Code sections 226.7, 512(a), 516, and
11 1198, and the applicable IWC Wage Order, as alleged herein;
- 12 (d) Failing to authorize and permit Plaintiff and class members to take all
13 rest periods in violation of California Labor Code sections 226.7, 516,
14 and 1198, and the applicable IWC Wage Order, as alleged herein;
- 15 (e) Failing to provide Plaintiff and class members with accurate wage
16 statements and failing to maintain accurate payroll records in violation
17 of California Labor Code sections 226(a), 1174(d), and 1198, and the
18 applicable IWC Wage Order, as alleged herein;
- 19 (f) Failing timely to pay all earned wages to Plaintiff and class members in
20 violation of California Labor Code section 204, as alleged herein;
- 21 (g) Compelling and/or coercing Plaintiff and class members to patronize
22 Defendants' business in violation of California Labor Code section 450,
23 as set forth below;
- 24 (h) Failing to pay reporting time pay in violation of California Labor Code
25 section 1198 and the applicable IWC Wage Order, as alleged herein;
- 26 (i) Failing to reimburse Plaintiff and class members for all business
27 expenses necessarily incurred in violation of California Labor Code
28 section 2802, as alleged herein; and

(j) Failing to provide written notice of information material to Plaintiff's and class members' employment with Defendants in violation of California Labor Code section 2810.5(a)(1)(A)-(C), as set forth below.

158. At all relevant times herein, California Labor Code section 450 provides that an employer may not "compel or coerce any employee, or applicant for employment, to patronize his or her employer, or any other person, in the purchase of anything of value." An employer violates section 450 by forcing an employee to patronize the employer's business in the purchase of a company-provided good.

159. As stated, Defendants had a company-wide policy and/or practice of pressuring Plaintiff and class members to purchase seasonally-themed uniform shirts. Plaintiff purchased two (2) such shirts from Defendants for \$10 to \$15 dollars each.

160. Defendants' conduct of compelling and/or coercing Plaintiff and class members to purchase goods from them violates California Labor Code section 450.

161. At all relevant times herein, 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 containing basic and material payroll information, including, among other things, 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. Labor Code § 2810.5(a)(1)(A)-(C).

162. During the relevant time period, Defendants failed to provide written notice to Plaintiff and class members that lists all of the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C). Specifically, Defendants failed to provide Plaintiff and class members with the hourly rate(s) of pay, including the overtime rate(s) of pay, in violation of

1 section 2810.5(a)(1)(A). Instead, the wage theft form that Defendants provided to Plaintiff is
2 blank where the aforementioned wage information should be filled in. Defendants' failure to
3 provide Plaintiff and class members with written notice of basic information regarding their
4 employment with Defendants is in violation of California Labor Code section 2810.5.

5 163. As a result of the violations of California law herein described, Defendants
6 unlawfully gained an unfair advantage over other businesses. Plaintiff and class members
7 have suffered pecuniary loss by Defendants' unlawful business acts and practices alleged
8 herein.

9 164. Pursuant to California Business & Professions Code sections 17200, *et seq.*,
10 Plaintiff and class members are entitled to restitution of the wages withheld and retained by
11 Defendants during a period that commences four years prior to the filing of the initial
12 complaint; a permanent injunction requiring Defendants to pay all outstanding wages due to
13 Plaintiff and class members; and an award of attorneys' fees pursuant to California Code of
14 Civil Procedure section 1021.5 and other applicable laws; and an award of costs.

15 **TWELFTH CAUSE OF ACTION**

16 **Violation of California Business & Professions Code §§ 17200, *et seq.* –**

17 **Unfair Business Practices**

18 **(Against all Defendants)**

19 165. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
20 and every allegation set forth above.

21 166. Defendants are "persons" as defined by California Business & Professions
22 Code section 17201, as they are corporations, firms, partnerships, joint stock companies,
23 and/or associations.

24 167. Defendants' conduct, as alleged herein, has been, and continues to be, unfair,
25 and harmful to Plaintiff, class members, and to the general public. Plaintiff has suffered
26 injury in fact and has lost money as a result of Defendants' unfair business practices. Plaintiff
27 seeks to enforce important rights affecting the public interest within the meaning of Code of
28 Civil Procedure section 1021.5.

168. Defendants’ activities, namely Defendants’ company-wide practice and/or policy of not paying Plaintiff and class members all meal and rest period premiums due to them under Labor Code section 226.7, deprived Plaintiff and class members of the compensation guarantee and enhanced enforcement implemented by section 226.7. The statutory remedy provided by section 226.7 is a “‘dual-purpose’ remedy intended primarily to compensate employees, and secondarily to shape employer conduct.” *Safeway, Inc. v. Superior Court*, 238 Cal. App. 4th 1138, 1149 (2015). The statutory benefits of section 226.7 were guaranteed to Plaintiff and class members as part of their employment with Defendants, and thus Defendants’ practice and/or policy of denying these statutory benefits constitutes an unfair business practice in violation of California Business & Professions Code sections 17200, *et seq.* (*Id.*)

169. A violation of California Business & Professions Code sections 17200, *et seq.* may be predicated on any unfair business practice. In the instant case, Defendants’ policies and practices have violated the spirit of California’s meal and rest period laws and constitute acts against the public policy behind these laws.

170. Pursuant to California Business & Professions Code sections 17200, *et seq.*, Plaintiff and class members are entitled to restitution for the class-wide loss of the statutory benefits implemented by section 226.7 withheld and retained by Defendants during a period that commences four years prior to the filing of the initial complaint; a permanent injunction requiring Defendants to pay all statutory benefits implemented by section 226.7 due to Plaintiff and class members; an award of attorneys’ fees pursuant to California Code of Civil Procedure section 1021.5 and other applicable laws; and an award of costs.

REQUEST FOR JURY TRIAL

Plaintiff requests a trial by jury.

PRAYER FOR RELIEF

Plaintiff, on behalf of all others similarly situated, prays for relief and judgment against Defendants, jointly and severally, as follows:

1. For damages, unpaid wages, penalties, injunctive relief, and attorneys’ fees in

1 excess of twenty-five thousand dollars (\$25,000), exclusive of interest and costs. Plaintiff
2 reserves the right to amend her prayer for relief to seek a different amount.

3 **Class Certification**

4 2. That this case be certified as a class action;

5 3. That Plaintiff be appointed as the representative of the Class and Subclass;

6 4. That counsel for Plaintiff be appointed as class counsel.

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

8 5. That the Court declare, adjudge, and decree that Defendants violated California
9 Labor Code sections 510 and 1198, and the applicable IWC Wage Order by willfully failing to
10 pay all overtime wages due to Plaintiff and class members;

11 6. For general unpaid wages at overtime wage rates and such general and special
12 damages as may be appropriate;

13 7. For pre-judgment interest on any unpaid overtime compensation commencing
14 from the date such amounts were due, or as otherwise provided by law;

15 8. For reasonable attorneys' fees and for costs of suit incurred herein pursuant to
16 California Labor Code section 1194(a); and

17 9. For such other and further relief as the Court may deem equitable and
18 appropriate.

