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County of San Diego

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

ZAHEER NOORWALA and PRUITT COLON,
on behalf of others similarly situated and the
State of California under the Private Attorneys
General Act,

Plaintiffs,

vs.

BTI SOLUTIONS, INC. and DOES 1 through
50, inclusive,

Defendants.

Case No. 25CU025024C

*Judge: Hon. Matthew C. Braner
Department: 60*

CLASS ACTION

**FIRST AMENDED CLASS AND
REPRESENTATIVE ACTION
COMPLAINT**

1. Failure to Pay All Wages Owed
2. Failure to Pay All Overtime Wages
3. Meal Period Violations
4. Rest Period Violations
5. Untimely Payment of Wages
6. Wage Statement Violations
7. Waiting Time Penalties
8. Failure to Reimburse Business Expenses
9. Unfair Competition
10. Unlawful Employment Condition
11. Civil Penalties under the Private Attorneys General Act (Labor Code §§ 2698 *et seq.*)

Action Filed: May 1, 2025

1 Plaintiffs ZAHEER NOORWALA and PRUITT COLON, on behalf of all others similarly
2 situated and the State of California under the Private Attorneys General Act, (“Plaintiffs”) brings this
3 FIRST AMENDED CLASS AND REPRESENTATIVE ACTION COMPLAINT against Defendants
4 BTI SOLUTIONS, INC. and DOES 1 through 50, inclusive (collectively “Defendants”), alleging as
5 follows:

6 **INTRODUCTION**

7 1. Plaintiffs bring the instant class action on behalf of themselves and similarly situated
8 current and former employees of Defendants for a series of systemic violations of the California Labor
9 Code and IWC Wage Orders.

10 2. Defendants failed to pay Plaintiffs and the class members all minimum and overtime
11 wages due to unlawful policies and practices of requiring off-the-clock work.

12 3. Defendants failed to provide, authorize, and/or permit the class members to take all
13 meal and rest periods to which they were entitled.

14 4. Defendants failed to reimburse Plaintiffs and class members for necessary expenses
15 including personal cell phones.

16 5. Defendants unlawfully required Plaintiffs and the Class Members agree to non-
17 competition agreements.

18 6. Defendants’ employment policies, practices, and payroll administration systems
19 enabled and facilitated these violations on a company-wide basis with respect to the class members.

20 7. Plaintiffs seek to recover the damages, wages, interest, and penalties, in addition to
21 attorneys’ fees and costs, according to proof.

22 **JURISDICTION & VENUE**

23 8. Jurisdiction of this action is proper in this Court under Article VI, Section 10 of the
24 California Constitution as the causes of action are premised upon violations of California law.

25 9. The monetary damages and restitution sought exceed the minimal jurisdiction limits of
26 the Superior Court.

27 10. This Court has jurisdiction over Defendants because, upon information and belief,
28 Defendants have sufficient minimum contacts in California, or otherwise intentionally avail

1 themselves to the California economy so as to render the exercise of jurisdiction over them by the
2 California courts consistent with traditional notions of fair play and substantial justice.

3 11. Venue is proper in this Court under Code of Civil Procedure sections 393(a), 395,
4 and/or 395.5 because, upon information and belief, Defendants conducted business and committed
5 some of the alleged violations in this County.

6 **PARTIES**

7 **A. Plaintiffs**

8 12. Plaintiff Zaheer Noorwala is an individual over 18 years of age who worked for
9 Defendants in California as a non-exempt employee from about October 2022 to January 2024.
10 Plaintiff worked as a Quality Assurance Analyst.

11 13. Plaintiff Pruitt Colon is an individual over 18 years of age who worked for Defendants
12 in California as a non-exempt employee from about June 2024 to present. Plaintiff worked as a Field
13 Network Engineer.

14 14. The State of California, via the Labor and Workforce Development Agency
15 (“LWDA”), is the real party in interest in this action. (*Kim v. Reins Int’l California, Inc.* (2020) 9
16 Cal. 5th 73, 81 [The “government entity on whose behalf the plaintiff files suit is always the real party
17 in interest.”]). To the extent permitted by law, including pursuant *Balderas v. Fresh Start Harvesting,*
18 *Inc.* (2024) 101 Cal. App. 5th 533 and *Rodriguez v. Packers Sanitation Services Ltd.* (Feb. 26, 2025,
19 D083400) ___ Cal.Rptr.3d ___ [2025 WL 615064], the PAGA claim is brought exclusively as a
20 representative action and does not include arbitrable claims.

21 **B. Defendants**

22 15. Defendant BTI Solutions, Inc. is a Texas corporation that maintains operations and
23 conducts business throughout the State of California, including in this county.

24 16. The true names and capacities, whether individual, corporate, or otherwise, of the
25 parties sued as DOES 1 through 50, are presently unknown, unascertainable, or uncertain, and are sued
26 by such fictitious names under Code of Civil Procedure section 474. Upon information and belief,
27 each of DOES 1 through 50 constitutes a legal employer or is otherwise legally responsible in some
28 manner for the acts and omissions alleged herein. This Complaint may be amended to reflect their

1 true names and capacities once ascertained.

2 17. Upon information and belief, Defendants in this action are employers, co-employers,
3 joint employers, and/or part of an integrated employer enterprise, as each of the Defendants exercised
4 control over the wages, hours, and working conditions of the employees, suffered and permitted them
5 to work, and otherwise engaged them as employees under California law.

6 18. Upon information and belief, at least some of the Defendants have common ownership,
7 common management, interrelationship of operations, and centralized control over labor relations and
8 are therefore part of an integrated enterprise and thus jointly and severally responsible for the acts and
9 omissions alleged herein, including pursuant to Labor Code sections 558, 558.1, and 1197.1.

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

14 **CLASS ALLEGATIONS**

15 20. This action is brought individually and on behalf of the following class pursuant to
16 Code of Civil Procedure section 382:

- 17 a. All current and former non-exempt employees who worked for Defendants in
18 California at any time from four years (plus the additional 178-day statutory
19 tolling period under Emergency Rule 9) prior to the filing of this action through
20 date of class certification.

21 21. Plaintiffs reserve the right to establish various subclass definitions as appropriate at the
22 class certification stage, according to proof.

23 22. The class is ascertainable and shares a well-defined community of interest in this
24 litigation:

- 25 a. Numerosity: The class is estimated to exceed 50 individuals, although the
26 precise membership of the entire class is unknown at this time. The class is so
27 numerous that joinder of all class members is impracticable. The identities of
28 class members are ascertainable by inspection of Defendants' employment and

1 payroll records.

2 b. Typicality: Plaintiffs' claims are typical of the claims of the other class
3 members. They were subject to the same policies and practices of Defendants,
4 which resulted in losses to the class. Proof of common unlawful business
5 practices, which Plaintiffs experienced, will establish the right of the class to
6 recover on the causes of action alleged herein.

7 c. Adequacy: Plaintiffs are adequate class representatives; will take all necessary
8 steps to protect the class members' interests adequately and fairly; has no
9 interest antagonistic to other class members; and is represented by attorneys
10 who have substantial experience prosecuting, defending, resolving, and
11 litigating wage and hour class, collective, and representative actions in
12 California state and federal courts.

13 d. Superiority: A class action is superior to other means for adjudicating this
14 dispute. Individual joinder is impractical. Class treatment will allow for
15 common issues to be resolved in a single forum, simultaneously, and without
16 duplication of effort and expense.

17 e. Public Policy Considerations: Certification of this lawsuit as a class action
18 advances the State of California's strong public interest in ensuring its
19 approximately millions of employed residents are properly paid the wages they
20 earned for the hours they worked. Class actions provide a mechanism for
21 enforcement of labor laws and allow for vindication of employee rights by
22 unnamed class members.

23 23. Common questions of law and fact as to the class members predominate over questions
24 affecting only individual members. The common questions of law and fact exist as to whether the
25 employment policies and practices formulated by Defendants and applied to the class members
26 constitute violations of California law.

27 **GENERAL ALLEGATIONS**

28 24. Defendants failed to pay Plaintiffs and class members at the lawful minimum wage rate

1 for all hours worked, resulting in unpaid minimum wages.

2 25. Defendants required Plaintiffs and class members to complete work while off-the-
3 clock, without compensation.

