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Attorneys for Plaintiff HAO THAI, as representative of the State of California and the Labor and Workforce Development Agency, and on behalf of himself and other current and former aggrieved employees.

**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF RIVERSIDE**

HAO THAI, on behalf of himself and all other  
aggrieved employees,

Plaintiff,

v.

MARCH PRODUCTS INC., a California  
Corporation; YUNGCHENG MA, an  
individual; MARK JS MA, an individual;  
YUNGLIN MA, an individual; and DOES 1-  
50, Inclusive,

Defendants,

Case No. **CVRI 2300021**

**COMPLAINT**

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

1 Plaintiff, HAO THAI, (“Plaintiff”), as a representative of the State of California and the  
2 Labor and Workforce Development Agency (LWDA), and on behalf of himself and other current  
3 or former aggrieved employees, complains and alleges as follows:

#### 4 **INTRODUCTION**

5 1. This is a representative action brought by Plaintiff, as a representative of the State  
6 of California and the LWDA, and on behalf of Plaintiff and other aggrieved employees, to collect  
7 civil penalties for Defendants’ Labor Code violations.

8 2. Defendants and Employers, MARCH PRODUCTS INC, YUNGCHENG MA,  
9 MARK JS MA, and YUNGLIN MA (collectively “Defendants”) violated numerous wage and  
10 hour laws with respect to Plaintiff and other aggrieved employees by failing to provide, for  
11 example: accurate and itemized wages statements, payment for all hours worked (including  
12 regular wages and overtime), failure to provide a minimum wage lawful meal periods, lawful  
13 rest periods, timely payment during employment, failure to reimburse for expenses incurred  
14 during the course and scope of employment, and payment upon separation of employment.

#### 15 **PARTIES**

##### 16 **The Plaintiff**

17 3. Plaintiff HAO THAI (“Plaintiff” or “THAI”) is, and at all times mentioned herein,  
18 was a resident of the County of Riverside in the State of California.

19 4. Similarly aggrieved, former and/or current non-exempt employees employed by  
20 Defendants during the relevant time period who were subject to the same wage and hour policies  
21 and practices as Plaintiff, and thereby, suffered similar or substantially similar violations  
22 (hereinafter “Aggrieved Employees”).

##### 23 **The Defendants**

24 5. Defendant MARCH PRODUCTS INC is a California corporation which, at all  
25 relevant times mentioned herein, existing, doing business and employing individuals in the  
26 County of Riverside, State of California.

1           6. Defendant YUNGCHENG MA (“YUNGCHENG MA”) is an individual over the  
2 age of 18 years, and based on information and belief, was residing at all times mentioned herein  
3 in the County of Riverside State of California.

4           7. Defendant MARK JS MA (“MARK JS MA”) is an individual over the age of 18  
5 years, and based on information and belief, was residing at all times mentioned herein in the  
6 County of Riverside State of California.

7           8. Defendant YUNGLIN MA (“YUNGLIN MA”) is an individual over the age of 18  
8 years, and based on information and belief, was residing at all times mentioned herein in the  
9 County of Riverside State of California.

10          9. Plaintiff is informed and thereon alleges that Defendants exercised control over  
11 Plaintiff and Aggrieved Employees’ wages, hours, and working conditions.

12          10. Plaintiff is informed and believes, and thereon alleges, that at all times mentioned  
13 herein, Defendants, and each of them, exercised control over Plaintiff and Aggrieved Employees’  
14 wages, hours, or working conditions.

15          11. The true names and capacities, whether individual, corporate, associate, or  
16 otherwise of Defendants named herein as DOES 1-50, inclusive, are unknown to Plaintiff at this  
17 time and therefore said Defendants are sued by such fictitious names. Plaintiff will seek leave to  
18 amend this Complaint to insert the true names and capacities of said Defendants when the same  
19 become known to Plaintiff. Plaintiff is informed and believes and thereupon alleges that each of  
20 the fictitiously named Defendants are responsible for the wrongful acts alleged herein and are  
21 therefore liable to Plaintiff as alleged hereinafter.