19 **As to the Second Cause of Action**

20 10. That the Court declare, adjudge and decree that Defendants violated California
21 Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198, and the applicable IWC Wage
22 Order by willfully failing to pay minimum wages to Plaintiff and class members;

23 11. For general unpaid wages and such general and special damages as may be
24 appropriate;

25 12. For pre-judgment interest on any unpaid compensation from the date such
26 amounts were due, or as otherwise provided by law;

27 13. For reasonable attorneys' fees and for costs of suit incurred herein pursuant to
28 California Labor Code section 1194(a);

1 14. For liquidated damages pursuant to California Labor Code section 1194.2; and
2 15. For such other and further relief as the Court may deem equitable and
3 appropriate.

4 **As to the Third Cause of Action**

5 16. That the Court declare, adjudge, and decree that Defendants violated California
6 Labor Code sections 226.7, 512(a), 516, and 1198, and the applicable IWC Wage Order by
7 willfully failing to provide all meal periods to Plaintiff and class members;

8 17. That the Court make an award to the Plaintiff and class members of one (1)
9 hour of pay at each employee's regular rate of pay for each workday that a meal period was
10 not provided;

11 18. For all actual, consequential, and incidental losses and damages, according to
12 proof;

13 19. For premiums pursuant to California Labor Code section 226.7(c);

14 20. For pre-judgment interest on any unpaid meal period premiums from the date
15 such amounts were due, or as otherwise provided by law;

16 21. For attorneys' fees pursuant to California Code of Civil Procedure section
17 1021.5, or as otherwise provided by law; and

18 22. For such other and further relief as the Court may deem equitable and
19 appropriate.

20 **As to the Fourth Cause of Action**

21 23. That the Court declare, adjudge and decree that Defendants violated California
22 Labor Code sections 226.7, 516, and 1198, and the applicable IWC Wage Order by willfully
23 failing to authorize and permit Plaintiff and class members to take all rest periods;

24 24. That the Court make an award to the Plaintiff and class members of one (1) hour
25 of pay at each employee's regular rate of pay for each workday that a rest period was not
26 authorized and permitted;

27 25. For all actual, consequential, and incidental losses and damages, according to
28 proof;

- 1 26. For premiums pursuant to California Labor Code section 226.7(c);
- 2 27. For pre-judgment interest on any unpaid rest period premiums from the date
- 3 such amounts were due, or as otherwise provided by law;
- 4 28. For attorneys' fees pursuant to California Code of Civil Procedure section
- 5 1021.5, or as otherwise provided by law; and
- 6 29. For such other and further relief as the Court may deem equitable and
- 7 appropriate.

8 **As to the Fifth Cause of Action**

- 9 30. That the Court declare, adjudge and decree that Defendants violated the
- 10 recordkeeping provisions of California Labor Code section 226(a) and the applicable IWC
- 11 Wage Order as to Plaintiff and Subclass members, and willfully failed to provide accurate
- 12 itemized wage statements thereto;
- 13 31. For all actual, consequential, and incidental losses and damages, according to
- 14 proof;
- 15 32. For injunctive relief pursuant to California Labor Code section 226(h);
- 16 33. For statutory penalties pursuant to California Labor Code section 226(e);
- 17 34. For attorneys' fees and costs pursuant to California Labor Code section
- 18 226(e)(1); and
- 19 35. For such other and further relief as the Court may deem equitable and
- 20 appropriate.

21 **As to the Sixth Cause of Action**

- 22 36. That the Court declare, adjudge and decree that Defendants violated California
- 23 Labor Code sections 201 and 202 by willfully failing to pay overtime wages, minimum wages,
- 24 meal and rest period premiums, and/or reporting time pay owed at the time of termination of
- 25 the employment of Plaintiff and other terminated class members;
- 26 37. For all actual, consequential and incidental losses and damages, according to
- 27 proof;
- 28 38. For waiting time penalties according to proof pursuant to California Labor

Code section 203 for all employees who have left Defendants' employ;

39. For pre-judgment interest on any unpaid wages from the date such amounts were due, or as otherwise provided by law;

40. For attorneys' fees pursuant to California Code of Civil Procedure section 1021.5, or as otherwise provided by law; and

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

As to the Seventh Cause of Action

42. That the Court declare, adjudge and decree that Defendants violated California Labor Code section 204 by willfully failing to timely pay Plaintiff and class members overtime wages, minimum wages, meal and rest period premiums, and/or reporting time pay during their employment;

43. For all actual, consequential and incidental losses and damages, according to proof;

44. For statutory penalties according to proof pursuant to California Labor Code section 210;

45. For pre-judgment interest on any unpaid wages from the date such amounts were due, or as otherwise provided by law;

46. For attorneys' fees pursuant to California Code of Civil Procedure section 1021.5, or as otherwise provided by law; and

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

As to the Eighth Cause of Action

48. That the Court declare, adjudge and decree that Defendants violated California Labor Code section 1198 and California Code of Regulations, Title 8, section 11050(5)(A) by failing to provide Plaintiff and class members with reporting time pay;

49. For all actual, consequential and incidental losses and damages, according to proof;

1 50. For pre-judgment interest on any unpaid wages from the date such amounts
2 were due, or as otherwise provided by law; and

3 51. For such other and further relief as the Court may deem equitable and
4 appropriate.

5 **As to the Ninth Cause of Action**

6 52. That the Court declare, adjudge and decree that Defendants violated California
7 Labor Code section 2802 by willfully failing to reimburse and/or indemnify all business-
8 related expenses and costs incurred by Plaintiff and class members;

9 53. For unpaid business-related expenses and such general and special damages as
10 may be appropriate;

11 54. For pre-judgment interest on any unpaid business-related expenses from the
12 date such amounts were due pursuant to California Labor Code section 2802(b), or as
13 otherwise provided by law;

14 55. For all actual, consequential, and incidental losses and damages, according to
15 proof;

16 56. For attorneys' fees and costs pursuant to California Labor Code section
17 2802(c), or as otherwise provided by law; and

18 57. For such other and further relief as the Court may deem equitable and
19 appropriate.

20 **As to the Tenth Cause of Action**

21 58. That the Court declare, adjudge and decree that Defendants violated the
22 following California Labor Code provisions as to Plaintiff and other aggrieved employees:
23 510 and 1198 (by failing to pay all overtime compensation); 1182.12, 1194, 1197, 1197.1, and
24 1198 (by failing to pay at least minimum wages for all hours worked); 226.7, 512(a), 516, and
25 1198 (by failing to provide all meal periods); 226.7, 516, and 1198 (by failing to authorize and
26 permit all rest periods); 226(a), 1174(d), and 1198 (by failing to provide accurate wage
27 statements and maintain accurate payroll records); 201 and 202 (by failing to timely pay all
28 earned wages upon termination); 204 (by failing to timely pay all earned wages during

employment); 450 (by compelling and/or coercing employees to patronize employer's business); 1198 and the applicable IWC Wage Order (by failing to provide reporting time pay); 2802 (by failing to reimburse business expenses); and 2810.5 (by failing to provide notice of material terms of employment);

59. For civil penalties pursuant to the California Labor Code, including sections 210, 226.3, 256, 558, 1174.5, 1197.1, 2699(a), (f), and (k), for violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 512(a), 450, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5;

60. For injunctive relief pursuant to California Labor Code sections 1194.5 and/or 2699(k) to bring Defendants into compliance with the requirements of California Labor Code sections 201, 202, 204, 226(a), 226.7, 450, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5;

61. For attorneys' fees and costs pursuant to California Labor Code section 2699(k)(1), and any and all other relevant statutes, for Defendants' violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 450, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5;