4 26. This often occurred during all or part of their unpaid meal periods. For example,
5 Plaintiffs were frequently forced to take phone calls from Defendants and answer their work-related
6 questions as well as giving them updates on the day and complete other work duties like complete
7 testing, during his unpaid meal periods. Plaintiffs and the class members were required to answer
8 these phone calls or otherwise respond quickly or otherwise risk being reprimanded.

9 27. As a matter of common policy or practice, Plaintiffs and the class members were
10 regularly encouraged to return to work before the end of their meal periods, despite being clocked out
11 for this time, and complete tasks while off-the-clock.

12 28. Defendants failed to pay Plaintiffs and the class members overtime wages and the
13 lawful rate of pay for overtime hours worked, resulting in unpaid overtime wages.

14 29. To the extent that the off-the-clock work resulted in unpaid hours over 8 hours in a day
15 or 40 hours in a week, Defendants failed to compensate Plaintiffs and the class members for all
16 overtime hours worked.

17 30. Plaintiffs and the class members often experienced missed, late, short, and interrupted
18 meal periods in order to keep up with the high demands of the job.

19 31. As discussed above, Defendants would often call Plaintiffs and the class members for
20 updates on projects and to discuss the whereabouts of specific tools such as connectors and splitters
21 that were shared between the employees. Plaintiffs and the class members were required to carry
22 work-issued phones and answer any incoming calls or otherwise respond immediately.

23 32. Additionally, the nature of the work was often time sensitive and required Plaintiffs
24 and the class members' meal period to be missed, interrupted, or cut short. For example, if there was
25 a problem with the wiring Plaintiff Noorwala would need to rush back to fix the ethernet cables despite
26 being on his unpaid meal break. This often resulted in Plaintiff Noorwala and the class members
27 working through all or part of their meal period.

1 33. Plaintiff Colon recalls often being required to skip his meal period due to the time
2 restraints and pressure to complete all testing during his shift and in order to finish testing and to avoid
3 reprimand from management.

4 34. Each time Plaintiffs and the class members experienced a non-compliant meal period,
5 they were owed a meal period premium.

6 35. As a matter of policy and practice, Defendants failed to provide all meal period
7 premiums owed.

8 36. Similarly, Plaintiffs and other class members routinely experienced missed and non-
9 compliant rest periods in order to keep up with the high demands and pressures of the job.

10 37. Defendants had a practice of requiring employees to complete work constantly, thus
11 discouraging rest periods to fulfill work demands or otherwise be reprimanded. Plaintiffs and the class
12 members were even discouraged from stepping away to use the restroom.

13 38. For example, on one occasion Plaintiff Noorwala recalls he left his station to use the
14 restroom to tend to his nosebleed; however, upon returning to his workstation, he was verbally
15 reprimanded for leaving his workstation.

16 39. Each time Plaintiffs and the class members experienced a noncompliant rest period,
17 they were owed a rest period premium at the lawful rate. However, on information and belief,
18 Defendants had a policy and practice of not paying rest period premiums to employees who were not
19 authorized to take rest periods.

20 40. Defendants required Plaintiffs and the class members to incur costs for work-related
21 purposes without full reimbursement.

22 41. Here, Plaintiffs and the class members were required to use their personal cell phones,
23 and data, to maintain communication with their supervisors both and off of the job however were not
24 reimbursed for these expenses. Thus, in direct consequence of their job duties, Plaintiffs and the class
25 members unavoidably and necessarily incurred these losses, expenditures, costs, and as a matter of
26 policy and practice.

42. Defendants violated Labor Code section 432.5 by requiring that Plaintiffs and the Class Members agree to non-competition agreements restricting their ability to accept certain work on behalf of themselves or other employers.

43. Defendants failed to provide accurate itemized wage statements to the class members each pay period as a result of the policies and practices set forth in this notice. Defendants violated Labor Code section 226(a)(1) and (5) by not listing the correct “gross wages earned” or “net wages earned,” as the employees earned wages and premiums that were not paid, resulting in an inaccurate reflection, and recording of “gross wages earned” on those wage statements.

44. Likewise, in violation of Labor Code section 226(a)(9), Defendants failed to state on employee wage statements each pay period the applicable hourly rates in effect and the number of hours worked at that rate, as Defendants failed to pay all wages and premiums owed to employees. The amounts stated are instead depreciated and underpaid, resulting in an inaccurate reflection on the pay stub.

45. Defendants violated Labor Code section 226(a)(2) by failing to accurately list employees’ “total hours worked,” as a result of their time rounding, rendering the total hours listed as an inaccurate reflection of hours worked.

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

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

FIRST CAUSE OF ACTION

FAILURE TO PAY ALL WAGES OWED

Violation of Labor Code §§ 200, 218, 1194, 1194.2 and 1197

(All Claims Alleged by Plaintiffs and Class Members Against All Defendants)

48. All outside paragraphs of this Complaint are incorporated into this section.

49. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code §§ 200, 218, 1182.12, 1194, 1194.2, 1197, 1197.1 and 1198 and the IWC Wage Orders (the “Hours

1 and Days of Work” and “Minimum Wages” sections of the applicable orders), which require non-
2 exempt employees be timely paid at least the state or local minimum wage (if higher) for each hour of
3 work, and further provide a private right of action for an employer’s failure to pay all minimum wages
4 (plus liquidated damages). In addition to minimum wages, Labor Code § 200 states that “‘wages’
5 includes all amounts for labor performed by employees of every description, whether the amount is
6 fixed or ascertained by the standard of time, task, piece, commission basis, or other method of
7 calculation.”

8 50. Defendants willfully failed in their affirmative obligation to pay Plaintiffs and class
9 members at least the lawful minimum wage for each hour worked in violation of Labor Code sections
10 1182.12, 1194, 1194.2, 1197, 1197.1 and 1198 and the IWC Wage Orders (the “Hours and Days of
11 Work” and “Minimum Wages” sections of the applicable orders), including payment at the lawful
12 local and county minimum wage ordinances in effect. As a result, Defendants are liable for all
13 associated damages, including liquidated damages for the minimum wage violations pursuant to Labor
14 Code § 1194.2.

15 51. Defendants’ unlawful acts and omissions deprived Plaintiffs and class members of
16 minimum, regular and overtime wages in amounts to be determined at trial. Plaintiffs and class
17 members are entitled to recover the full amount of the unpaid wages, plus liquidated damages in an
18 amount equal to the wages unlawfully unpaid (and interest thereon), in addition to interest, attorneys’
19 fees, and costs to the extent permitted by law, including under Labor Code sections 1194 and 1194.2,
20 218.6 and any other applicable statutes.

21 **SECOND CAUSE OF ACTION**

22 **FAILURE TO PAY ALL OVERTIME WAGES**

23 **Violation of Labor Code §§ 510 and 1194**

24 52. All outside paragraphs of this Complaint are incorporated into this section.

25 53. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code
26 §§ 204, 510, 558, 1194, and 1198, which require non-exempt employees be timely paid overtime
27 wages all overtime hours worked, and which further provide a private right of action for an employer’s
28 failure to pay all overtime compensation for overtime hours worked.

54. Defendants failed in their affirmative obligation to pay Plaintiffs and class members no less than one and one-half times their respective “regular rate of pay” for all hours worked in excess of eight hours in one day, 40 hours in one week, or the first eight hours worked on the seventh day of work in any one workweek, and no less than twice their respective “regular rate of pay” for all hours over 12 hours in one day and any work in excess of eight hours on any seventh day of a workweek for such hours worked, in violation of Labor Code sections 204, 510, 558, 1194, and 1198 and the IWC Wage Orders (the “Hours and Days of Work” sections of the applicable orders).

55. Plaintiffs and class members are entitled to recover the full amount of the unpaid overtime, in addition to interest, statutory and civil penalties, and attorneys’ fees, and costs to the extent permitted by law.

THIRD CAUSE OF ACTION

MEAL PERIOD VIOLATIONS

Violation of Labor Code §§ 226.7 and 512

56. All outside paragraphs of this Complaint are incorporated into this section.

57. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code §§ 226.7, 558 and 512, which require non-exempt employees be provided complaint meal periods (or meal period premiums in lieu thereof), and which further provide a private right of action for an employer’s failure to lawfully provide all meal periods and/or pay meal period premiums at the lawful regular rate of compensation.