22          12. Plaintiff is informed and believes, and thereon alleges, that Defendants, and each  
23 of them, including those Defendants named DOES 1-50, acted in concert with one another to  
24 commit the wrongful acts alleged therein, and aided, abetted, incited, compelled, and/or coerced  
25 one another in the wrongful acts alleged herein, and/or attempted to do so. Plaintiff is further  
26 informed and believes, and thereon alleges, that the Defendants, and each of them, including  
27 those Defendants named as DOES 1-50, formed and executed a conspiracy or common plan  
28

1 pursuant to which they would commit the unlawful acts alleged herein, with all such acts alleged  
2 herein done as part of and pursuant to said conspiracy, intended to and actually causing Plaintiff  
3 harm.

#### 4 **JURISDICTION AND VENUE**

5 13. Venue is proper in Riverside County, because Defendants maintains its locations  
6 and transacts business in this county, the obligations and liability primarily arise in this county,  
7 and work was primarily performed by Plaintiff and other aggrieved employees in this county.

8 14. The California Superior Court has jurisdiction over this matter. The individual  
9 claims are under the seventy-five thousand dollar (\$75,000.00) jurisdictional threshold for  
10 federal court and PAGA penalties cannot be aggregated to meet the minimum jurisdictional  
11 amount required for diversity removal. Further, there is no federal question at issue as the issues  
12 herein are based solely on California statutes and law, including, but not limited to, the California  
13 Labor Code, Industrial Welfare Commission Wage Orders, California Code of Civil Procedure,  
14 and California Rules of Court.

#### 15 **GENERAL ALLEGATIONS**

16 15. Defendants, a manufacturing company, employed Plaintiff and aggrieved  
17 employees, in non-exempt positions, in California during the relevant PAGA period. Plaintiff  
18 began working or on about 2001 to June 10, 2022, in Defendants sewing department.

19 16. The position required Plaintiff to work more than 8 hours a day and/or 40 hours  
20 per week without lawful compensation. Plaintiff and nonexempt aggrieved employees were  
21 regularly not paid for minimum wages and overtime for compensable work time spent under the  
22 control of Defendants, but which was performed off-the-clock, even though such additional work  
23 time was in excess of regularly scheduled, eight-hour daily shifts.

24 17. Plaintiff and nonexempt aggrieved employees were subject to not having all their  
25 compensable work time recorded. Not all of Plaintiff and nonexempt aggrieved employees'  
26 compensable work time spent under the control of Defendants was accounted for and  
27 compensated. Specifically, Defendants (1) adjusted clock in and clock out times to the  
28

disadvantage of Plaintiff and other non-exempt aggrieved employees by rounding up clock-in times when Plaintiff and non-exempt employees clocked in before the scheduled start of their respective shifts and rounded down clock-out times when Plaintiff and nonexempt aggrieved employees worked past the scheduled end time for their shifts, as well as (2) requiring Plaintiff and non-exempt employees to continue working when ostensibly on duty-free meal periods, or requiring them to return to work before the end of their thirty-minute meal periods but prohibiting them from clocking back in until the legally required thirty-minute mark.

18. Based on information and belief, Plaintiff believes non-exempt employees were also not being fully reimbursed for all necessary expenses, including the use of their personal cell phones incurred in the performance of their job duties.

19. Defendants failed to authorize and permit all required meal and rest periods for Plaintiff and nonexempt aggrieved employees because, upon information and belief, Defendants maintained unlawful meal/rest period policies and practices. In order to curtail labor costs, Defendants regularly did not staff enough employees to provide sufficient coverage to maintain their business operations so Plaintiff and aggrieved employees could not both complete their assigned daily duties and take complete, timely and uninterrupted meal and rest breaks. Defendants prioritized completion of daily duties ahead of meal and rest period compliance. Furthermore, Defendants nevertheless deducted a half hour from the daily time worked by Plaintiff and aggrieved employers for ostensible meal periods despite the fact such breaks not actually taken or delayed or interrupted. Moreover, Defendants failed to provide Plaintiff and aggrieved employees with an additional hour of premium pay at the regular rate of pay for each meal/rest period violation, as required by Labor Code section 226.7.

20. As a result of the violations described above, Plaintiff and nonexempt aggrieved employees experienced collateral or derivative violations. Specifically, Defendants failed to provide Plaintiff and nonexempt Aggrieved Employees accurate itemized wage statements in writing in compliance with Labor Code section 226 and failed to compensate Plaintiff and other former nonexempt aggrieved employees for all wages owed at the time employment with

1 Defendants had ended.

2       21. Pursuant to Labor Code section 2699, subdivision (a), any provision of the Labor  
3 Code that provides for a civil penalty to be assessed and collected by the LWDA or any of its  
4 departments, divisions, commissions, boards, agencies or employees for violation of the code  
5 may, as an alternative, be recovered through a civil action brought by an aggrieved employee on  
6 behalf of himself or herself and other current or former employees pursuant to the procedures  
7 specified in Labor Code section 2699.3.