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

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

As to the Eleventh Cause of Action

64. That the Court declare, adjudge and decree that Defendants' conduct of failing to provide Plaintiff and class members all overtime wages due to them; failing to provide Plaintiff and class members all minimum wages due to them; failing to provide Plaintiff and class members all meal periods; failing to authorize and permit Plaintiff and class members to take all rest periods; failing to provide Plaintiff and class members accurate and complete wage statements, failing to maintain accurate payroll records for Plaintiff and class members, failing to timely pay Plaintiff and class members all earned wages during employment; compelling and/or coercing Plaintiff and class members to patronize Defendants' business;

1 failing to pay Plaintiff and class members reporting time pay; failing to reimburse Plaintiff
2 and class members for business-related expenses; and failing to provide written notice of
3 material terms of employment, constitutes an unlawful business practice in violation of
4 California Business and Professions Code sections 17200, *et seq.*;

5 65. For restitution of unpaid wages to Plaintiff and all class members and
6 prejudgment interest from the day such amounts were due and payable;

7 66. For the appointment of a receiver to receive, manage and distribute any and all
8 funds disgorged from Defendants and determined to have been wrongfully acquired by
9 Defendants as a result of violations of California Business & Professions Code sections
10 17200, *et seq.*;

11 67. For reasonable attorneys' fees and costs of suit incurred herein pursuant to
12 California Code of Civil Procedure section 1021.5; and

13 68. For such other and further relief as the Court may deem equitable and
14 appropriate.

15 **As to the Twelfth Cause of Action**

16 69. That the Court declare, adjudge and decree that Defendants' conduct of denying
17 Plaintiff and class members the statutory benefits guaranteed under section 226.7 constitutes
18 an unfair business practice in violation of California Business and Professions Code sections
19 17200, *et seq.*;

20 70. For restitution of the statutory benefits under section 226.7 unfairly withheld
21 from Plaintiff and class members and prejudgment interest from the day such amounts were
22 due and payable;

23 71. For the appointment of a receiver to receive, manage and distribute any and all
24 funds disgorged from Defendants and determined to have been wrongfully acquired by
25 Defendants as a result of violations of California Business & Professions Code sections
26 17200, *et seq.*;

27 72. For reasonable attorneys' fees and costs of suit incurred herein pursuant to
28 California Code of Civil Procedure section 1021.5;

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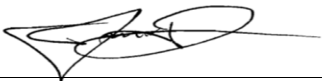
73. For pre-judgment and post-judgment interest as provided by law; and

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

Dated: June 2, 2025

Respectfully submitted,

Capstone Law APC

By: 

Robert Drexler
Jonathon Lee
Robert Myong

Attorneys for Plaintiff Stephania Padilla

EXHIBIT “1”



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March 26, 2025

VIA ONLINE SUBMISSION

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

Subject: *Stephania Padilla v. Magnolia Avenue, Inc., et al.*

Dear PAGA Administrator:

This office represents Stephanian Padilla in connection with her claims under the California Labor Code. Ms. Padilla was an employee of MAGNOLIA AVENUE, INC.; BALDWIN PARK PANCAKES, INC.; EIGHT TWENTY-THREE, INC.; GRANADA HILLS PANCAKES, INC. 'K & J MANAGEMENT, INC.'; NINE FIFTY COMPANY, INC.; ONE JEFFERSON PANCAKES, INC.; SAN JOSE PANCAKES, INC.; SEVEN FIFTY-FOUR, INC.; SIX FOURTEEN, INC., A CALIFORNIA CORPORATION; and/or UNION CITY PANCAKES, INC. For the purpose of this letter, Ms. Padilla collectively refers to these entities as "K & J."

The employers may be contacted directly at the addresses below:

MAGNOLIA AVENUE, INC.
9567 MELVIN AVENUE
NORTHRIDGE, CA 91324

BALDWIN PARK PANCAKES, INC
9567 MELVIN AVE
NORTHRIDGE, CA 91324

EIGHT TWENTY-THREE, INC.
9567 MELVIN AVENUE
NORTHRIDGE, CA 91324

GRANADA HILLS PANCAKES, INC.
9567 MELVIN AVENUE
NORTHRIDGE, CA 91324

'K & J MANAGEMENT, INC.'
9567 MELVIN AVENUE
NORTHRIDGE, CA 91324

NINE FIFTY COMPANY, INC.
9567 MELVIN AVENUE
NORTHRIDGE, CA 91324

ONE JEFFERSON PANCAKES, INC.
9567 MELVIN AVENUE
NORTHRIDGE, CA 91324

SAN JOSE PANCAKES, INC.
9567 MELVIN AVENUE
NORTHRIDGE, CA 91324

SEVEN FIFTY-FOUR, INC.
9567 MELVIN AVENUE
NORTHRIDGE, CA 91324

SIX FOURTEEN, INC., A CALIFORNIA
CORPORATION
9567 MELVIN AVE
NORTHRIDGE, CA 91324

UNION CITY PANCAKES, INC.
9567 MELVIN AVENUE
NORTHRIDGE, CA 91324

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

K & J employed Ms. Padilla as an hourly paid, non-exempt employee from approximately February 2022 to October 2024. Ms. Padilla worked for K & J as a Server at K & J's IHOP restaurant located at 10301 Magnolia Avenue in Riverside, California. During her employment, Ms. Padilla typically worked six (6) to eight (8) or more hours per day and two (2) to five (5) days per week. At the time her employment ended, Ms. Padilla was compensated approximately \$16.00 per hour. Her primary job duties included, without limitation, taking food orders, delivering food and beverages to customers, maintaining table cleanliness, and processing customer payments.

K & J has committed each of the following Labor Code violations against Ms. Padilla, the facts and theories of which follow, making her an "aggrieved employee" pursuant to California Labor Code section 2699(c)(1):¹

K & J's Company-Wide and Uniform Payroll and HR Practices

MAGNOLIA AVENUE, INC.; BALDWIN PARK PANCAKES, INC.; EIGHT TWENTY-THREE, INC.; GRANADA HILLS PANCAKES, INC. 'K & J MANAGEMENT, INC.'; NINE FIFTY COMPANY, INC.; ONE JEFFERSON PANCAKES, INC.; SAN JOSE PANCAKES, INC.; SEVEN FIFTY-FOUR, INC.; SIX FOURTEEN, INC., A CALIFORNIA CORPORATION; and UNION CITY PANCAKES, INC. are California corporations that, together, own and operate approximately 10 IHOP franchise restaurant locations in California. Upon information and belief, K & J maintains a single, centralized Human Resources (HR) department at its corporate headquarters in Northridge, California, for all non-exempt, hourly paid employees working for K & J in California, including Ms. Padilla and other aggrieved employees. At all relevant times, K & J issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Ms. Padilla and other aggrieved employees, regardless of their location or position.

Upon information and belief, K & J maintains a centralized Payroll department at its corporate headquarters in Northridge, California, which processes payroll for all non-exempt, hourly paid employees working for K & J in California, including Ms. Padilla and other aggrieved employees. Further, K & J issues the same formatted wage statements in the same manner for all non-exempt, hourly paid employees working in California, including Ms. Padilla and other aggrieved employees, irrespective of their location, position, or manner in which each employee's employment ended. In other words,

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

K & J utilized the same methods and formulas when calculating wages due to Ms. Padilla 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.