58. Defendants willfully failed in their affirmative obligation to consistently provide Plaintiffs and class members compliant, duty-free meal periods of not less than 30 minutes beginning before the fifth hour of hour for each work period of more than five hours per day and a second duty-free meal period of not less than 30 minutes beginning before the tenth hour of hour of work in violation of Labor Code sections 226.7, 512, 558, 1198 and the IWC Wage Orders (the “Meal Periods” sections of the applicable orders).

59. Further, Defendants willfully failed in their affirmative obligation to consistently pay Plaintiff and class members one additional hour of pay at the respective regular rate of compensation for each workday that a fully compliant meal period was not provided, in violation of Labor Code

sections 226.7, 512, 558, and 1198 and the IWC Wage Orders (the “Meal Periods” sections of the applicable orders).

60. Plaintiffs and class members are entitled to recover the full amount of the meal period premiums owed, in addition to interest, statutory and civil penalties, and attorneys’ fees, and costs to the extent permitted by law.

FOURTH CAUSE OF ACTION

REST PERIOD VIOLATIONS

Violation of Labor Code §§ 226.7 and 516

61. All outside paragraphs of this Complaint are incorporated into this section.

62. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code §§ 226.7 and 516, which require non-exempt employees be authorized to take complaint rest periods (or rest period premiums in lieu thereof), and which further provide a private right of action for an employer’s failure to lawfully provide all rest periods and/or pay rest period premiums at the lawful regular rate of compensation.

63. Defendants willfully failed in their affirmative obligation to consistently authorize and permit Plaintiffs and class members to receive compliant, duty-free rest periods of not less than ten (10) minutes for every four hours worked (or major fraction thereof) in violation of Labor Code sections 226.7, 516, 558, and 1198 and the IWC Wage Orders (the “Rest Periods” sections of the applicable orders).

64. Further, Defendants willfully failed in their affirmative obligation to consistently pay Plaintiffs and class members one additional hour of pay at the respective regular rate of compensation for each workday that a fully compliant rest period was not provided, in violation of Labor Code sections 226.7, 516, 558, and 1198 and the IWC Wage Orders.

FIFTH CAUSE OF ACTION

UNTIMELY PAYMENT OF WAGES

Violation of Labor Code §§ 204, 210, 218

65. All outside paragraphs of this Complaint are incorporated into this section.

66. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code

1 §§ 204, 204b, and 210 which require non-exempt employees be timely paid all wages owed each pay
2 period, and which further provide a private right of action for an employer's failure to comply with
3 this obligation. Labor Code § 218 authorizes individuals to sue directly for wages and penalties due
4 under these sections, including Labor Code § 210(c)'s statutory late payment penalties.

5 67. Defendants willfully failed in their affirmative obligation to timely pay all wages,
6 including paid sick leave and meal and rest premiums, earned by Plaintiffs and class members twice
7 during each calendar month on days designated in advance by the employer as regular paydays (for
8 employees paid on a non-weekly basis) and on the regularly-scheduled weekly payday for weekly
9 employees, if any, in violation of Labor Code sections 204 and 204b and the IWC Wage Orders (the
10 "Minimum Wages" sections of the applicable orders).

11 68. Plaintiffs and class members are entitled to recover the full amount of the unpaid wages,
12 in addition to a statutory penalty in the amount of \$100 for the initial violation for each failure to pay
13 each employee and \$200 for all subsequent violations and for all willful or intentional violations for
14 each failure to pay each employee, plus 25 percent of the amount unlawfully withheld under provided
15 in Labor Code § 210, in addition to interest, attorneys' fees, and costs to the extent permitted by law.

16 **SIXTH CAUSE OF ACTION**

17 **WAGE STATEMENT VIOLATIONS**

18 **Violation of Labor Code § 226**

19 69. All outside paragraphs of this Complaint are incorporated into this section.

20 70. This cause of action is brought by a wage statement subclass pursuant to Labor Code
21 § 226(a) which requires non-exempt employees be provided accurate itemized wage statements each
22 pay period, and which further provide a private right of action for an employer's failure to comply
23 with this obligation.

24 71. Defendants knowingly and intentionally failed in their affirmative obligation to provide
25 accurate itemized wage statements to Plaintiff and class members resulting in injury to Plaintiffs and
26 class members. Specifically, the wage statements issued to Plaintiffs and class members did not
27 accurately state each pay period all of the information required by Labor Code § 226(a)(1)-(9).

28 72. Defendants' unlawful acts and omissions deprived Plaintiffs and class members of

1 accurate itemized wage statements, causing confusion and concealing wage and premium
2 underpayments.

3 73. As a result, Plaintiffs and class members are entitled to recover the statutory penalty of
4 \$50 per employee for the initial pay period in which a violation occurred and \$100 per employee for
5 each violation in a subsequent pay period, up to an aggregate penalty of \$4,000 per employee, in
6 addition to interest, attorneys' fees, and costs to the extent permitted by law, including under Labor
7 Code section 226(e).

8 **SEVENTH CAUSE OF ACTION**

9 **WAITING TIME PENALTIES**

10 **Violation of Labor Code §§ 201 *et seq.***

11 74. All outside paragraphs of this Complaint are incorporated into this section.

12 75. This cause of action is brought by a waiting time subclass pursuant to Labor Code
13 §§ 201 through 203, which require an employer to timely pay all wages earned upon termination of
14 employment, and which further provide a private right of action to recover statutory waiting time
15 penalties each day an employer fails to comply with this obligation, up to a maximum of 30 days
16 wages.

17 76. Defendants willfully failed and continue to fail in their affirmative obligation to pay all
18 wages earned and unpaid to Plaintiffs and class members immediately upon termination of
19 employment or within 72 hours thereafter for employees who did not provide at least 72 hours prior
20 notice of his or her intention to quit, and further failed to pay those sums for 30 days thereafter in
21 violation of Labor Code sections 201 through 203 and the IWC Wage Orders.

22 77. Plaintiffs and class members are entitled to recover a waiting time penalty for a period
23 of up to 30 days, in addition to interest, attorneys' fees, and costs to the extent permitted by law.

24 **EIGHTH CAUSE OF ACTION**

25 **FAILURE TO REIMBURSE BUSINESS EXPENSES**

26 **Violation of Labor Code § 2802**

27 78. All outside paragraphs of this Complaint are incorporated into this section.

28 79. Defendants willfully failed in their affirmative obligation to reimburse Plaintiffs and a

reimbursement subclass for all necessary expenditures, losses, expenses, and costs incurred by them in direct discharge of the duties of their employment, in violation of Labor Code section 2802.

80. Defendants' unlawful acts and omissions deprived Plaintiffs and class members of lawful reimbursements for business expenses in amounts to be determined at trial. Plaintiffs and class members are entitled to recover the amount unreimbursed expenses of Plaintiffs and class members in addition to interest, attorneys' fees, and costs to the extent permitted by law, including under Labor Code section 2802.

NINTH CAUSE OF ACTION

UNFAIR COMPETITION

Violation of Business and Professions Code §§ 17200 *et seq.*

81. All outside paragraphs of this Complaint are incorporated into this section.

82. Defendants have engaged and continue to engage in unfair and/or unlawful business practices in the State of California in violation of California Business and Professions Code § 17200 by committing the foregoing wage and hour violations alleged throughout this Complaint.

83. Defendants' dependence on these unfair and/or unlawful business practices deprived Plaintiffs and continue to deprive other class members of compensation to which they are legally entitled, constitutes unfair and/or unlawful competition, and provides an unfair advantage to Defendants over competitors who have been and/or are currently employing workers in compliance with California's wage and hour laws. These failures constitute unlawful, deceptive, and unfair business acts and practices in violation of Business and Professions Code section 17200 *et seq.*

84. Plaintiffs are victims of Defendants' unfair and/or unlawful conduct alleged in this Complaint, and Plaintiff, as an individual and on behalf of others similarly situated, seeks full restitution of the moneys as necessary and according to proof to restore all monies withheld, acquired, and/or converted by Defendants pursuant to Business and Professions Code §§ 17203 and 17208.

85. Plaintiffs do not have an adequate remedy at law for past or future violations, to the extent the statute of limitations on each of the alleged causes of action do not extend to the four year limitation provided under the UCL or to the extent the underlying Labor Code and IWC Wage Order violations do not provide a private right of action.