8       22. For all provisions of the Labor Code except those for which a civil penalty is  
9 specifically provided, Labor Code section 2699, subdivision (f) imposes upon Defendants a  
10 penalty of one hundred dollars (\$100.00) for each aggrieved employee per pay period for the  
11 initial violation and two hundred dollars (\$200.00) for each aggrieved employee per pay period  
12 for each subsequent pay period in which Defendants violated these provisions of the Labor Code.

13       23. Defendants' conduct during the PAGA period with respect to Plaintiff and the  
14 Aggrieved Employees violates numerous Labor Code sections as detailed herein.

15       24. Plaintiff alleges that Defendants has engaged in a systematic pattern of wage and  
16 hour violations under the California Labor Code and IWC Wage Orders.

17       25. At all relevant times herein, Defendants employed Plaintiff and other aggrieved  
18 employees as employees who were subject to the employment policies, in whole or in part, and  
19 therefore suffered the same or substantially similar violations, in whole or in part.

20       26. Plaintiff is informed and believes, and based thereon alleges, that Defendants  
21 knew or should have known that Plaintiff and aggrieved employees were entitled to receive  
22 wages for all hours worked, including the applicable minimum, regular, and overtime wages,  
23 and that they were not receiving all wages earned for work that was required to be performed. In  
24 violation of the Labor Code and IWC Wage Orders, Defendants failed to pay Plaintiff and  
25 aggrieved employees for all hours worked. Accordingly, Defendants failed to pay Plaintiff and  
26 aggrieved employees all earned minimum, regular, and/or overtime compensation.

27       27. Plaintiff is informed and believes, and based thereon alleges, that Defendants  
28

1 knew or should have known that Plaintiff and aggrieved employees were entitled to receive all  
2 required meal periods or payment of one (1) additional hour of pay at Plaintiff and aggrieved  
3 employees' regular rate of pay when they did not receive a timely, uninterrupted off-duty meal  
4 period. In violation of the Labor Code and IWC Wage Orders, Defendants had a pattern, practice,  
5 and policy of not providing timely meal periods. Defendants failed to pay an additional hour of  
6 pay to Plaintiff and aggrieved employees for late meal periods. As a result of Defendants'  
7 unlawful policy and practice, Plaintiff and aggrieved employees did not receive all meal periods  
8 or payment of one (1) additional hour of pay at Plaintiff's and aggrieved employees' regular rate  
9 of pay when they did not receive a timely, uninterrupted 30 minute off-duty meal period.

10         28. Plaintiff is informed and believes, and based thereon alleges, that Defendants  
11 knew or should have known that Plaintiff and aggrieved employees were entitled to receive all  
12 required rest periods or payment of one (1) additional hour of pay at Plaintiff and aggrieved  
13 employees' regular rate of pay when they did not receive a timely, uninterrupted off-duty rest  
14 period. In violation of the Labor Code and IWC Wage Orders, Defendants had a pattern, practice,  
15 and policy of not providing timely rest periods. Defendants failed to pay an additional hour of  
16 pay to Plaintiff and aggrieved employees for each rest periods were not provided or was  
17 interrupted. As a result of Defendants' unlawful policy and practice, Plaintiff and aggrieved  
18 employees did not receive all required rest periods or payment of one (1) additional hour of pay  
19 at Plaintiff's and aggrieved employees' regular rate of pay when they did not receive a timely,  
20 uninterrupted 10 minute off-duty rest period.

21         29. Plaintiff is informed and believes, and based thereon alleges, that Defendants  
22 knew or should have known that Plaintiff and certain aggrieved employees were entitled to  
23 timely payment of wages due upon separation of employment. In violation of the Labor Code,  
24 Plaintiff and certain aggrieved employees did not receive payment of all wages due, within  
25 permissible time periods, upon separation of employment.