K & J willfully failed to pay all overtime wages owed to Ms. Padilla and other aggrieved employees. During the relevant time period, Ms. Padilla 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, K & J had, and continues to have, a company-wide policy and/or practice of discouraging and impeding Ms. Padilla 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. K & J’s “Overtime Approval” policy states, “[a]ll employees . . . must receive approval from the appropriate supervisor prior to performing overtime work, or they may be subject to disciplinary action, up to and including immediate termination.” Further, K & J’s “Work Schedule” policy states, in part, “[d]o not begin work and do not clock in more than five (5) minutes before your normally scheduled shift. Likewise, stop work and clock out no more than five (5) minutes after the end of your scheduled shift. . . . Employees are not allowed to begin work early or stay late without manager approval.” Thus, K & J’s timekeeping policies and/or practices led Ms. Padilla and other aggrieved employees to work off-the-clock outside of their scheduled shift times.

For example, K & J’s management pressured Ms. Padilla and other aggrieved employees to record their scheduled shift start-times and shift end-times instead of their actual hours worked to limit the overtime hours employees were eligible to be compensated for. Specifically, K & J’s management required Ms. Padilla to clock out at her regular shift end-time and continue performing work, such as cashing out the register, which could take 5-10 minutes to complete. As another example, Ms. Padilla and the other aggrieved employees were required to complete and submit weekly administrative reports detailing their cash counts after their shifts concluded. This process was frequently interrupted by Ms. Padilla’s supervisor asking questions and by customer phone calls and walk-ins, forcing her to spend additional time working off-the-clock.

In addition, K & J had, and continues to have, a company-wide policy and/or practice of requiring Ms. Padilla and other aggrieved employees to complete mandatory training modules, but did not permit Ms. Padilla and other aggrieved employees to complete the training during their shifts. For example, K & J’s management required Ms. Padilla to complete several training modules on her days off and at home, which took approximately 45 minutes to complete. Thus, K & J failed to track all the time Ms. Padilla and other aggrieved employees spent performing work-related tasks outside of their scheduled shifts, and Ms. Padilla and other aggrieved employees received no compensation for this time.

Second, during the relevant time period, K & J's timekeeping system was integrated with the company's point-of-sale ("POS") system and only three (3) monitors were available for clocking in and out. Ms. Padilla and other aggrieved employees would sometimes have to wait to clock in for the start of their shifts because other employees were using the POS system to handle customer transactions. For instance, Ms. Padilla was sometimes required to wait several minutes off-the-clock and under K & J's control until a POS monitor was available for clocking-in. Thus, Ms. Padilla and other aggrieved employees performed work that was not recorded, time for which they were not paid.

Third, upon information and belief, K & J had, and continues to have, a company-wide policy and/or practice of strictly staffing its locations based on the labor hours allocated by each location's labor or payroll budget set by the corporate office. K & J's uniform use of labor budgeting and understaffing resulted in a failure to provide Ms. Padilla and other aggrieved employees with adequate meal period coverage, because there were too few employees on duty to handle the workload and attend to customers. Because K & J did not employ or staff a sufficient number of employees to meet customer demand, there was no one available to relieve employees needing meal period coverage, and Ms. Padilla and other aggrieved employees were not always afforded uninterrupted 30-minute meal periods during shifts when they were entitled to receive a meal period. Moreover, K & J had a practice of failing to schedule meal periods, which further caused Ms. Padilla and other aggrieved employees to not be relieved of their duties for compliant meal periods. For example, Ms. Padilla's meal periods were interrupted 2-4 times a month because her manager or coworkers asked her questions about her tables or requested that she return to work to keep up with customer demand.

Fourth, during the relevant time period, K & J's company-wide timekeeping system prevented Ms. Padilla and other aggrieved employees from recording all hours worked when their meal periods were shortened or interrupted, because the system locked out Ms. Padilla 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, K & J did not record all hours worked during meal periods, and Ms. Padilla and other aggrieved employees performed work during meal periods for which they were not paid.

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

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

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

California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 require employers to pay employees the minimum wage fixed by the IWC. The payment of a lesser wage than the minimum so fixed is unlawful. Compensable work time is defined in IWC Wage Order No. 5-2001 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, § 11050(2)(M) (defining “Hours Worked”).

First, as stated, as a result of K & J’s policies and/or practices of limiting the amount of overtime employees could accrue, K & J required Ms. Padilla and other aggrieved employees to perform work outside of their scheduled shift start- and end-times and on days off, including completing cash counts, finalizing and submitting administrative reports, and completing training modules. Moreover, as stated, because K & J’s timekeeping system was integrated with the company’s POS system, Ms. Padilla and other aggrieved employees sometimes had to wait to clock in for the start of their shifts when other employees were using the POS system to handle customer transactions. K & J failed to track this time that Ms. Padilla and other aggrieved employees spent working off-the-clock, and thus, Ms. Padilla and other aggrieved employees received no compensation for this time.

Second, as stated, due to K & J’s company-wide policies and/or practices of utilizing labor budgets and/or limited payroll allocation, understaffing, assigning heavy workloads, and failing to schedule meal periods, Ms. Padilla and other aggrieved employees were impeded from taking all uninterrupted meal periods to which they were entitled and were required to work off-the-clock during meal periods, time for which they were not paid. Moreover, as stated, K & J’s company-wide timekeeping system prevented Ms. Padilla and other aggrieved employees from entering time worked during meal periods because the system locked out Ms. Padilla and other aggrieved employees for a full 30 minutes. Thus, K & J systematically failed to pay Ms. Padilla and other aggrieved employees for actual hours worked during unpaid meal periods because these hours were not always correctly recorded.

K & J did not pay at least minimum wages for all hours worked by Ms. Padilla and other aggrieved employees. Also, to the extent that these off-the-clock hours did not qualify for overtime premium payment, K & J 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, K & J regularly failed to pay at least minimum wages to Ms. Padilla and other aggrieved employees for all of the hours they worked in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Ms. Padilla and other aggrieved employees are entitled to recover civil penalties, attorneys’ fees, costs, and interest thereon, and seek injunctive relief to bring K & J into compliance with the applicable IWC Wage Order and Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f), and (k).

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

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

be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

First, as stated, during the relevant time period, K & J had, and continues to have, a company-wide policy and/or practice of understaffing locations due to labor budgeting and/or limited payroll allocation, which, combined with the assignment of heavy workloads, including pressuring employees to greet and serve customers within two (2) minutes from when they are seated, has resulted in a lack of meal period coverage and prevented Ms. Padilla and other aggrieved employees from taking all timely, uninterrupted meal periods to which they were entitled. Moreover, K & J also failed to schedule meal periods, which further caused Ms. Padilla and other aggrieved employees to not be relieved of their duties for compliant meal periods.

As a result, Ms. Padilla and other aggrieved employees had to work through 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, Ms. Padilla took her meal periods late due to the heavy workload and lack of coverage. Additionally, as stated, Ms. Padilla's meal periods were interrupted 2-4 times a month because she was required to answer questions from coworkers or managers and/or return early to attend to customers and tables. Thus, K & J failed to provide Ms. Padilla and other aggrieved employees with compliant, 30-minute meal periods.

Second, as stated, during the relevant time period, K & J's company-wide timekeeping system prevented Ms. Padilla and other aggrieved employees from recording when their meal periods were shortened or interrupted, because the system locked out Ms. Padilla 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.

Third, Ms. Padilla and other aggrieved employees worked shifts in excess of ten (10) hours without receiving an uninterrupted second 30-minute meal period. For example, during her employment, Ms. Padilla worked shifts in excess of ten (10) or more hours per day, but was not provided a second 30-minute meal period. Ms. Padilla and other aggrieved employees did not sign valid meal period waivers on days that they were entitled to meal periods and were not relieved of all duties.