86. Plaintiffs and class members are entitled to injunctive relief against Defendants, restitution, and other equitable relief to return all funds over which Plaintiff and class members have an ownership interest and to prevent future damage and the public interest under Business and Professions Code § 17200 *et seq.* Plaintiff and class members are further entitled to recover interest, attorneys' fees, and costs to the extent permitted by law, including under Code of Civil Procedure § 1021.5.

TENTH CAUSE OF ACTION

UNLAWFUL EMPLOYMENT CONDITIONS

Violation of Labor Codes § 432.5, and Business and Professions Code 16600 et seq.

87. All outside paragraphs of this Complaint are incorporated into this section.

88. Labor Code section 432.5 states that “[n]o employer, or agent, manager, superintendent, or officer thereof, shall require any employee or applicant for employment to agree, in writing, to any term or condition which is known by such employer, or agent, manager, superintendent, or officer thereof to be prohibited by law.”

89. Non-competition agreements are illegal under California law.

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

91. Business and Professions Code section 16600.5(c) provides that an “employer shall not enter into a contract with an employee or prospective employee that includes a provision that is void...,” i.e., a non-competition clause.

92. A violation of section 16600.5(c) “constitutes an act of unfair competition,” as outlined in section 16600.1(c).

93. Under Business and Professions Code section 16600.5(d), an employer who requires employees to agree to non-competition clauses or agreements commits a civil violation, which Plaintiff seeks in this action in the form of injunctive relief, damages, and attorneys' fees and costs.

94. Defendants willfully violated 432.5, and Business and Professions Code section 16600 et seq. by requiring Plaintiffs and the Class Members to sign non-competition agreements prohibited

1 by California law.

2 95. Section 16600.5(e) provides a private right of action for Plaintiffs and Class Members
3 to enforce the foregoing provisions and obtain injunctive and monetary relief as well as attorneys' fees
4 and costs.

5 **ELEVENTH CAUSE OF ACTION**

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

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

8 **(By Plaintiffs on Behalf of the State and the Aggrieved Employees Against All Defendants)**

9 96. All outside paragraphs of this Complaint are incorporated into this section.

10 97. Plaintiffs bring this cause of action as a proxy for the State of California on behalf of
11 the following "aggrieved employees" pursuant to the Private Attorneys General Act ("PAGA"),
12 codified as Labor Code section 2698 *et seq.*:

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

16 98. Plaintiffs reserve the right to amend, supplement, or add to this description of the
17 aggrieved employees, according to proof.

18 99. The State of California, via the Labor and Workforce Development Agency
19 ("LWDA"), is the real party in interest in this action with respect to this cause of action. (*Kim v. Reins*
20 *Int'l California, Inc.* (2020) 9 Cal. 5th 73, 81 [The "government entity on whose behalf the plaintiff
21 files suit is always the real party in interest."])

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

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

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

6 103. On or about **April 21, 2025**, Plaintiff Noorwala paid the requisite PAGA filing fee and
7 provided written notice (by online electronic filing with the LWDA and by certified mail to
8 Defendants) of Defendants’ alleged Labor Code violations, including the facts and theories to support
9 the alleged violations.

10 104. A true and correct copy of Plaintiff Noorwala’s written PAGA notice, entitled “Notice
11 of Labor Code Violations” is attached hereto as Exhibit 1 and incorporated by reference as though
12 fully set forth herein (the “PAGA notice”).

13 105. On or about **June 18, 2025**, Plaintiff Colon paid the requisite PAGA filing fee and
14 provided written notice (by online electronic filing with the LWDA and by certified mail to
15 Defendants) of Defendants’ alleged Labor Code violations, including the facts and theories to support
16 the alleged violations.

17 106. A true and correct copy of Plaintiff Colon’s written PAGA notice, entitled “Notice of
18 Labor Code Violations” is attached hereto as Exhibit 2 and incorporated by reference as though fully
19 set forth herein (the “Colon’s PAGA notice”).

20 107. To date, neither Plaintiffs nor Plaintiffs’ counsel has received a response to Plaintiffs’
21 written PAGA notices from the LWDA.

22 108. Within 33 calendar days of the postmark date of the notice sent by Plaintiffs, neither
23 Plaintiffs nor Plaintiffs’ counsel has received written notice by certified mail from any defendant
24 providing a description of any actions taken to cure the alleged violations.

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

110. As set forth in the PAGA notices attached as Exhibit 1 and Exhibit 2 and incorporated into this Complaint, Defendants committed the following violations and are liable for all corresponding civil penalties:

- a. ***Unpaid Hours Worked/Minimum Wage.*** Violation of Labor Code §§ 1194, 1197, 1198; IWC Wage Orders.
- b. ***Unpaid Overtime.*** Violation of Labor Code §§ 510, 1194, 1198; IWC Wage Orders.
- c. ***Unpaid Paid Sick Leave.*** Violation of Labor Code §§ 246 through 248.7.
- d. ***Unpaid Meal Period Premium Wages.*** Violation of Labor Code §§ 226.7, 512, 1198; IWC Wage Orders.
- e. ***Unpaid Rest Period Premium Wages.*** Violation of Labor Code §§ 226.7, 516, 1198; IWC Wage Orders.
- f. ***Untimely Payment of Wages During Employment.*** Violation of Labor Code §§ 204, 204b, 210.
- g. ***Untimely Payment of Wages Upon Separation of Employment.*** Violation of Labor Code §§ 201, 202, 203, 256.
- h. ***Non-Compliant Wage Statements.*** Violation of Labor Code §§ 226, 226.3.
- i. ***Unreimbursed Employee Expenses.*** Violation of Labor Code §§ 2802, 2804.
- j. ***Failure to Maintain Accurate Records.*** Violation of Labor Code § 1174; IWC Wage Orders.
- k. ***Unlawful Employment Condition.*** Violation of Labor Code § 432.5.

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

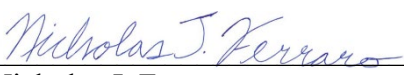
PRAYER

Plaintiffs pray for judgment as follows:

- a. For certification of this action as a class action;
- b. For appointment of Plaintiffs as the class representatives;
- c. For appointment of above-captioned counsel for Plaintiffs as Class Counsel;
- d. For division of class members into appropriate classes and/or subclasses according to proof;
- e. For recovery of all statutory penalties and liquidated damages;
- f. For disgorgement of all amounts wrongfully obtained to the extent permitted by law;
- g. For restitution and injunctive relief;
- h. For attorneys' fees and costs of suit, including expert fees, to the extent permitted by law, including (without limitation) under Labor Code §§ 218.5, 226, 1194, 2802 and Code of Civil Procedure § 1021.5.
- i. For recovery of damages in amount according to proof;
- j. For all recoverable pre- and post-judgment interest;
- k. For this action to be maintained as a representative action under the PAGA;
- l. For Plaintiffs and counsel of record to be provided with all enforcement capability as if the action were brought by the State of California or the California Division of Labor Enforcement;
- m. For recovery of all civil penalties and other recoverable amounts under the PAGA;
- n. For reasonable attorneys' fees and costs of suit, including expert fees, to the extent permitted by law, associated with the PAGA claims pursuant to Labor Code § 2699, and Code of Civil Procedure section 1021.5 and any other applicable sections; and
- o. For such other relief the Court deems just and proper.

Dated: August 25, 2025

Ferraro Vega Employment Lawyers, Inc.



Nicholas J. Ferraro
*Attorneys for Plaintiffs Zaheer Noorwala
and Pruitt Colon*

EXHIBIT 1

Notice of Labor Code Violations

FERRARO VEGA

SAN DIEGO EMPLOYMENT LAWYERS

Nicholas J. Ferraro
nick@ferrarovega.com
Lauren N. Vega
lauren@ferrarovega.com

ATTORNEYS AT LAW
3333 Camino del Rio South, Suite 300
San Diego, California 92108

619-693-7727
619-350-6855 fax
ferrarovega.com

April 21, 2025

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

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

BTI Solutions, Inc.
801 E Campbell RD STE 230
Richardson, TX 75081

- PAGA Notice & Filing Fee -
Submitted electronically to the Labor and
Workforce Development Agency

Dear LWDA Officer and Company Representatives:

This letter serves as written notice under Labor Code section 2699.3 on behalf of **ZAHEER NOORWALA** (“Plaintiff(s)”) and all other “aggrieved employees” of the following “Defendant(s)”:

BTI SOLUTIONS, INC.

