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Electronically FILED by Superior Court of California, County of Los Angeles on 11/21/2022 01:53 PM Sherri R. Carter, Executive Officer/Clerk of Court, by G. Carini, Deputy Clerk

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

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

Plaintiff,

vs.

CONIFER VALUE-BASED CARE,
 LLC, a Maryland limited liability
 company; CONIFER HEALTH
 SOLUTIONS, LLC, a Texas limited
 liability company; CONIFER
 REVENUE CYCLE SOLUTIONS,
 LLC, a California limited liability
 company; TENET HEALTHCARE
 CORPORATION, a Nevada
 corporation; and DOES 1 through 10,
 inclusive,

Defendants.

Case No.: **22STCV36813**

**COMPLAINT – PAGA ENFORCEMENT
 ACTION**

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

Jury Trial Demanded

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

3 JURISDICTION AND VENUE

4 1. This is an enforcement action under the Labor Code Private Attorneys General
5 Act of 2004, California Labor Code sections 2698, *et seq.* (“PAGA”) to recover civil penalties
6 and any other available relief on behalf of Plaintiff, the State of California, and other current
7 and former employees who worked for Defendants in California as a non-exempt, hourly paid
8 employee and received at least one wage statement and against whom one or more violations
9 of any provision in Division 2 Part 2 Chapter 1 of the Labor Code or any provision regulating
10 hours and days of work in the applicable Industrial Welfare Commission (“IWC”) Wage
11 Order were committed, as set forth in this complaint, at any time between one year prior to the
12 filing of the pre-filing written notice to the Labor and Workforce Development Agency
13 (“LWDA”) in this case on September 15, 2022, until judgment (“non-party Aggrieved
14 Employees”). Plaintiff’s share of civil penalties sought in this action does not exceed
15 \$75,000.

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

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

1 civil penalties attributable to violations personally suffered are less than \$75,000. *Id.* at 1122.

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

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

9 **THE PARTIES**

10 6. Plaintiff Kawaii Brooks is a resident of Azusa, in Los Angeles County,
11 California. Defendants employed Plaintiff as an hourly paid, non-exempt employee from
12 approximately December 2014 to May 2022. Plaintiff worked as a Prior Authorization Nurse
13 for Defendants. Plaintiff typically worked twelve (12) hours per day, five (5) or more days
14 per week, and approximately 60 hours per week. At the time Plaintiff’s employment with
15 Defendants ended, she was compensated approximately \$37.64 per hour. Plaintiff’s job duties
16 included, without limitation, reviewing and approving authorizations, sending authorizations
17 to medical directors, reviewing medical records and patients’ charts, and sending denial
18 letters.

19 7. On information and belief, Defendants required some employees, including
20 Plaintiff, to execute an arbitration agreement at the time of their hire or during their
21 employment. On further information and belief, Defendants’ arbitration agreement was and is
22 both procedurally and substantively unconscionable. Specifically, Defendants presented
23 employees with a “Fair Treatment Process and Mutual Arbitration Agreement” (“Arbitration
24 Agreement”) sometime in February 2019, which had to be reviewed and acknowledged
25 immediately. Specifically, the Arbitration Agreement was one of several documents
26 presented to employees for signature, including Conifer Meal and Rest Periods Waiver;
27 Authorization Agreement for Direct Deposit; Handbook and Fair Treatment Process
28 Acknowledgement; and E-Signature Disclosures and Consent, among other documents. Also,

1 employees did not have a meaningful opportunity to negotiate the terms of the Arbitration
2 Agreement. Rather, it was provided to Defendants' employees for them to sign on a take-it or
3 leave-it basis, along with all of the other documents. Further, Defendants did not set forth in
4 the agreement or otherwise provide employees with the rules which will govern the
5 arbitration, instead forcing employees to seek this information out on their own ("The AAA's
6 Employment Arbitration Rules can be found at www.adr.org or click here.").