Moreover, K & J had a company-wide policy of requiring all newly hired employees to sign blanket meal period waivers at or near their time of hire. K & J took the position that non-exempt, hourly paid employees had waived their rights to first and/or second meal periods for the entirety of their employment and, on that basis, did not provide them with all meal periods to which they were entitled. Further, K & J's "Meal Break Waiver Agreement" form requires employees to provide written notice should they wish to revoke the waiver. K & J's presumption that meal periods would not be provided for shifts in excess of five (5) hours but less than six (6) hours and/or for shifts in excess of ten (10) hours but less than twelve (12) hours, due to blanket meal period waivers signed at or near the time of hire, and imposition on employees to revoke the waivers in writing, discouraged and impeded Ms. Padilla and other aggrieved employees from taking all meal periods to which they were entitled.

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

[A]fter the meal break obligation is triggered . . . an employer is put to a choice: it must (1) afford an off-duty meal period; (2) consent to a mutually agreed-upon waiver if one hour or less will end the shift; or (3) obtain written agreement to an

on-duty meal period if circumstances permit. Failure to do one of these will render the employer liable for premium pay.

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

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

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

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

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

California Labor Code sections 226.7, 516, and 1198 and the applicable IWC Wage Order require employers to provide rest periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. California Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC. The applicable IWC Wage Order provides that "[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period" and that the "rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof" unless the total daily work time is less than three and one-half (3 ½) hours.

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

During the relevant time period, K & J regularly failed to authorize and permit Ms. Padilla 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, K & J's company-wide practices of labor budgeting and/or limited payroll allocation, understaffing, and assigning heavy workloads, resulted in a lack of rest period coverage and prevented Ms. Padilla and other aggrieved employees from being relieved of all duty in order to take compliant rest periods. K & J also failed to adhere to a schedule for rest periods, which,

coupled with K & J's failure to provide adequate rest period coverage, further led to Ms. Padilla and other aggrieved employees not being authorized and permitted to take rest periods.

Furthermore, during the relevant time period, on information and belief, K & J maintained a company-wide on-premises rest period policy, which effectively required that Ms. Padilla and/or other aggrieved employees remain on K & J's premises during their rest periods. Because Ms. Padilla 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, K & J effectively maintained control over Ms. Padilla and/or other aggrieved employees during rest periods.

As a result of K & J's practices and policies, Ms. Padilla 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, Ms. Padilla had to forgo her rest periods because the restaurant was busy and she did not have coverage. When Ms. Padilla was able to take her rest periods, they were cut short because she was required to return to work to attend to customers.

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

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

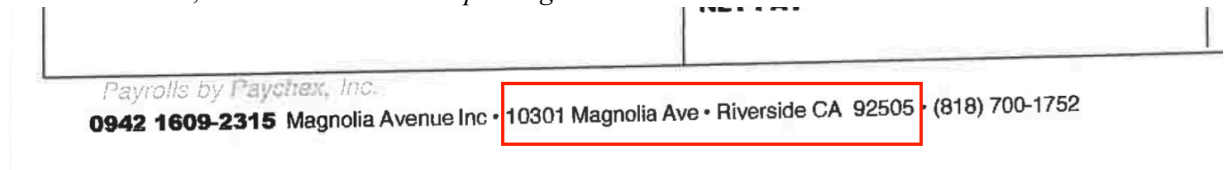
Violation of California Labor Code §§ 226(a), 1174(d), and 1198 – Non-Compliant Wage Statements and Failure to Maintain Accurate Payroll Records

California Labor Code section 226(a) requires employers to make, keep and provide true, accurate, and complete employment records. K & J has not provided Ms. Padilla 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, K & J has knowingly and intentionally provided Ms. Padilla and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, K & J issued uniform wage statements to Ms. Padilla and other aggrieved employees that fail to correctly list: gross wages earned; total hours worked; net wages earned; the address of the legal entity that is the employer; and all applicable hourly rates in effect during the pay period, including rates of pay for overtime wages, and the corresponding number of hours worked at each hourly rate. Specifically, K & J violated sections 226(a)(1), 226(a)(2), 226(a)(5), 226(a)(8), and 226(a)(9).

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

Further, and separate from these violations, K & J issued uniform wage statements to Ms. Padilla and other aggrieved employees that failed to correctly list the address of the legal entity of the actual employer in violation of 226(a)(8). The purpose of section 226(a)(8) is to provide California employees with transparency as to the true identity of their employer, to allow the employee to contact their employer during employment or in the future for various reasons, including filing an administrative claim, judicial claim, or other action to seek relief against their employer, to obtain unemployment benefits, etc. During the relevant time period, K & J systematically, and on a company-wide basis, issued wage statements to Ms. Padilla and other aggrieved employees that fail to list the employing entity's correct address. Ms. Padilla's and other aggrieved employees' wage statements incorrectly list the employer's address as "10301 Magnolia Ave Riverside CA 92505," but, according to the California Secretary of State's website, MAGNOLIA AVENUE, INC.'s address should be "9567 MELVIN AVENUE NORTHRIDGE, CA 91324." *See example wage statement below.*



The wage statement deficiencies also include, among other things, failing to list the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; failing to list all deductions; failing to list the inclusive dates of the period for which aggrieved employees were paid; failing to list the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number; failing to list the 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), K & J willfully failed to maintain accurate payroll records for Ms. Padilla 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, K & J engaged in company-wide practices and/or policies of failing to record actual hours worked, and thereby failed to keep accurate records of work period and meal period start and end times for Ms. Padilla and other aggrieved employees, in violation of section 1198. Furthermore, in light of K & J's failure to provide Ms. Padilla and other aggrieved employees with second 30-minute meal periods to which they were entitled, K & J kept no records of meal start and end times for second meal periods.

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

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

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

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

During the relevant time period, K & J failed to pay Ms. Padilla and other aggrieved employees all wages due to them, including, but not limited to, overtime wages, minimum wages, meal and rest period premiums, and/or reporting time pay, within any time period specified by California Labor Code sections 204.

Ms. Padilla and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring K & J into compliance with Labor Code section 204, pursuant to Labor Code sections 210 and/or 2699(a), (f), and (k).

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

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

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

During the relevant time period, K & J willfully failed to pay Ms. Padilla and other aggrieved employees who are no longer employed by K & J all their earned wages, including, but not limited to, overtime wages, minimum wages, meal and rest period premiums, and/or reporting time pay, either at the time of discharge, or within seventy-two (72) hours of their leaving K & J's employ.

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

Violation of California Labor Code § 450 – Compelling Patronization

Labor Code section 450 provides that an employer may not “compel or coerce any employee, or applicant for employment, to patronize his or her employer, or any other person, in the purchase of anything of value.” An employer violates section 450 by forcing an employee to patronize the employer's business in the purchase of a company-provided good.

During the relevant time period, Ms. Padilla and other aggrieved employees were required to purchase some of their uniform items, such as seasonally themed uniform t-shirts. For example, Ms. Padilla was pressured by K & J's management to purchase and wear two (2) seasonally themed uniform shirts, which cost between \$10 and \$15 each.

K & J's conduct of compelling and/or coercing Ms. Padilla and other aggrieved employees to purchase goods from them is in violation of California Labor Code section 450. Ms. Padilla and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring K & J into compliance with Labor Code section 450, pursuant to Labor Code sections 2699(a), (f), and (k).