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

This office serves as legal counsel for Plaintiff. If the California Labor and Workforce Development Agency (“LWDA”) does not investigate the facts, allegations, and violations set forth in this notice within the statutorily prescribed 65-day period under Labor Code section 2699.3, Plaintiff intends to commence a civil action against Defendants as a proxy and agent of the State of California under the Private Attorneys General Act (“PAGA”). “PAGA allows an ‘aggrieved employee’—a person affected by at least one Labor Code violation committed by an employer—to pursue penalties for all the Labor Code violations committed by that employer.” *Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal.App.5th 745, 751; *Kim v. Reins International California, Inc.* (2020) 9 Cal.5th 73, 79. Plaintiff maintains standing to pursue these claims against Defendants as an aggrieved employee.

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

- BACKGROUND -

Defendants employed Plaintiff during the PAGA Period in the position of Software Quality Assurance (SQA) Analyst from about October 2022 to January 2024. During their employment Plaintiff and the other aggrieved employees were subject to the wage and hour and employment protections set forth in the California Labor Code and IWC Wage Orders.

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

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

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

- PAGA CLAIMS -

Unpaid Hours Worked/Minimum Wage Violation of Labor Code §§ 1194, 1197, 1198; IWC Wage Orders

Defendants violated Labor Code sections 1194, 1197, and 1198, along with the California Minimum Wage Order, the applicable local minimum wage ordinances, and the “Hours and Days of Work” and “Minimum Wages” sections of the applicable IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 1194 renders it unlawful for an employee to receive less than the legal minimum wage for hours worked in California. Labor Code section 1197 further mandates

that “[t]he minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a lower wage than the minimum so fixed is unlawful.” Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The California Minimum Wage Order and the applicable sections of the IWC Wage Orders further require payment of minimum wages for all hours worked. The “Minimum Wages” sections of the applicable IWC Wage Order provide that “[e]very employer shall pay to each employee, on the established payday for the period involved, not less than the applicable minimum wage for all hours worked in the payroll period, whether the remuneration is measured by time, piece, commission, or otherwise.” The foregoing California wage laws require payment of “not less than the applicable minimum wage *for all hours worked* in the payroll period” and California law does not allow averaging of pay over the hours worked in the pay period, even if the total pay results in an average above the minimum wage. *Armenta v. Osmose, Inc.* (2005) 135 Cal.App.3d 314, 324.

Defendants failed to pay Plaintiff and the aggrieved employees at the lawful minimum wage rate for all hours worked, resulting in unpaid minimum wages. Defendants required Plaintiff and aggrieved employees to complete work while off-the-clock, without compensation. Plaintiff and the aggrieved employees were given a one-hour lunch break but were encouraged to return to work early and complete tasks while off-the-clock. Specifically, Defendants frequently made phone calls to Plaintiff and the aggrieved employees to discuss work related questions during their unpaid meal periods. Plaintiff and the aggrieved employees were expected to respond to these calls while off-the-clock or risk being reprimanded. Defendant did not compensate Plaintiff and the aggrieved employees for the time they spent responding to work-related phone calls while off-the-clock.

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

Unpaid Overtime **Violation of Labor Code §§ 510, 1194, 1198; IWC Wage Orders**

Defendants violated Labor Code sections 510, 1194, and 1198, along with the “Hours and Days of Work” sections of the applicable IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 510 requires “[a]ny work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee;” and “any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee;” and “any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an

employee.” Labor Code section 1194 renders it unlawful for an employee to receive less than the legal overtime rate for overtime hours worked in California. Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The IWC Wage Orders further require payment of overtime wages for all overtime hours worked, including the “Hours and Days of Work” sections.

Defendants failed to pay Plaintiff and the aggrieved employees overtime wages and the lawful rate of pay for overtime hours worked, resulting in unpaid overtime wages. As a result of off-the-clock work described above, Defendants failed to compensate Plaintiff and the aggrieved employees for all overtime hours worked.

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

Unpaid Paid Sick Leave **Violation of Labor Code §§ 246 through 248.7**

Defendants violated Labor Code sections 246 through 248.7 with respect to the aggrieved employees.

Labor Code section 246 requires employers to provide paid sick leave to its workforce on the terms set forth in the statute. Employers must comply with the accrual, use, and notice provisions of Labor Code sections 246, 246.5, 247, and must further ensure that they maintain the paid sick leave records required by Labor Code section 247.5. Employers have the option of providing 40 hours of paid sick leave to employees or to allow employees to accrue paid sick leave each pay period. If an employer chooses the accrual method, employees must accrue sick leave at a rate of one hour for every thirty hours worked in a given pay period as set forth in Labor Code section 246(b)(1). Under the accrual method, employees must begin accruing paid sick leave at the commencement of employment.

Employers must pay sick leave in accordance with one of the three permissible methods provided in Labor Code section 246(l): (1) “the same manner as the regular rate of pay for the workweek;” (2) “by dividing the employee’s total wages, not including overtime premium pay, by the employee’s total hours worked in the full pay periods of the prior 90 days;” or (3) “for exempt employee ... in the same manner as the employer calculates wages for other forms of paid leave time.” Labor Code sections 248.6 and 248.7 similarly require paid sick leave to be paid at a regular rate-based calculation in excess of the base hourly rate and at the lawful accrual rate.

Under Labor Code section 246(i), employers must provide employees “with written notice of the amount of paid sick leave available ... for use on either the employee’s itemized wage

statement ... or in a separate writing provided on the designated pay date with the employee's payment of wages.”

Defendants failed to comply with California's paid sick leave laws with respect to the aggrieved employees. Defendants failed to provide Plaintiff and aggrieved employees with all sick leave accrued. Plaintiff and aggrieved employees worked off the clock, these hours that were not accounted for when calculating an employee's accrued paid sick leave. Therefore, Plaintiff and other aggrieved employees were not awarded the total accrued sick leave time they had earned.

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

Unpaid Meal Period Premium Wages
Violation of Labor Code §§ 226.7, 512, 1198; IWC Wage Orders

Defendants violated Labor Code sections 226.7, 512, and 1198, along with the related sections of the IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 512 and the IWC Wage Orders require that employers provide an uninterrupted 30-minute meal period after no more than five hours of work and a second meal period after no more than 10 hours of work. *See Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1049. Labor Code section 226.7 requires that if a meal period is late, missed, short, or interrupted, the employer must pay one additional hour of pay at the employee's "regular rate" of compensation. *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858, 862 ("We hold that the terms are synonymous: "regular rate of compensation" under section 226.7(c), like "regular rate of pay" under section 510(a), encompasses all nondiscretionary payments, not just hourly wages"). "[T]ime records showing noncompliant meal periods raise a rebuttable presumption of meal period violations, including at the summary judgment stage." *Donohue v. AMN Services, LLC* (2021) 11 Cal.5th 58, 61. Labor Code section 1198 renders "employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]" unlawful. The IWC Wage Orders, including Section 11 (Meal Periods), further require one uninterrupted 30-minute meal period after no more than five hours of work and a second meal period after no more than 10 hours of work and an additional hour of pay at the employee's regular rate of compensation for each workday that a compliant meal period is not provided. Pursuant to Section 11(A) of the IWC Wage Orders, the California Supreme Court has held that the on-duty meal period exception is "exceedingly narrow" and applies only when (1) "the nature of the work prevents the employee from being relieved of all duty" and (2) *both* "the employer and employee have agreed, in writing, to the on-duty meal period." *Augustus v. AMB Security Services, Inc.* (2016) 2 Cal.5th 257, 266-276 (emphasis added). If these two requirements are not met, then the employer owes the employee one hour of premium pay for each non-compliant meal period taken under the purported on-duty meal arrangement. *Naranjo v. Spectrum Security Services, Inc.* (2019) 40 Cal.5th 444, 459.

Plaintiff and the aggrieved employees often experienced missed, late, short, and interrupted meal periods in order to keep up with the high demands of the job. Specifically, Defendants would call Plaintiff and the aggrieved employees for updates on projects and to discuss the whereabouts of specific tools such as connectors and splitters that were shared between the employees. If there was a problem with the wiring Plaintiff would need to rush back to fix the ethernet cables despite being on break. This often resulted in Plaintiff working through all or part of their meal period. Each time Plaintiff and the aggrieved employees experienced a non-compliant meal period, they were owed a meal period premium. As a matter of policy and Practice, Defendants failed to provide all meal period premiums owed.