26         30. Plaintiff is informed and believes, and based thereon alleges, that Defendants  
27 knew or should have known that Plaintiff and aggrieved employees were entitled to receive  
28

1 itemized wage statements that accurately showed their actual hours worked, total hours worked,  
2 number of hours worked at each hourly rate, gross and net wages earned, and correct employer  
3 information in accordance with California law. As a result of the wage violations specified  
4 above, and in violation of the Labor Code, Plaintiff and aggrieved employees were not provided  
5 with accurate itemized wage statements that accurately reported their gross and net wages  
6 earned, total hours worked, each applicable rate of pay in effect during the pay period with the  
7 corresponding number of hours worked, and the address of the legal entity that is the employer,  
8 among other things.

9         31. Plaintiff and aggrieved employees were employees covered under one or more  
10 statutes under the Labor Code, including but not limited to section 2802, but were not reimbursed  
11 by Defendants for all business expenses incurred.

12         32. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or  
13 should have known that Defendants were required to maintain accurate records of the hours  
14 worked by Plaintiff and aggrieved employees. In violation of the Labor Code, Defendants failed  
15 to maintain accurate records of hours worked by Plaintiff and aggrieved employees due to its  
16 off-the-clock and/or unfair rounding practices, among other things.

17  
18                                 **FIRST CAUSE OF ACTION**

19                                 **(Civil Penalties Under the Private Attorneys General Act,**  
20                                 **Labor Code § 2699 et seq., For Violations of the Labor Code)**

21         33. Plaintiff realleges and incorporates by reference the preceding paragraphs of this  
22 Complaint as if fully alleged herein.

23         34. By this complaint, Plaintiff brings this case as a representative action seeking  
24 penalties for himself, the Aggrieved Employees, and the State of California in a representative  
25 capacity, as provided by the PAGA, Labor Code sections 2698 et seq. Plaintiff is an aggrieved  
26 employee who was employed by Defendants and subject to at least one of the Labor Code  
27 violations set forth in Labor Code section 2699.5. Plaintiff specifically alleged the following in  
28 his notice to the LWDA and Defendants: violation of Labor Code sections 201, 202, 203, 204,

226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198 and 2802.

35. Under Labor Code section 2699.3, subdivision (a), a plaintiff may bring a cause of action under PAGA only after giving the LWDA and the employer notice of the Labor Code sections alleged to have been violated, and after receiving notice from the LWDA of its intention not to investigate, or after 65 days have passed without notice from the LWDA.

36. Prior to filing this complaint, on September 23, 2022, Plaintiff gave written notice of the specific provisions alleged to have been violated, including the facts and theories to support the alleged violations, as required by Labor Code section 2699.3. The written notice was given via certified mail to Defendants, and the LWDA by electronically filing the notice via the Department of Industrial Relations website. Plaintiff was given an LWDA case number of LWDA-CM-909861-22. True and correct copies of Plaintiff's notices to the LWDA and Defendants, dated September 23, 2022, are attached hereto as **Exhibit A**.

37. The LWDA has not provided Plaintiff with any notice that it intends to investigate the violations as alleged in Plaintiff's notice dated September 23, 2022, and more than 65 calendar days have elapsed since the postmark date on the latter notice.

38. California Labor Code §§2698-2699.5, in relevant part provides, "any provision of this code that provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency...for a violation of this code, may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of himself or herself and other current or former employees pursuant to the procedures specified in Section 2699.3."

39. As an aggrieved employee, Plaintiff brings this civil action to recover civil penalties for Defendant's Labor Code violations.

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1 **First Violation**

2 **(Failure to Provide Meal Periods, in Violation of Labor Code Section 512)**

3 40. Under California Labor Code §512(a), “An employer may not employ an  
4 employee for a work period of more than five hours per day without providing the employee  
5 with a meal period of not less than 30 minutes, except that if the total work period per day of the  
6 employee is no more than six hours, the meal period may be waived by mutual consent of both  
7 the employer and employee.”

8 41. Defendants violated Labor Code § 512 by failing to provide Plaintiff, and other  
9 qualifying employees who worked shifts of greater than five hours, meal periods within the first  
10 five hours of the shifts worked. Defendants failed to pay Plaintiff one hour’s pay at Plaintiff’s  
11 regular rate of pay for each day Defendants failed to provide a meal period in compliance with  
12 section 512.