Violation of California Labor Code § 1198 and California Code of Regulations Title 8, Section 11050 Subdivision 5(A) – Failure to Pay Reporting Time Pay

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 11050(5)(A) provides that “[e]ach workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay, which shall not be less than the minimum wage.” The “primary purpose of the reporting time regulation” is “to guarantee at least partial compensation for employees who report to work expecting to work a specified number of hours, and who are deprived of that amount because of inadequate scheduling or lack of proper notice by the employer.” *Aleman v. AirTouch Cellular*, 209 Cal. App. 4th 556 (2012).

During the relevant time period, K & J violated California Labor Code section 1198 and California Code of Regulations, Title 8, section 11050(5)(A), because K & J failed to pay Ms. Padilla and other aggrieved

employees reporting time pay when they reported to work for their usual or scheduled shift but were put to work for less than half of their usual or scheduled day's work.

K & J had a company-wide practice of sending Ms. Padilla and other aggrieved employees home early from their shifts, including before they had worked at least half of their usual or scheduled shift, but would not pay Ms. Padilla and other aggrieved employees for half of their usual or scheduled shift. For example, on approximately 2-5 occasions, Ms. Padilla was scheduled to work a 5-hour shift but was sent home two (2) hours after the start of her shift by K & J's managers, because business was slow. Although Ms. Padilla and other aggrieved employees reported to work based on the schedule that was provided to them, K & J would send them home before they worked at least half of their usual or scheduled shifts. When this occurred, K & J did not pay Ms. Padilla and other aggrieved employees for at least half of their scheduled day's work or the minimum reporting time pay.

Accordingly, Ms. Padilla and other aggrieved employees were not properly compensated with reporting time pay in violation of California Labor Code section 1198 and California Code of Regulations, Title 8, section 11050(5)(A). Ms. Padilla and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring K & J into compliance with the applicable IWC Wage Order and Labor Code section 1198, pursuant to Labor Code sections 2699(a), (f), and (k).

Violation of California Labor Code § 2802 – Unreimbursed Business Expenses

California Labor Code section 2802 requires employers to pay for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144 (2014). The applicable wage order, IWC Wage Order No. 5-2001, 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. 5-2001 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, K & J had a company-wide policy of requiring Ms. Padilla and other aggrieved employees to utilize their own personal vehicles for work purposes, but failed to reimburse them for costs of travel, including mileage. For example, Ms. Padilla was required to drive to a nearby grocery store to purchase restaurant ingredients such as butter. Although K & J required Ms. Padilla and other aggrieved employees to utilize their own vehicles to carry out their work-related duties, K & J did not reimburse them for their mileage or travel expenses.

Second, during the relevant time period, K & J required Ms. Padilla 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, Ms. Padilla spent approximately \$10 a month on pens and paper necessary to take customer orders because K & J failed to provide her with the necessary supplies or equipment to complete her work-related tasks. Although K & J required Ms. Padilla and other aggrieved employees to purchase their own supplies and equipment for use on the job, K & J failed to reimburse them for their costs incurred.

Third, during the relevant time period, K & J required Ms. Padilla and other aggrieved employees to report to work in clean and presentable uniforms, including a t-shirt bearing the IHOP company logo.

K & J's "Personal Appearance Policy" requires that "all clothing must be properly laundered and pressed. Employees provided with Restaurant uniforms should keep them in neat and clean condition as identified below. . . . Shirts should be clean and wrinkle free each day. . . . Pants should be clean and wrinkle-free each day." However, K & J did not provide their employees with sufficient uniform items to wear in relation to the tasks they were required to perform and the number of shifts they worked throughout the week. For example, K & J only provided Ms. Padilla and other aggrieved employees with one (1) uniform t-shirt at the time of hire. Because K & J failed to provide Ms. Padilla and other aggrieved employees with an adequate number of uniform items, Ms. Padilla and other aggrieved employees were forced to wash their uniforms more frequently than they otherwise do laundry, and incur expenses in doing so. For example, due to the nature of restaurant work, Ms. Padilla's uniform items would become stained with grease, sweaty, soiled, and/or acquire an unpleasant odor such that she was unable to mix these clothes in with other laundry. As a result, she had to wash her uniform items separately from her regular clothing, thus incurring additional laundry expenses for the upkeep of her uniforms. Thus, K & J failed to maintain uniforms it required Ms. Padilla and other aggrieved employees to wear during their shifts and forced them to incur the cost of maintaining employee uniforms.

Moreover, during the relevant time period, Ms. Padilla and other aggrieved employees were required to pay out-of-pocket for some of their uniform items, such as seasonally themed uniform t-shirts. For example, as stated above, Ms. Padilla was pressured by K & J's management to purchase and wear two (2) seasonally themed uniform shirts, which cost between \$10 and \$15 each, but was not reimbursed for these out-of-pocket expenses.

K & J could have provided Ms. Padilla and other aggrieved employees with the actual equipment for use on the job, such as company vehicles, supplies, and equipment, as well as an adequate number of uniform items or access to laundering services. Or, K & J could have reimbursed employees for the costs of their mileage, supply and equipment expenses, additional uniforms, and laundering expenses or provided a uniform maintenance allowance. Instead, K & J passed these operating costs onto Ms. Padilla and other aggrieved employees. At all relevant times, Ms. Padilla did not earn at least two (2) times the minimum wage.

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

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.

K & J failed to provide Ms. Padilla and other aggrieved employees written notice that lists all the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C). Specifically, K & J failed to provide Ms. Padilla and other aggrieved employees with the hourly rate(s) of pay, including the overtime rate(s) of pay, in violation of section 2810.5(a)(1)(A). Instead, the wage theft form that K & J provided to Ms. Padilla is blank where the aforementioned wage information should be filled in. K & J's failure to provide Ms. Padilla and other aggrieved employees with written notice of basic information regarding their employment with K & J is in violation of Labor Code section 2810.5.

Ms. Padilla and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring K & J into compliance with Labor Code section 2810.5, pursuant to Labor Code sections 2699(a), (f), and (k).

California Labor Code § 558(a)

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

Accordingly, Ms. Padilla seeks the remedies set forth in Labor Code section 558 for herself, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 1194.5, 2699(a), 2699(k), 2699.3(a), 2699.3(c), 2699.5, and 558, Ms. Padilla, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties and injunctive relief for herself, all other aggrieved employees, and the State of California against K & J for violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 450, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5.

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

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

Anthony Castillo
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 "Anthony Castillo", with a stylized, cursive script.