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

Unpaid Rest Period Premium Wages **Violation of Labor Code §§ 226.7, 516, 1198; IWC Wage Orders**

Defendants violated Labor Code sections 226.7, 516, and 1198, and the related sections of the IWC Wage Orders with respect to Plaintiff and the aggrieved employees.

Labor Code sections 226.7 and 516 and the IWC Wage Orders require that employers authorize and permit an uninterrupted 10-minute rest period for each four-hour period (or major fraction thereof) that an employee works. Labor Code section 226.7 requires that if a rest period is non-compliant, the employer must pay one additional hour of pay at the employee's "regular rate" of compensation. *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858, 862 ("We hold that the terms are synonymous: "regular rate of compensation" under section 226.7(c), like "regular rate of pay" under section 510(a), encompasses all nondiscretionary payments, not just hourly wages"). Labor Code section 1198 renders "employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]" unlawful. The IWC Wage Orders, including Section 12 (Rest Periods), further require one uninterrupted 10-minute rest period for each four-hour period (or major fraction thereof) worked and an additional hour of pay at the employee's regular rate of compensation for each workday that a compliant rest period is not authorized or permitted.

Plaintiff and other aggrieved employees routinely experienced missed and non-compliant rest periods to keep up with the high demands of the job. Defendants had a practice of requiring employees to complete work constantly, thus discouraging rest periods to fulfill work demands or otherwise be reprimanded. For example, Plaintiff left his station to use the restroom to tend to his nosebleed, however upon returning to his workstation he was reprimanded him for leaving his workstation. . On information and belief, Defendants had a policy and practice of not paying rest period premiums to employees who were not authorized to take rest periods.

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

Untimely Payment of Wages During Employment
Violation of Labor Code §§ 204, 204b, 210

Defendants violated Labor Code sections 204 and/or 204b and 210, as applicable, with respect to Plaintiff and the aggrieved employees.

Labor Code section 204(a) requires payment of “all wages” for non-exempt employees at least twice each calendar month. Labor Code section 204(d) states all wages due must be paid “not more than seven calendar days following the close of the payroll period.” Labor Code section 204b applies to employees paid on a weekly basis and also requires the payment for all labor within the required pay periods. Labor Code section 210 provides “every person who fails to pay the wages of an employee as provided in Section ... 204 ... shall be subject to a civil penalty” of \$100 for an initial violation and \$200 plus 25% of the amount unlawfully withheld for a subsequent violation.

Because Defendants failed to pay all wages and premiums in each pay period in which such wages were earned at the lawful rate, Defendants violated Labor Code section 204 and/or 204b (for weekly employees, as applicable). Defendants violated Labor Code sections 204 and 204b by failing to pay all wages and premiums owed on the regular pay days scheduled each pay period within seven calendar days of the close of the payroll period, as a result of the policies and practices set forth in this notice.

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

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

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

Labor Code section 201 requires that if an employer fires an employee, the wages must be paid immediately. Labor Code section 202 requires that if an employee quits without providing 72 hours’ notice, his or her wages must be paid no later than 72 hours thereafter. Labor Code section 202 states that if an employee provides 72 hours’ notice, the final wages are payable upon his or her final day of employment. Labor Code section 203 requires an employer who fails to comply with Labor Code sections 201 or 202 to pay a waiting time penalty for each employee, up to a period of 30 days additional compensation.

Defendants failed to pay all wages and premiums owed to aggrieved employees during their employment as set forth in this notice, and also failed to timely pay those amounts to departing employees upon separation of employment. Defendants did not pay waiting time penalties for the late payments. As a result, Defendants violated Labor Code sections 201, 202, and 203.

Defendants additionally failed to pay all accrued paid sick leave owed to aggrieved employees during their employment as set forth in this notice and failed to pay those amounts to departing employees upon separation of employment. Defendants did not pay waiting time penalties for the late payments.

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

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

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

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

Defendants failed to provide accurate itemized wage statements to the aggrieved employees each pay period as a result of the policies and practices set forth in this notice. Defendants violated Labor Code section 226(a)(1) and (5) by not listing the correct “gross wages earned” or “net wages earned,” as the employees earned wages and premiums that were not paid, resulting in an inaccurate reflection, and recording of “gross wages earned” on those wage statements. Likewise, in violation of Labor Code section 226(a)(9), Defendants failed to state on employee wage statements each pay period the applicable hourly rates in effect and the number of hours worked at that rate, as Defendants failed to pay all wages and premiums owed to employees. The amounts stated are instead depreciated and underpaid, resulting in an inaccurate reflection on the pay stub.

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

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

Unreimbursed Employee Expenses **Violation of Labor Code §§ 2802, 2804**

Defendants violated Labor Code section 2802 with respect to the aggrieved employees by failing to reimburse the aggrieved employees for all necessary expenditures or losses incurred as part of their job duties.

Labor Code section 2802 requires an employer to “indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer, even though unlawful, unless the employee, at the time of obeying the directions, believed them to be unlawful.” See, e.g., *Espinoza v. West Coast Tomato Growers, LLC*, 2016 WL 4468175 at *4, n.2 (S.D. Cal. Aug. 24, 2016, No. 14-CV-2984 W (KSC)).

Labor Code section 2804 affirms that “[a]ny contract or agreement, express or implied, made by any employee to waive the benefits of this article or any part thereof, is null and void, and this article shall not deprive any employee or his personal representative of any right or remedy to which he is entitled under the laws of this State.”

Defendants required Plaintiff and the aggrieved employees to incur costs for work-related purposes without full reimbursement. In direct consequence of their job duties, Plaintiff and the aggrieved employees unavoidably and necessarily incurred these losses, expenditures, costs, and as a matter of policy and practice. Specifically, Defendants required Plaintiff and the aggrieved employees use their personal cell phones, and data, to maintain communication with their supervisors both and off of the job. On information and belief, Defendants imposed the same unlawful requirement on other aggrieved employees, who similarly incurred and were not reimbursed for cell phone related expenses.

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

Failure to Maintain Accurate Records
Violation of Labor Code § 1174; IWC Wage Orders

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

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

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

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

Unlawful Employment Condition
Violation of Labor Code § 432.5

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

Labor Code section 432.5 states that “[n]o employer, or agent, manager, superintendent, or officer thereof, shall require any employee or applicant for employment to agree, in writing, to any term or condition which is known by such employer, or agent, manager, superintendent, or officer thereof to be prohibited by law.”

Non-competition agreements are illegal under California law. Business and Professions Code 16600 provides that “every contract by which anyone is restrained from engaging in a lawful profession, trade, or business of any kind is to that extent void.” Defendants required that Plaintiff and the aggrieved employees sign non-competition agreements restricting their ability to accept certain work on behalf of themselves or other employers. As such, Defendants violated California Labor Code section 432.5 by requiring that Plaintiff and the aggrieved employees sign non-competition agreements prohibited by California law. Specifically, as part of Defendants formal offer of employment, Plaintiff was made to sign a document with the following provision: “*Non-compete Agreement*. For so long as you shall remain employed by BTI and for a period of twelve(12) months after termination of employment

with BTI for any reason (to be known as the "Non-compete Period"), you shall not directly or indirectly solicit business from customers or clients of BTI nor engage in (as principal, shareholder, partner, consultant or any other capacity) any enterprise conducting business activities that are the same or similar to those of BTI within the noncompete geographic area were permissible under the law." As such, Defendants violated California Labor Code section 432.5 by requiring that Plaintiff and the aggrieved employees sign non-competition agreements prohibited by California law.

Defendants required Plaintiff and the aggrieved employees to work as employees but misclassified them as independent contractors. Defendant's imposed work requirements on Plaintiff and the aggrieved employees, thereby subjecting them to Defendant's control.

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

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

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

- LITIGATION HOLD NOTICE -

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

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

- CONCLUSION -

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

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

Sincerely,

A handwritten signature in black ink that reads "Elyssa Martinez". The script is cursive and fluid, with the first name "Elyssa" and last name "Martinez" clearly distinguishable.