13 **Second Violation**

14 **(Failure to Provide Rest Periods, in Violation of Labor Code Section 226.7)**

15 42. Under California Labor Code §226.7(b), “An employer shall not require an  
16 employee to work during a meal or rest or recovery period mandated pursuant to an applicable  
17 statute, or applicable regulation, standard, or order of the Industrial Welfare Commission”

18 43. Industrial Welfare Commission (IWC) provides, “Every employer shall authorize  
19 and permit all employees to take rest periods, which insofar as practicable shall be in the middle  
20 of each work period. The authorized rest period time shall be based on the total hours worked  
21 daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof.”

22 44. Defendants failed to authorize and permit Plaintiff and other employee to take  
23 rest periods and mandated by the Wage Order.

24 45. Under §226.7(c), an employer who violates §226.7(b), “...shall pay the employee  
25 one additional hour of pay at the employee’s regular rate of compensation for each workday that  
26 the meal or rest or recovery period is not provided.”

27 46. Defendants failed to pay Plaintiff and other employees who were not provided  
28

1 rest periods one hour of pay at their regular rate of pay.

2 **Third Violation**

3 **(Failure to Provide Complete and Accurate Wage Statements,**  
4 **in Violation of Labor Code Section 226)**

5 47. Under California Labor Code §226(a), an employer is legally obligated to provide  
6 its employees, semi-monthly or at the time of payment of wages, “an accurate itemized statement  
7 in writing...”

8 48. Plaintiff, on behalf of the State of California and the LWDA, seeks civil penalties  
9 for Defendants’ Labor Code violations alleged herein, as well as attorney’s fees and costs, under  
10 Labor Code § 2699.

11 **Fourth Violation**

12 **(Failure to Pay Overtime Wages)**

13 49. Pursuant to California Labor Code §§ 510, 1194, and IWC Wage Orders, an  
14 employer is required to compensate employees for all overtime, which is calculated at one and  
15 one-half (1½) times the regular rate of pay for all hours worked in excess of eight (8) hours per  
16 day and/or forty (40) hours per week, and for the first eight (8) hours on the seventh consecutive  
17 workday, with double time for all hours worked in excess of twelve (12) hours in any workday  
18 and for all hours worked in excess of eight (8) hours on the seventh consecutive day of work in  
19 any workweek.  
20

21 50. Plaintiff, on behalf of the State of California and the LWDA, seeks civil penalties  
22 for Defendants’ Labor Code violations alleged herein, as well as attorney’s fees and costs, under  
23 Labor Code § 2699.

24 **Fifth Violation**

25 **(Failure to Pay Minimum Wages)**

26 51. Pursuant to California Labor Code §§ 1194, 1197, and IWC Wage Orders,  
27 payment to an employee of less than the applicable minimum wage for all hours worked in a  
28 payroll period is unlawful.

52. Plaintiff, on behalf of the State of California and the LWDA, seeks civil penalties for Defendants' Labor Code violations alleged herein, as well as attorney's fees and costs, under Labor Code § 2699.

### Sixth Violation

**(Failure to Timely Pay Wages During Employment)**

53. Pursuant to California Labor Code § 204, for all labor performed between the 1st and 15th days of any calendar month, an employer is required to pay its employees between the 16th and 26th day of the month during which the labor was performed. California Labor Code § 204 also provides that for all labor performed between the 16th and 26th days of any calendar month, Defendants was required to pay their employees between the 1st and 15th day of the following calendar month. In addition, California Labor Code § 204 provides that all wages earned for labor in excess of the normal work period shall be paid no later than the payday of the next regular payroll period.

54. Plaintiff, on behalf of the State of California and the LWDA, seeks civil penalties for Defendants' Labor Code violations alleged herein, as well as attorney's fees and costs, under Labor Code § 2699.

### Seventh Violation

**(Failure to Pay All Wages Due to Discharged and Quitting Employees)**

55. Pursuant to California Labor Code § 201, 202, and 203, Defendants is required to pay all earned and unpaid wages to an employee who is discharged. California Labor Code § 201 mandates that if an employer discharges an employee, the employee's wages accrued and unpaid at the time of discharge are due and payable immediately.

56. Plaintiff, on behalf of the State of California and the LWDA, seeks civil penalties for Defendants' Labor Code violations alleged herein, as well as attorney's fees and costs, under Labor Code § 2699.

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**Eighth Violation**

**Failure to Reimburse Business Expenses in Violation of Labor Code § 2802**

**(Against all Defendants and DOES 1 to 50, inclusive)**

57. Labor Code § 2802 provides that an employer shall 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.

58. Defendants failed to indemnify and reimburse Plaintiff for all necessary expenditures or losses incurred by Plaintiff in direct consequence of the discharge of Plaintiff's job duties.