Anthony Castillo

Copy: MAGNOLIA AVENUE, INC. (via U.S. Certified Mail); BALDWIN PARK PANCAKES, INC (via U.S. Certified Mail); EIGHT TWENTY-THREE, INC. (via U.S. Certified Mail); GRANADA HILLS PANCAKES, INC. (via U.S. Certified Mail); 'K & J MANAGEMENT, INC.' (via U.S. Certified Mail); NINE FIFTY COMPANY, INC. (via U.S. Certified Mail); ONE JEFFERSON PANCAKES, INC. (via U.S. Certified Mail); SAN JOSE PANCAKES, INC (via U.S. Certified Mail).; SEVEN FIFTY-FOUR, INC. (via U.S. Certified Mail); SIX FOURTEEN, INC., A CALIFORNIA CORPORATION (via U.S. Certified Mail); UNION CITY PANCAKES, INC. (via U.S. Certified Mail)

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Northridge, CA 91324

Redline U.
Meyersdale, PA
Postmark

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse EIGHT TWENTY-THREE, INC. 9567 Melvin Avenue Northridge, CA 91324 9590 9402 7420 2055 5428 46 2. Article Number (Transfer from service label) 7021 1970 0000 9011 3627		A. Signature X 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 ☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery	

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

CAPSTONE LAW, APC
1875 Century Park East
Suite #1000
Los Angeles, CA 90067

EIGHT TWENTY-THREE, INC.
9567 Melvin Avenue
Northridge, CA 91324

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS. FOLD AT DOTTED LINE

CERTIFIED MAIL®

7021 1970 0000 9011 3627

7021 1970 0000 9011 3627

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

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

OFFICIAL USE

Certified Mail Fee \$
Certified Mail Restricted Delivery Fee (if applicable) \$
Return Receipt (hardcopy) \$
Return Receipt (electronic) \$
Postmark

Postage \$
Insurance \$
Signature Required ☐ Yes ☐ No
Restrict to ☐ Yes ☐ No

Sent to **EIGHT TWENTY-THREE, INC.**
9567 Melvin Avenue
Northridge, CA 91324

City, State, ZIP+4®
Northridge, CA 91324

PS Form 3800, April 2015 PSN 7530-02-000-9002 See Reverse for Instructions

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.

**GRANADA HILLS
PANCAKES, INC.**
9567 Melvin Avenue
Northridge, CA 91324



9590 9402 7575 2098 7275 75

2. Article Number (Transfer from service label)

7021 1970 0000 9011 3689

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☐ 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

- Service Type
- ☐ Adult Signature
 - ☐ Adult Signature Restricted Delivery
 - ☒ Certified Mail®
 - ☐ Certified Mail Restricted Delivery
 - ☐ Collect on Delivery
 - ☐ Collect on Delivery Restricted Delivery
 - ☐ Priority Mail Express®
 - ☐ Registered Mail™
 - ☐ Registered Mail Restricted Delivery
 - ☐ Signature Confirmation™
 - ☐ Signature Confirmation Restricted Delivery

☐ Restricted Delivery

Domestic Return Receipt

CAPSTONE LAW, APC
1875 Century Park East
Suite #1000
Los Angeles, CA 90067

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS. FOLD AT DOTTED LINE.
CERTIFIED MAIL®



7021 1970 0000 9011 3689
7021 1970 0000 9011 3689

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 \$
Postage \$
Total Postage \$
Sent To \$
Street and City, State, ZIP+4®
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for instructions

**GRANADA HILLS
PANCAKES, INC.**
9567 Melvin Avenue
Northridge, CA 91324

Red: U. S. Mail
Margaret J. Baker

**GRANADA HILLS
PANCAKES, INC.**
9567 Melvin Avenue
Northridge, CA 91324

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. K & J MANAGEMENT, INC. 9567 Melvin Avenue Northridge, CA 91324		A. Signature ☐ 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 ☐ Priority Mail Express® ☐ Adult Signature Restricted Delivery ☐ Registered Mail™ ☒ Certified Mail® ☐ Registered Mail Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Collect on Delivery ☐ Signature Confirmation Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Signature Confirmation Restricted Delivery ☐ Mail Restricted Delivery			
9. Article Number (Transfer from service label) 7021 1970 0000 9011 3634			
PS Form 3811, July 2020 PSN 7530-02-000-9053		Domestic Return Receipt	

CAPSTONE LAW, APC
1875 Century Park East
Suite #1000
Los Angeles, CA 90067

K & J MANAGEMENT, INC.
9567 Melvin Avenue
Northridge, CA 91324

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS. FOLD AT DOTTED LINE.	
CERTIFIED MAIL®	
7021 1970 0000 9011 3634 7021 1970 0000 9011 3634	
U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only For delivery information, visit our website at www.usps.com. OFFICIAL USE Postmark: <i>Red Bull v. Magnolia/ITP</i> PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Restrictions	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. NINE FIFTY COMPANY, INC. 9567 Melvin Avenue Northridge, CA 91324 9590 9402 7575 2098 7287 70 2. Article Number (Transfer from service label) 7021 1970 0000 9011 3696		A. Signature ☐ 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 ☐ Priority Mail Express® ☐ Adult Signature ☐ Registered Mail™ ☐ Adult Signature Restricted Delivery ☐ Registered Mail Restricted Delivery ☒ Certified Mail® ☐ Signature Confirmation™ ☐ Certified Mail Restricted Delivery ☐ Signature Confirmation Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Restricted Delivery	

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

CAPSTONE LAW APC
 1875 Century Park East
 Suite #1000
 Los Angeles, CA 90067

NINE FIFTY COMPANY, INC.
 9567 Melvin Avenue
 Northridge, CA 91324

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS. FOLD AT DOTTED LINE

CERTIFIED MAIL®

7021 1970 0000 9011 3696
 7021 1970 0000 9011 3696

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 \$
 Signature Confirmation Fee \$
 Return Receipt (hardcopy) \$
 Return Receipt (electronic) \$
 Postage \$
 Adult Sig. \$
 Adult St. \$
 Total Fees \$
 Sent To \$
 Street and City, State, ZIP+4® \$
 PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

NINE FIFTY COMPANY, INC.
 9567 Melvin Avenue
 Northridge, CA 91324

Madeline V. Madeline V. Madeline V.

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.

**ONE JEFFERSON
PANCAKES, INC.**
9567 Melvin Avenue
Northridge, CA 91324

9590 9402 7420 2055 5428 60

2. Article Number (Transfer from service label)
7021 1970 0000 9011 3641

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X

Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
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
☐ Restricted Delivery
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

CAPSTONE LAW, APC
1875 Century Park East
Suite #1000
Los Angeles, CA 90067

**ONE JEFFERSON
PANCAKES, INC.**
9567 Melvin Avenue
Northridge, CA 91324

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

CERTIFIED MAIL®

7021 1970 0000 9011 3641

7021 1970 0000 9011 3641

**U.S. Postal Service™
CERTIFIED MAIL® RECEIPT**
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OFFICIAL USE

Signature of Addressee
Kathleen V. Mayfield/Shop

Postmark

ONE JEFFERSON
PANCAKES, INC.
9567 Melvin Avenue
Northridge, CA 91324

PS Form 3800, April 2015 PSN 7530-02-000-9007 See Reverse for instructions

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.

SAN JOSE PANCAKES, INC.

9567 Melvin Avenue
Northridge, CA 91324



9590 9402 7575 2098 7275 82

2. Article Number (Transfer from service label)

7021 1970 0000 9011 3702

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent
☒ Addressee
Received by (Printed Name) C. Date of Delivery
Is delivery address different from item 1? ☐ Yes
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
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

CAPSTONE LAW, APC
1875 Century Park East
Suite #1000
Los Angeles, CA 90067

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS. FOLD AT DOTTED LINE.
CERTIFIED MAIL®



7021 1970 0000 9011 3702
7021 1970 0000 9011 3702

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 \$
☐ Signature Confirmation \$
☐ Signature Confirmation Restricted Delivery \$
Postage \$
Total Postage \$
Sent to \$
Street and/or PO Box \$
City, State, ZIP+4® \$
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for instructions

SAN JOSE PANCAKES, INC.
9567 Melvin Avenue
Northridge, CA 91324

*Postfile V.
Meyndia Hope*

SAN JOSE PANCAKES, INC.
9567 Melvin Avenue
Northridge, CA 91324

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.