Elyssa Martinez

Cc Plaintiff Zaheer Noorwala
HR Representative, Human Resources Manager Courtney Barnes
courtney.barnes@btisolutions.com

EXHIBIT 2

Colon's Notice of Labor Code Violations

FERRARO VEGA

SAN DIEGO EMPLOYMENT LAWYERS

Nicholas J. Ferraro
nick@ferrarovega.com
Lauren N. Vega
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ferrarovega.com

June 18, 2025

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

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

BTI Solutions, Inc.
801 E Campbell Rd., Ste. 230
Richardson, TX 75081

- PAGA Notice & Filing Fee -
Submitted electronically to the Labor and
Workforce Development Agency

Dear LWDA Officer and Company Representatives:

This letter serves as written notice under Labor Code section 2699.3 on behalf of **PRUITT COLON** (“Plaintiff(s)”) and all other “aggrieved employees” of the following “Defendant(s)”:

BTI SOLUTIONS, INC.

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

This office serves as legal counsel for Plaintiff. If the California Labor and Workforce Development Agency (“LWDA”) does not investigate the facts, allegations, and violations set forth in this notice within the statutorily prescribed 65-day period under Labor Code section 2699.3, Plaintiff intends to commence a civil action against Defendants as a proxy and agent of the State of California under the Private Attorneys General Act (“PAGA”). “PAGA allows an ‘aggrieved employee’—a person affected by at least one Labor Code violation committed by an employer—to pursue penalties for all the Labor Code violations committed by that employer.” *Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal.App.5th 745, 751; *Kim v. Reins International California, Inc.* (2020) 9 Cal.5th 73, 79. Plaintiff maintains standing to pursue these claims against Defendants as an aggrieved employee.

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

- BACKGROUND -

Defendants employed Plaintiff during the PAGA Period in the position of Field Network Engineer from about June 2024 to Present. During their employment Plaintiff and the other aggrieved employees were subject to the wage and hour and employment protections set forth in the California Labor Code and IWC Wage Orders.

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

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

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

- PAGA CLAIMS -

Unpaid Hours Worked/Minimum Wage Violation of Labor Code §§ 1194, 1197, 1198; IWC Wage Orders

Defendants violated Labor Code sections 1194, 1197, and 1198, along with the California Minimum Wage Order, the applicable local minimum wage ordinances, and the “Hours and Days of Work” and “Minimum Wages” sections of the applicable IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 1194 renders it unlawful for an employee to receive less than the legal minimum wage for hours worked in California. Labor Code section 1197 further mandates

that “[t]he minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a lower wage than the minimum so fixed is unlawful.” Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The California Minimum Wage Order and the applicable sections of the IWC Wage Orders further require payment of minimum wages for all hours worked. The “Minimum Wages” sections of the applicable IWC Wage Order provide that “[e]very employer shall pay to each employee, on the established payday for the period involved, not less than the applicable minimum wage for all hours worked in the payroll period, whether the remuneration is measured by time, piece, commission, or otherwise.” The foregoing California wage laws require payment of “not less than the applicable minimum wage *for all hours worked* in the payroll period” and California law does not allow averaging of pay over the hours worked in the pay period, even if the total pay results in an average above the minimum wage. *Armenta v. Osmose, Inc.* (2005) 135 Cal.App.3d 314, 324.

Defendants failed to pay Plaintiff and the aggrieved employees at the lawful minimum wage rate for all hours worked, resulting in unpaid minimum wages. Defendants required Plaintiff and aggrieved employees to complete work while off-the-clock, without compensation. Plaintiff and the aggrieved employees were scheduled a one-hour lunch break but were often told to clock out and continue working for all or part of this unpaid time, resulting in off the clock work.

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

Unpaid Overtime **Violation of Labor Code §§ 510, 1194, 1198; IWC Wage Orders**

Defendants violated Labor Code sections 510, 1194, and 1198, along with the “Hours and Days of Work” sections of the applicable IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 510 requires “[a]ny work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee;” and “any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee;” and “any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee.” Labor Code section 1194 renders it unlawful for an employee to receive less than the legal overtime rate for overtime hours worked in California. Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The IWC Wage Orders

further require payment of overtime wages for all overtime hours worked, including the “Hours and Days of Work” sections.

Defendants failed to pay Plaintiff and the aggrieved employees overtime wages and the lawful rate of pay for overtime hours worked, resulting in unpaid overtime wages. As a result of off-the-clock work described above, each time this resulted in unpaid hours worked over 8 hours in the day or 40 hours in a week, this resulted in unpaid overtime.

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

Unpaid Paid Sick Leave **Violation of Labor Code §§ 246 through 248.7**

Defendants violated Labor Code sections 246 through 248.7 with respect to the aggrieved employees.

Labor Code section 246 requires employers to provide paid sick leave to its workforce on the terms set forth in the statute. Employers must comply with the accrual, use, and notice provisions of Labor Code sections 246, 246.5, 247, and must further ensure that they maintain the paid sick leave records required by Labor Code section 247.5. Employers have the option of providing 40 hours of paid sick leave to employees or to allow employees to accrue paid sick leave each pay period. If an employer chooses the accrual method, employees must accrue sick leave at a rate of one hour for every thirty hours worked in a given pay period as set forth in Labor Code section 246(b)(1). Under the accrual method, employees must begin accruing paid sick leave at the commencement of employment.

Employers must pay sick leave in accordance with one of the three permissible methods provided in Labor Code section 246(l): (1) “the same manner as the regular rate of pay for the workweek;” (2) “by dividing the employee’s total wages, not including overtime premium pay, by the employee’s total hours worked in the full pay periods of the prior 90 days;” or (3) “for exempt employee ... in the same manner as the employer calculates wages for other forms of paid leave time.” Labor Code sections 248.6 and 248.7 similarly require paid sick leave to be paid at a regular rate-based calculation in excess of the base hourly rate and at the lawful accrual rate.

Under Labor Code section 246(i), employers must provide employees “with written notice of the amount of paid sick leave available ... for use on either the employee’s itemized wage statement ... or in a separate writing provided on the designated pay date with the employee’s payment of wages.”

Defendants failed to comply with California’s paid sick leave laws with respect to the aggrieved employees. Defendants failed to provide Plaintiff and aggrieved employees with all sick leave

accrued. Plaintiff and aggrieved employees worked off the clock, these hours that were not accounted for when calculating an employee's accrued paid sick leave. Therefore, Plaintiff and other aggrieved employees were not awarded the total accrued sick leave time they had earned.

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

Unpaid Meal Period Premium Wages
Violation of Labor Code §§ 226.7, 512, 1198; IWC Wage Orders

Defendants violated Labor Code sections 226.7, 512, and 1198, along with the related sections of the IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 512 and the IWC Wage Orders require that employers provide an uninterrupted 30-minute meal period after no more than five hours of work and a second meal period after no more than 10 hours of work. *See Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1049. Labor Code section 226.7 requires that if a meal period is late, missed, short, or interrupted, the employer must pay one additional hour of pay at the employee's "regular rate" of compensation. *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858, 862 ("We hold that the terms are synonymous: "regular rate of compensation" under section 226.7(c), like "regular rate of pay" under section 510(a), encompasses all nondiscretionary payments, not just hourly wages"). "[T]ime records showing noncompliant meal periods raise a rebuttable presumption of meal period violations, including at the summary judgment stage." *Donohue v. AMN Services, LLC* (2021) 11 Cal.5th 58, 61. Labor Code section 1198 renders "employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]" unlawful. The IWC Wage Orders, including Section 11 (Meal Periods), further require one uninterrupted 30-minute meal period after no more than five hours of work and a second meal period after no more than 10 hours of work and an additional hour of pay at the employee's regular rate of compensation for each workday that a compliant meal period is not provided. Pursuant to Section 11(A) of the IWC Wage Orders, the California Supreme Court has held that the on-duty meal period exception is "exceedingly narrow" and applies only when (1) "the nature of the work prevents the employee from being relieved of all duty" and (2) *both* "the employer and employee have agreed, in writing, to the on-duty meal period." *Augustus v. AMB Security Services, Inc.* (2016) 2 Cal.5th 257, 266-276 (emphasis added). If these two requirements are not met, then the employer owes the employee one hour of premium pay for each non-compliant meal period taken under the purported on-duty meal arrangement. *Naranjo v. Spectrum Security Services, Inc.* (2019) 40 Cal.5th 444, 459.