59. Pursuant to Labor Code § 2802, Plaintiff is entitled to recover business expenses incurred as a result of discharging his duties, including interest.

60. Plaintiff, on behalf of the State of California and the LWDA, seeks civil penalties for Defendants' Labor Code violations alleged herein, as well as attorney's fees and costs, under Labor Code § 2699.

**PRAYER FOR RELIEF**

**WHEREFORE**, Plaintiff prays for the following relief:

1. For penalties in an amount according to proof;
2. For reasonable attorney's fees and costs pursuant to the PAGA; and
3. For such other and further relief as this Court may deem just and proper.

Respectfully Submitted,

Dated: January 2, 2023

**WORK LAWYERS, PC**

By:



Justin Lo, Esq.

Attorney for Plaintiff HAO THAI and Aggrieved Employees

# EXHIBIT A



**NOTICE OF LABOR CODE VIOLATIONS - PAGA**  
**(Labor Code § 2699.3)**

**DATE** September 23, 2022

**DELIVERY** Online Filing and Certified U.S. Mail

**RECIPIENTS** California  
Workforce Development Agency  
[PAGAFilings@dir.ca.gov](mailto:PAGAFilings@dir.ca.gov)

**SUBJECT: Hao Thai v. March Products Inc., ET AL —NOTICE OF LABOR CODE VIOLATIONS UNDER CAL. LABOR CODE §2699.**

Dear Representative:

This office represents Hao Thai (“Mr. Thai”) with respect to his claims against March Products Inc., (“Employers”) for violations of the California Labor Code and IWC Wage Orders. This letter is being sent simultaneously to Employers by certified mail. Employers are a corporation doing business in the State of California. Employers employed Mr. Thai from approximately 2001, until approximately June 10, 2022, as an exempt employee. During his employment with Employers, Mr. Thai was employed as a “Manager for the Sewing Department” at Employers’ warehouse located at 4645 Troy Ct. Jurupa Valley, CA 92509. Mr. Thai did not perform duties with independent judgment or discretion for more than half of his working time during his employment. Mr. Thai performed the duties of a non-exempt employee during at least half of his work day.

Mr. Thai intends to seek penalties for violations of the California Labor Code which are recoverable under California Labor Code section 2698, et seq., the Private Attorneys General Act of 2004 (“PAGA”). Mr. Thai is seeking penalties on behalf of himself and in a representative capacity on behalf of the State of California and all current and former non-exempt employees of any of the Employers (“Aggrieved Employees”). This letter is being sent in compliance with California Labor Code section 2699.3.

As detailed below, Employers violated several of California’s wage and hour laws during Mr. Thai employment, including but not limited to violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 227.3, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800 and



2802, and the Industrial Welfare Commission Wage Orders (“IWC Wage Order”) including inter alia, IWC Wage Order No. 5. The claims made on behalf of Mr. Thai and Aggrieved Employees are based upon the following facts and theories:

**1. FAILURE TO PAY FOR ALL TIME WORKED AT CORRECT RATES OF PAY, INCLUDING MINIMUM WAGES, STRAIGHT TIME WAGES, AND OVERTIME COMPENSATION.**

Employers have engaged in numerous unlawful practices which resulted in the failure to pay Mr. Thai and Aggrieved Employees for all time worked at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation.

First, Employers regularly required Mr. Thai and Aggrieved Employees to work off-the-clock in order to complete their duties and responsibilities. This off-the-clock work included, amongst other things, requiring Mr. Thai and Aggrieved Employees to: (1) respond to Employers and work-related requests and perform work while clocked out for purported meal breaks; (2) perform work before clocking in for the start of their shift; and (3) perform work after clocking out for the end of their shift. Mr. Thai and Aggrieved Employees were not compensated for this off-the-clock work, resulting in a failure to pay minimum wages and straight time wages. Moreover, this off-the-clock work typically caused Mr. Thai and Aggrieved Employees to work more than eight (8) hours in a day and forty (40) hours in week, resulting in a failure to pay overtime compensation.

In addition to requiring Mr. Thai and Aggrieved Employees to perform work off-the-clock without compensation, Employers also failed to accurately record the actual time worked by Mr. Thai and Aggrieved Employees, which resulted in a failure to pay Mr. Thai and Aggrieved Employees for all hours worked, including minimum wages, straight time wages and overtime wages. Finally, and as a matter of policy and/or practice, Employers failed to pay overtime to Mr. Thai and Aggrieved Employees for all overtime hours worked based on regular rates of pay correctly calculated to include all applicable remuneration.