7 8. CONIFER VALUE-BASED CARE, LLC was and is, upon information and
8 belief, a Maryland limited liability company, and at all times hereinafter mentioned, an
9 employer whose employees are engaged throughout this county, the State of California.

10 9. CONIFER HEALTH SOLUTIONS, LLC was and is, upon information and
11 belief, a Texas limited liability company, and at all times hereinafter mentioned, an employer
12 whose employees are engaged throughout this county, the State of California.

13 10. CONIFER REVENUE CYCLE SOLUTIONS, LLC was and is, upon
14 information and belief, a California limited liability company, and at all times hereinafter
15 mentioned, an employer whose employees are engaged throughout this county, the State of
16 California.

17 11. TENET HEALTHCARE CORPORATION was and is, upon information and
18 belief, a Nevada corporation, and at all times hereinafter mentioned, an employer whose
19 employees are engaged throughout this county, the State of California.

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

24 13. Plaintiff is informed and believes, and thereon alleges, that DOES 1 through 10
25 were the partners, agents, owners, or managers of CONIFER VALUE-BASED CARE, LLC;
26 CONIFER HEALTH SOLUTIONS, LLC; CONIFER REVENUE CYCLE SOLUTIONS,
27 LLC; and TENET HEALTHCARE CORPORATION, at all relevant times.

28 14. Plaintiff is informed and believes, and thereon alleges, that each and all of the

1 acts and omissions alleged herein was performed by, or is attributable to, CONIFER VALUE-
2 BASED CARE, LLC; CONIFER HEALTH SOLUTIONS, LLC; CONIFER REVENUE
3 CYCLE SOLUTIONS, LLC; TENET HEALTHCARE CORPORATION; and/or DOES 1
4 through 10 (collectively, “Defendants” or “CONIFER”), each acting as the agent, employee,
5 alter ego, and/or joint venturer of, or working in concert with, each of the other co-Defendants
6 and was acting within the course and scope of such agency, employment, joint venture, or
7 concerted activity with legal authority to act on the others’ behalf. The acts of any and all
8 Defendants were in accordance with, and represent, the official policy of Defendants.

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

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

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

27 18. Plaintiff is informed and believes, and thereon alleges, that at all relevant times,
28 Defendants, and each of them, have acted as joint employers with respect to Plaintiff and other

1 non-party Aggrieved Employees because Defendants have:

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

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

22 20. CONIFER VALUE-BASED CARE, LLC; CONIFER HEALTH SOLUTIONS,
23 LLC; CONIFER REVENUE CYCLE SOLUTIONS, LLC; TENET HEALTHCARE
24 CORPORATION; and/or DOES 1 through 10 are therefore alter egos of each other.

25 21. Adherence to the fiction of the separate existence of Defendants would permit
26 an abuse of the corporate privilege, and would promote injustice by protecting Defendants
27 from liability for the wrongful acts committed by them under the name CONIFER.

28 22. Plaintiff further alleges, upon information and belief, that the Defendants

1 CONIFER VALUE-BASED CARE, LLC; CONIFER HEALTH SOLUTIONS, LLC;
2 CONIFER REVENUE CYCLE SOLUTIONS, LLC; and TENET HEALTHCARE
3 CORPORATION are alter egos of each other for the following reasons:

- 4 (a) On the California Secretary of State’s website
5 (<https://bizfileonline.sos.ca.gov/>), CONIFER VALUE-BASED CARE,
6 LLC and CONIFER REVENUE CYCLE SOLUTIONS, LLC have the
7 same principal office address and mailing address, “7624 WARREN
8 PARKWAY FRISCO, TX 75034”;
- 9 (b) According to their most recent “Statement of Information” forms filed
10 with the California Secretary of State, CONIFER VALUE-BASED
11 CARE, LLC and CONIFER REVENUE CYCLE SOLUTIONS, LLC
12 share the same manager, including, but not limited to, CONIFER
13 HEALTH SOLUTIONS, LLC;
- 14 (c) According to the California Secretary of State’s website, CONIFER
15 VALUE-BASED CARE, LLC and TENET HEALTHCARE
16 CORPORATION share the same agent for service of process, C T
17 CORPORATION SYSTEM (C0168406); and
- 18 (d) On information and belief, CONIFER VALUE-BASED CARE, LLC;
19 CONIFER HEALTH SOLUTIONS, LLC; CONIFER REVENUE
20 CYCLE SOLUTIONS, LLC; and TENET HEALTHCARE
21 CORPORATION utilize the same standardized employment forms and
22 issue the same employment policies.