**SEVEN FIFTY-FOUR,
INC.**
9567 Melvin Avenue
Northridge, CA 91324



9590 9402 7575 2098 7275 13

2. Article Number (Transfer from service label)

7021 1970 0000 9011 3658

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☐ Agent
X ☐ 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

- Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Mail Restricted Delivery (20)
- ☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

CAPSTONE LAW APC
1875 Century Park East
Suite #1000
Los Angeles, CA 90067

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS; FOLD AT DOTTED LINE
CERTIFIED MAIL®



7021 1970 0000 9011 3658

7021 1970 0000 9011 3658

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
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OFFICIAL USE

Extra Services & Fees (check box, add fee as appropriate)
☒ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail®
☐ Adult Sign.
Postage \$

**SEVEN FIFTY-FOUR,
INC.**
9567 Melvin Avenue
Northridge, CA 91324

Sent to \$
Street City/State/Zip

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for instructions

Resilla U. Magallon

**SEVEN FIFTY-FOUR,
INC.**
9567 Melvin Avenue
Northridge, CA 91324

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. SIX FOURTEEN, INC., A CALIFORNIA CORPORATION 9567 Melvin Avenue Northridge, CA 91324 9590 9402 7575 2098 7275 99 2. Article Number (Transfer from service label) 7021 1970 0000 9011 3719		A. Signature X 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 Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☒ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery ☐ all Restricted Delivery	

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

CAPSTONE LAW, APC
 1875 Century Park East
 Suite #1000
 Los Angeles, CA 90067

**SIX FOURTEEN, INC.,
 A CALIFORNIA CORPORATION**
 9567 Melvin Avenue
 Northridge, CA 91324

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS. FOLD AT DOTTED LINE

CERTIFIED MAIL®

7021 1970 0000 9011 3719
 7021 1970 0000 9011 3719

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

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

OFFICIAL USE

Enter Service & Fee (attach box, add fee as appropriate)

☐ Certified Mail
☐ Certified Mail Restricted Delivery
☐ Adult Sign
☐ Adult Sign Restricted Delivery
☐ Signature Confirmation
☐ Signature Confirmation Restricted Delivery
☐ Registered Mail
☐ Registered Mail Restricted Delivery
☐ Priority Mail Express

Postage \$

Total Postage \$

Sent to

Street and #

City, State, ZIP+4®

**SIX FOURTEEN, INC.,
 A CALIFORNIA CORPORATION**
 9567 Melvin Avenue
 Northridge, CA 91324

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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.

**UNION CITY
PANCAKES, INC.**
9567 Melvin Avenue
Northridge, CA 91324

9590 9402 7575 2098 7275 20

2. Article Number (Transfer from service label)
7021 1970 0000 9011 3665

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☐ Agent
☒ Addressee

B. Received by (Printed Name) C. Date of Delivery

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

3. Service Type ☐ Priority Mail Express®
☐ Adult Signature ☐ Registered Mail™
☐ Adult Signature Restricted Delivery ☐ Registered Mail Restricted Delivery
☒ Certified Mail® ☐ Signature Confirmation™
☐ Certified Mail Restricted Delivery ☐ Signature Confirmation Restricted Delivery
☐ Collect on Delivery ☐ Signature Confirmation Restricted Delivery
☐ Collect on Delivery Restricted Delivery

1 Mail Restricted Delivery 300

Domestic Return Receipt

CAPSTONE LAW, APC
1875 Century Park East
Suite #1000
Los Angeles, CA 90067

**UNION CITY
PANCAKES, INC.**
9567 Melvin Avenue
Northridge, CA 91324

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

CERTIFIED MAIL®

7021 1970 0000 9011 3665
7021 1970 0000 9011 3665

**U.S. Postal Service™
CERTIFIED MAIL® RECEIPT**
Domestic Mail Only
For a live chat, information, visit our website at www.usps.com®

OFFICIAL USE

Postmark: *Produce, Maryland, 5/18/20*

Extra Services & Fees (attach box, and fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail®
☐ Adult Sig.
Postage \$
Total Postage \$
Sent to \$
Street and City, State, ZIP+4®
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

**UNION CITY
PANCAKES, INC.**
9567 Melvin Avenue
Northridge, CA 91324

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.

**SEVEN FIFTY-FOUR,
INC.**

9567 Melvin Avenue
Northridge, CA 91324



9590 9402 7575 2098 7275 13

2. Article Number (Transfer from service label)

7021 1970 0000 9011 3658

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

[Signature]

☐ 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
- ☐ Mail Restricted Delivery (00)

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

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.

**UNION CITY
PANCAKES, INC.**
9567 Melvin Avenue
Northridge, CA 91324



9590 9402 7575 2098 7275 20

2. Article Number (Transfer from service label)

7021 1970 0000 9011 3655

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

[Signature]

☐ 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
- ☐ Mail Restricted Delivery (00)

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

PROOF OF SERVICE

I am employed in the State of California, County of Los Angeles. I am over the age of 18 and not a party to the within suit; my business address is 1875 Century Park East, Suite 1000 Los Angeles, California 90067.

On **June 2, 2025**, I served the document described as **FIRST AMENDED CLASS ACTION COMPLAINT & ENFORCEMENT ACTION UNDER THE PRIVATE ATTORNEYS GENERAL ACT, CALIFORNIA LABOR CODE §§ 2698, ET SEQ.** on the interested parties in this action by sending ☐ the original [or] ☒ a true copy thereof ☒ to interested parties as follows [or] ☐ as stated on the attached service list:

Karen Miles
9567 Melvin Avenue
Northridge, CA 91324

Agent for Defendants
MAGNOLIA AVENUE, INC.
BALDWIN PARK PANCAKES, INC.
EIGHT TWENTY-THREE, INC.
GRANADA HILLS PANCAKES, INC.
'K & J MANAGEMENT, INC.'
NINE FIFTY COMPANY, INC.
ONE JEFFERSON PANCAKES, INC.
SAN JOSE PANCAKES, INC.
SEVEN FIFTY-FOUR, INC.
SIX FOURTEEN, INC.
UNION CITY PANCAKES, INC.

☒ **BY MAIL (ENCLOSED IN A SEALED ENVELOPE):** I deposited the envelope(s) for mailing in the ordinary course of business at Los Angeles, California. I am "readily familiar" with this firm's practice of collection and processing correspondence for mailing. Under that practice, sealed envelopes are deposited with the U.S. Postal Service that same day in the ordinary course of business with postage thereon fully prepaid at Los Angeles, California.

☐ **BY E-MAIL:** I hereby certify that this document was served from Los Angeles, California, by e-mail delivery on the parties listed herein at their most recent known e-mail address or e-mail of record in this action.

☐ **BY ELECTRONIC SERVICE:** I caused the document(s) to be transmitted electronically via OneLegal eService to the individuals listed above, as they exist on that database. This will constitute service of the document(s).

☐ **BY OVERNIGHT DELIVERY:** I am "readily familiar" with this firm's practice of collection and processing correspondence for overnight delivery. Under that practice, overnight packages are enclosed in a sealed envelope with a packing slip attached thereto fully prepaid. The packages are picked up by the carrier at our offices or delivered by our office to a designated collection site.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on **June 2, 2025**, at Los Angeles, California.

Sophia Flores

Type/Print Name



Signature