Plaintiff and the aggrieved employees often experienced missed, late, short, and interrupted meal periods in order to keep up with the high demands of the job. Specifically, Plaintiff and the aggrieved employees would often be required to clock out for their scheduled meal period but keep working, in order for it to appear as if they were taking compliant meal periods, and

so that the company could avoid paying all premiums owed. This resulted in missed, short, and late meal periods. For example, Plaintiff recalls often being required to skip his meal period in order to finish testing and to avoid reprimand from management. Plaintiff experienced interrupted meal periods as a result of being required to carry NDA protected devices at all times, including their unpaid meal periods. Plaintiff and the aggrieved employees were often contacted on these devices and expected to answer immediately.

Each time Plaintiff and the aggrieved employees experienced a non-compliant meal period, they were owed a meal period premium. As a matter of policy and Practice, Defendants failed to provide all meal period premiums owed.

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

Unpaid Rest Period Premium Wages
Violation of Labor Code §§ 226.7, 516, 1198; IWC Wage Orders

Defendants violated Labor Code sections 226.7, 516, and 1198, and the related sections of the IWC Wage Orders with respect to Plaintiff and the aggrieved employees.

Labor Code sections 226.7 and 516 and the IWC Wage Orders require that employers authorize and permit an uninterrupted 10-minute rest period for each four-hour period (or major fraction thereof) that an employee works. Labor Code section 226.7 requires that if a rest period is non-compliant, the employer must pay one additional hour of pay at the employee's "regular rate" of compensation. *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858, 862 ("We hold that the terms are synonymous: "regular rate of compensation" under section 226.7(c), like "regular rate of pay" under section 510(a), encompasses all nondiscretionary payments, not just hourly wages"). Labor Code section 1198 renders "employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]" unlawful. The IWC Wage Orders, including Section 12 (Rest Periods), further require one uninterrupted 10-minute rest period for each four-hour period (or major fraction thereof) worked and an additional hour of pay at the employee's regular rate of compensation for each workday that a compliant rest period is not authorized or permitted.

Plaintiff and other aggrieved employees routinely experienced missed and non-compliant rest periods to keep up with the high demands of the job. Defendants had a practice of requiring employees to complete work constantly, thus discouraging rest periods to fulfill work demands or otherwise be reprimanded. For example, Plaintiff and the aggrieved employees were often required to forego their rest period in order to complete testing and avoid being reprimanded.

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

Untimely Payment of Wages During Employment
Violation of Labor Code §§ 204, 204b, 210

Defendants violated Labor Code sections 204 and/or 204b and 210, as applicable, with respect to Plaintiff and the aggrieved employees.

Labor Code section 204(a) requires payment of “all wages” for non-exempt employees at least twice each calendar month. Labor Code section 204(d) states all wages due must be paid “not more than seven calendar days following the close of the payroll period.” Labor Code section 204b applies to employees paid on a weekly basis and also requires the payment for all labor within the required pay periods. Labor Code section 210 provides “every person who fails to pay the wages of an employee as provided in Section ... 204 ... shall be subject to a civil penalty” of \$100 for an initial violation and \$200 plus 25% of the amount unlawfully withheld for a subsequent violation.

Because Defendants failed to pay all wages and premiums in each pay period in which such wages were earned at the lawful rate, Defendants violated Labor Code section 204 and/or 204b (for weekly employees, as applicable). Defendants violated Labor Code sections 204 and 204b by failing to pay all wages and premiums owed on the regular pay days scheduled each pay period within seven calendar days of the close of the payroll period, as a result of the policies and practices set forth in this notice.

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

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

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

Labor Code section 201 requires that if an employer fires an employee, the wages must be paid immediately. Labor Code section 202 requires that if an employee quits without providing 72 hours’ notice, his or her wages must be paid no later than 72 hours thereafter. Labor Code section 202 states that if an employee provides 72 hours’ notice, the final wages are payable upon his or her final day of employment. Labor Code section 203 requires an employer who fails to comply with Labor Code sections 201 or 202 to pay a waiting time penalty for each employee, up to a period of 30 days additional compensation.

Defendants failed to pay all wages and premiums owed to aggrieved employees during their employment as set forth in this notice, and also failed to timely pay those amounts to departing employees upon separation of employment. Defendants did not pay waiting time penalties for the late payments. As a result, Defendants violated Labor Code sections 201, 202, and 203.

Defendants additionally failed to pay all accrued paid sick leave owed to aggrieved employees during their employment as set forth in this notice and failed to pay those amounts to departing employees upon separation of employment. Defendants did not pay waiting time penalties for the late payments.

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

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

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

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

Defendants failed to provide accurate itemized wage statements to the aggrieved employees each pay period as a result of the policies and practices set forth in this notice. Defendants violated Labor Code section 226(a)(1) and (5) by not listing the correct “gross wages earned” or “net wages earned,” as the employees earned wages and premiums that were not paid, resulting in an inaccurate reflection, and recording of “gross wages earned” on those wage statements. Likewise, in violation of Labor Code section 226(a)(9), Defendants failed to state on employee wage statements each pay period the applicable hourly rates in effect and the number of hours worked at that rate, as Defendants failed to pay all wages and premiums owed to employees. The amounts stated are instead depreciated and underpaid, resulting in an inaccurate reflection on the pay stub.

Defendants violated Labor Code section 226(a)(2) by failing to accurately list employees’ “total hours worked,” as the wage statements did not accurately include the uncompensated time

plaintiff and other aggrieved employees worked due to Defendant's policy and practice of requiring off-the-clock work.

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

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

Unreimbursed Employee Expenses **Violation of Labor Code §§ 2802, 2804**

Defendants violated Labor Code section 2802 with respect to the aggrieved employees by failing to reimburse the aggrieved employees for all necessary expenditures or losses incurred as part of their job duties.

Labor Code section 2802 requires an employer to "indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer, even though unlawful, unless the employee, at the time of obeying the directions, believed them to be unlawful." *See, e.g., Espinoza v. West Coast Tomato Growers, LLC*, 2016 WL 4468175 at *4, n.2 (S.D. Cal. Aug. 24, 2016, No. 14-CV-2984 W (KSC)).

Labor Code section 2804 affirms that "[a]ny contract or agreement, express or implied, made by any employee to waive the benefits of this article or any part thereof, is null and void, and this article shall not deprive any employee or his personal representative of any right or remedy to which he is entitled under the laws of this State."

Defendants required Plaintiff and the aggrieved employees to incur costs for work-related purposes without full reimbursement. In direct consequence of their job duties, Plaintiff and the aggrieved employees unavoidably and necessarily incurred these losses, expenditures, costs, and as a matter of policy and practice.

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

Failure to Maintain Accurate Records
Violation of Labor Code § 1174; IWC Wage Orders

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

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

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

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

Unlawful Employment Condition
Violation of Labor Code § 432.5

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

Labor Code section 432.5 states that “[n]o employer, or agent, manager, superintendent, or officer thereof, shall require any employee or applicant for employment to agree, in writing, to any term or condition which is known by such employer, or agent, manager, superintendent, or officer thereof to be prohibited by law.”

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

Specifically, as part of Defendants formal offer of employment, Plaintiff was made to sign a document with the following provision: “*Non-compete Agreement*. For so long as you shall remain

employed by BTI and for a period of twelve(12) months after termination of employment with BTI for any reason (to be known as the "Non-compete Period"), you shall not directly or indirectly solicit business from customers or clients of BTI nor engage in (as principal, shareholder, partner, consultant or any other capacity) any enterprise conducting business activities that are the same or similar to those of BTI within the noncompete geographic area were permissible under the law.” As such, Defendants violated California Labor Code section 432.5 by requiring that Plaintiff and the aggrieved employees sign non-competition agreements prohibited by California law.

Defendants required Plaintiff and the aggrieved employees to work as employees but misclassified them as independent contractors. Defendant’s imposed work requirements on Plaintiff and the aggrieved employees, thereby subjecting them to Defendant’s control.

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

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

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

- LITIGATION HOLD NOTICE -

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

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

- CONCLUSION -

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

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

Sincerely,



Elyssa Martinez

Cc Plaintiff Pruitt Colon
 HR Representative, Human Resources Manager Courtney Barnes
 courtney.barnes@btisolutions.com