23 **PAGA REPRESENTATIVE ALLEGATIONS**

24 23. Defendants offer healthcare services helping organizations strengthen their
25 financial performance, transition from volume to value-based care, and enhance the consumer
26 and patient healthcare experience. Defendants have approximately 11 facilities in California.
27 Upon information and belief, Defendants maintain a single, centralized Human Resources
28 (HR) department at their corporate headquarters in Frisco, Texas, or Dallas, Texas, for all

1 non-exempt, hourly paid employees working for Defendants in California, which is
2 responsible for the recruiting and hiring of new employees, and communicating and
3 implementing Defendants' company-wide policies, including timekeeping policies and meal
4 and rest period policies, to employees throughout California.

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

12 25. Upon information and belief, Defendants maintain a centralized Payroll
13 department at their corporate headquarters in Frisco, Texas, or Dallas, Texas, which processes
14 payroll for all non-exempt, hourly paid employees working for Defendants at their various
15 locations and jobsites in California, including Plaintiff and other non-party Aggrieved
16 Employees. Based upon information and belief, Defendants issue the same formatted wage
17 statements to all non-exempt, hourly paid employees in California, irrespective of their work
18 locations. Upon information and belief, Defendants process payroll for departing employees
19 in the same manner throughout the State of California, regardless of the manner in which each
20 employee's employment ends.

21 26. Defendants continue to employ non-exempt or hourly paid employees in
22 California.

23 27. Plaintiff is informed and believes, and thereon alleges, that at all times herein
24 mentioned, Defendants were advised by skilled lawyers and other professionals, employees
25 and advisors knowledgeable about California labor and wage law, employment and personnel
26 practices, and about the requirements of California law.

27 28. Plaintiff is informed and believes, and thereon alleges, that Plaintiff and other
28 non-party Aggrieved Employees were not paid for all hours worked because all hours worked

1 were not recorded.

2 29. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
3 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
4 receive certain wages for overtime compensation and that they were not receiving certain
5 wages for overtime compensation.

6 30. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
7 should have known that other non-party Aggrieved Employees were entitled to be paid at a
8 regular rate of pay, and corresponding rates of pay for overtime wages and/or meal and rest
9 period premiums, that included as eligible income all remuneration required by law, including
10 but not limited to, all income derived from incentive pay, nondiscretionary bonuses, and/or
11 other forms of compensation, but failed to include all forms of remuneration in calculating the
12 regular rate of pay for other non-party Aggrieved Employees.

13 31. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
14 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
15 receive at least minimum wages for compensation and that they were not receiving at least
16 minimum wages for work that was required to be done off-the-clock. In violation of the
17 California Labor Code, Plaintiff and other non-party Aggrieved Employees were not paid at
18 least minimum wages for work done off-the-clock.

19 32. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
20 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
21 meal periods in accordance with the California Labor Code and applicable IWC Wage Order
22 or payment of one (1) additional hour of pay at their regular rates of pay when they were not
23 provided with timely, uninterrupted, thirty (30) minute meal periods and that Plaintiff and
24 other non-party Aggrieved Employees were not provided with all meal periods or payment of
25 one (1) additional hour of pay at their regular rates of pay when they did not receive a timely,
26 uninterrupted, thirty (30) minute meal period.