As a result of the foregoing practices, Employers have failed to pay Mr. Thai and Aggrieved Employees for all wages earned at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation. Accordingly, Employers violated IWC Wage Order No. 5 and California Labor Code sections 204, 510, 1194, 1197, 1197.1 and 1198.

Mr. Thai and Aggrieved Employees will therefore seek PAGA default penalties; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 5; penalties pursuant to California Labor Code sections 558, 1197.1, and 1199; and attorneys’ fees and costs.

**2. FAILURE TO PROVIDE MEAL PERIODS AND PAY MEAL PERIOD PREMIUMS**



Employers failed to provide Mr. Thai and Aggrieved Employees with legally compliant 30-minute meal periods. Employers required Mr. Thai and Aggrieved Employees to work more than five (5) hours per day but were not provided with uninterrupted 30-minute meal periods. Further, Mr. Thai and Aggrieved Employees were not provided with a second uninterrupted 30-minute meal period when they worked over ten (10) hours per day. Employers regularly required Mr. Thai and Aggrieved Employees to work through their first and second meal periods, to take their first meal period after their fifth (5th) hour of work, and/or to take their second meal periods after their tenth (10th) hour of work. On the occasions that Mr. Thai and Aggrieved Employees did take a meal period, their meal periods were frequently interrupted or cut short.

Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Mr. Thai and other Aggrieved Employees from taking timely, complete and duty-free meal periods because, amongst other reasons: (1) Employers did not have legally-compliant policies regarding the provision and timing of meal periods or systematically disregarded its own purported meal period policies; (2) Employers' management at various levels, affecting all hourly-non-exempt employees, failed and refused to implement and enforce legally compliant meal period policies and practices; (3) Employers failed to adequately inform and train Mr. Thai and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free meal periods; (4) Employers failed to adequately inform and train Mr. Thai and other Aggrieved Employees about their right to premium wages for non-compliant meal periods; (5) Employers failed to ensure that there was adequate staffing to allow Mr. Thai and other Aggrieved Employees to take timely, uninterrupted, and duty-free meal periods; (6) Employers required Mr. Thai and other Aggrieved Employees to remain on-call and respond to work-related requests at all times, including during meal periods, which included responding to in-person verbal interruptions; and (7) Employers' policy and culture prevented Mr. Thai and other Aggrieved Employees from taking timely, uninterrupted, and duty-free meal periods because of the priority placed on completing job requirements over employees' right to receive timely, uninterrupted, and duty-free meal periods.

Accordingly, Employers violated IWC Wage Order No. 5 and California Labor Code sections 226.7(a), 512(a) and 1198.

Mr. Thai and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 5; penalties pursuant to California Labor Code California Labor Code sections 558 and 1199; and attorneys' fees and costs.

### **3. FAILURE TO AUTHORIZE AND PERMIT REST PERIODS AND PAY REST PERIOD PREMIUMS.**



Employers failed to authorize and permit Mr. Thai and Aggrieved Employees take legally compliant 10-minute periods. Employers required Mr. Thai and Aggrieved Employees to work through rest periods. Mr. Thai and Aggrieved Employees were not provided with uninterrupted, duty-free rest periods when they worked more than four (4) hours or a major fraction thereof. Further, Mr. Thai and Aggrieved Employees were not provided with a second uninterrupted, duty-free rest period when they worked more than six (6) hours in a day, or a third uninterrupted, duty-free rest period after working more than ten (10) hours in day. In the rare event that a rest period was taken, it was frequently interrupted or cut short. Moreover, Mr. Thai and Aggrieved Employees were never completely relieved of duty as required by *Augustus v. ABM Security Services, Inc.*, 2 Cal.5th 257 (2016).

Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Mr. Thai and other Aggrieved Employees from taking timely and complete rest periods because, amongst other reasons: (1) Employers did not have legally-compliant policies regarding the provision and timing of rest periods or systematically disregarded its own purported rest period policies; (2) Employers' management at various levels, affecting all hourly-non-exempt employees, failed and refused to implement and enforce legally compliant rest period policies and practices; (3) Employers failed to adequately inform and train Mr. Thai and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free rest periods; (4) Employers failed to adequately inform and train Mr. Thai and other Aggrieved Employees about their right to premium wages for non-compliant rest periods; (5) Employers failed to ensure that there was adequate staffing to allow Mr. Thai and other Aggrieved Employees to take timely, uninterrupted, and duty-free rest periods; (6) Employers required Mr. Thai and other Aggrieved Employees to remain on-call and respond to work-related requests at all times, including during rest periods, which included responding to in person verbal interruptions; and (7) Employers' policy and culture prevented Mr. Thai and other Aggrieved Employees from taking timely, uninterrupted, and duty-free rest periods because of the priority placed on completing job requirements over employees' right to receive rest periods.

Mr. Thai and Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the rest periods which were not provided to them in compliance with California law.

Accordingly, Employers violated IWC Wage Order No. 5 and California Labor Code sections 226.7(a), and 1198.

Mr. Thai and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 5; California Labor Code sections 558 and 1199 penalties; and attorneys' fees and costs.

#### **4. FAILURE TO TIMELY PAY WAGES DURING EMPLOYMENT.**



As to each pay period, Employers have failed to timely pay all wages earned because Mr. Thai and Aggrieved Employees were not paid all the wages they were owed including, inter alia, overtime compensation, straight time wages, and meal and rest period premiums. Accordingly, Employers violated California Labor Code section 204(a).

Mr. Thai and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 210 and 1199; and attorneys' fees and costs.

**5. FAILURE TO PAY ALL WAGES DUE TO DISCHARGED AND QUTTING EMPLOYEES.**

As to each pay period, Employers have failed to timely pay all wages earned because Mr. Thai Aggrieved Employees were not paid all the wages they were owed including, inter alia, overtime compensation, straight time wages, and meal and rest period premiums. Accordingly, Employers violated California Labor Code section 201(a), 202(a) and 203(a).

Mr. Thai and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 210 and 1199; and attorneys' fees and costs.

**6. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS.**

As a result of the practices described above, the wage statements provided to Mr. Thai and Aggrieved Employees never included the actual hours worked the time worked was rounded, the name and address of the legal employing entity, and the correct rates of pay. Accordingly, Employers violated California Labor Code section 226(a).

Mr. Thai and Aggrieved Employees will therefore seek PAGA default penalties; penalties pursuant to California Labor Code section 226.3; and attorneys' fees and costs.

**7. FAILURE TO MAINTAIN ACCURATE RECORDS.**

Employers have failed to maintain accurate records relating to Mr. Thai and Aggrieved Employees' work periods, meal periods, total daily hours worked, and total hours worked per payroll period. Accordingly, Employers violated IWC Wage Order No. 5 and California Labor Code sections 1198.5 and 1174(d).

Mr. Thai and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 5; California Labor Code section 1174.5 penalties; and attorneys' fees and costs.

**8. FAILURE TO REIMBURSE NECESSARY EXPENDITURES.**



California Labor Code sections 2800 and 2802 require an employer to reimburse its employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. IWC Wage Order No. 5 requires employers to provide employees with the tools or equipment necessary for the performance of their job. During the relevant time period, Mr. Thai and Aggrieved Employees incurred necessary business-related expenses such as use of their personal cell phone. These expenses and costs were not fully reimbursed by Employers.

Accordingly, Employers violated IWC Order No. 5 and California Labor Code sections 2800 and 2802.

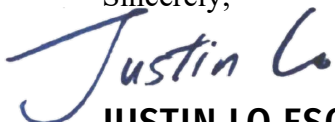
Mr. Thai and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order No. 5; and attorneys' fees and costs.

#### **9. FAILURE TO PAY VACATION TIME.**

Pursuant to California Labor Code section 227.3, “. . . whenever a contract of employment or employer policy provides for paid vacations, and an employee is terminated without having taken off his vested vacation time, all vested vacation shall be paid to him as wages at his final rate in accordance with such contract of employment or employer policy respecting eligibility or time served.” During the relevant time period, Employers failed to pay Mr. Thai and other Aggrieved Employees for all earned and unused and accrued vacation time at their final rate of pay at the time of termination of their employment. Accordingly, Employers have violated California Labor Code section 227.3.

Mr. Thai and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; California Labor Code section 227 penalties; and attorneys' fees and costs.

Sincerely,

  
**JUSTIN LO ESQ.**



**Notice via Certified Mail**

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