27 33. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
28 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to

1 rest periods in accordance with the California Labor Code and applicable IWC Wage Order or
2 payment of one (1) additional hour of pay at their regular rates of pay when they were not
3 authorized and permitted to take a compliant rest period. In violation of the California Labor
4 Code, Plaintiff and other non-party Aggrieved Employees were not authorized and permitted
5 to take compliant rest periods, nor did Defendants provide Plaintiff and other non-party
6 Aggrieved Employees with payment of one (1) additional hour of pay at their regular rates of
7 pay when they were not authorized and permitted to take a compliant rest period.

8 34. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
9 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
10 receive complete and accurate wage statements in accordance with California law. In
11 violation of the California Labor Code, Plaintiff and other non-party Aggrieved Employees
12 were not provided complete and accurate wage statements.

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

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

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

1 38. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
2 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
3 one day's rest in seven. In violation of the California Labor Code, Defendants required
4 Plaintiff and other non-party Aggrieved Employees to work more than six consecutive days
5 without a day of rest, where the total hours worked exceeded 30 hours in any week or six
6 hours in any one day thereof.

7 39. Plaintiff is informed and believes, and thereon alleges, that at all times herein
8 mentioned, Defendants knew or should have known that Defendants had a duty to provide
9 Plaintiff and non-party Aggrieved Employees with written notice of the material terms of their
10 employment with Defendants as required by the California Wage Theft Prevention Act, but
11 failed to do so.

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

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

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

27 43. Plaintiff and other current and former employees of Defendants are "aggrieved
28 employees" as defined by Labor Code section 2699(c) in that they are all Defendants' current

1 or former employees and one or more of the alleged violations were committed against them.

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

- 5 (a) The aggrieved employee shall give written notice by online filing
6 (hereinafter “Employee’s Notice”) to the LWDA and by certified mail
7 to the employer of the specific provisions of the California Labor Code
8 alleged to have been violated, including the facts and theories to support
9 the alleged violations.
- 10 (b) An aggrieved employee’s notice filed with the LWDA pursuant to
11 2699.3(a) and any employer response to that notice shall be
12 accompanied by a filing fee of seventy-five dollars (\$75).
- 13 (c) The LWDA shall provide notice (hereinafter “LWDA Notice”) to the
14 employer and the aggrieved employee by certified mail that it does not
15 intend to investigate the alleged violation within sixty (60) calendar
16 days of the postmark date of the Employee’s Notice. Upon receipt of
17 the LWDA Notice, or if the LWDA Notice is not provided within sixty-
18 five (65) calendar days of the postmark date of the Employee’s Notice,
19 the aggrieved employee may commence a civil action pursuant to
20 California Labor Code section 2699 to recover civil penalties in addition
21 to any other penalties to which the employee may be entitled.

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

- 26 (a) The aggrieved employee or representative shall give written notice by
27 online filing to the LWDA and by certified mail to the employer of the
28 specific provisions of the California Labor Code alleged to have been

1 violated (other than those listed in Section 2699.5), including the facts
2 and theories to support the alleged violation.

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

6 (c) The employer may cure the alleged violation within thirty-three (33)
7 calendar days of the postmark date of the notice. The employer shall
8 give written notice by certified mail within that period of time to the
9 aggrieved employee or representative and the agency if the alleged
10 violation is cured, including a description of actions taken, and no civil
11 action pursuant to Section 2699 may commence. If the alleged violation
12 is not cured within the 33-day period, the employee may commence a
13 civil action pursuant to Section 2699.

14 46. On September 15, 2022, Plaintiff provided written notice by online filing to the
15 LWDA and by certified mail to Defendants of the specific provisions of the California Labor
16 Code alleged to have been violated, including facts and theories to support the alleged
17 violations, in accordance with California Labor Code section 2699.3. Plaintiff's written
18 notice was accompanied with the applicable filing fee of seventy-five dollars (\$75). The
19 LWDA PAGA Administrator has confirmed receipt of Plaintiff's written notice and assigned
20 Plaintiff PAGA Case Number LWDA-CM-908106-22. A true and correct copy of Plaintiff's
21 written notice to the LWDA and Defendants dated September 15, 2022, is attached hereto as
22 "Exhibit 1."

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

26 48. Thus, Plaintiff has satisfied the administrative prerequisites under California
27 Labor Code sections 2699.3(a) and 2699.3(c) to recover civil penalties against Defendants for
28 violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 510, 512(a), 516,

1 551, 552, 1174(d), 1182.12, 1194, 1197, 1198, and 2810.5.

2 49. Labor Code section 558(a) provides “[a]ny employer or other person acting on
3 behalf of an employer who violates, or causes to be violated, a section of this chapter or any
4 provision regulating hours and days of work in any order of the Industrial Welfare
5 Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty
6 dollars (\$50) for each underpaid employee for each pay period for which the employee was
7 underpaid. . . . (2) For each subsequent violation, one hundred dollars (\$100) for each
8 underpaid employee for each pay period for which the employee was underpaid. . . .” Labor
9 Code section 558(c) provides “[t]he civil penalties provided for in this section are in addition
10 to any other civil or criminal penalty provided by law.” Plaintiff, acting in the public interest
11 as a private attorney general, seeks assessment and collection of civil penalties under Labor
12 Code section 558 for herself, all other non-party Aggrieved Employees, and the State of
13 California against Defendants for violations of Labor Code sections 510, 512(a), 516, 551,
14 552, 1198, and the applicable IWC Wage Order. Plaintiff, acting in the public interest as a
15 private attorney general, does not seek the recovery of unpaid wages under Labor Code
16 section 558 from Defendants for violations of Labor Code sections 510, 512(a), 516, 551, 552,
17 1198, and the applicable IWC Wage Order.

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

22 51. As set forth below, Defendants have violated numerous provisions of both the
23 Labor Code sections regulating hours and days of work as well as the applicable IWC Wage
24 Order.

25 52. Pursuant to PAGA, and in particular, California Labor Code sections 2699(a),
26 2699.3(a), 2699.3(c), 2699.5, and section 558, Plaintiff, acting in the public interest as a
27 private attorney general, seeks assessment and collection of civil penalties for herself, all other
28 non-party Aggrieved Employees, and the State of California against Defendants for violations

of California Labor Code sections 201, 202, 204, 226(a), 226.7, 510, 512(a), 516, 551, 552, 1174(d), 1182.12, 1194, 1197, 1198, and 2810.5.

FIRST CAUSE OF ACTION

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

(Against all Defendants)

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

54. California Labor Code §§ 2698, *et seq.* (“PAGA”) permits Plaintiff to recover civil penalties for the violation(s) of the Labor Code sections enumerated in Labor Code section 2699.5. Section 2699.5 enumerates Labor Code sections 201, 202, 204, 226(a), 226.7, 510, 512(a), 551, 552, 1174(d), 1194, 1197, and 1198. Labor Code section 2699.3(c) permits aggrieved employees, including Plaintiff, to recover civil penalties for violations of those Labor Code sections not found in section 2699.5, including sections 516, 1182.12, and 2810.5.

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

- (a) Violation of Labor Code sections 510 and 1198, and the applicable IWC Wage Order for Defendants’ failure to compensate Plaintiff and other non-party Aggrieved Employees with all required overtime pay, as set forth below;
- (b) Violation of Labor Code sections 226.7, 510, and 1198, and the applicable IWC Wage Order for Defendants’ failure to include all forms of remuneration in the “regular rate” of pay as required by law for purposes of paying overtime wages and/or meal and rest period premiums to other non-party Aggrieved Employees, as set forth below;
- (c) Violation of Labor Code sections 1182.12, 1194, 1197, and 1198, and the applicable IWC Wage Order for Defendants’ failure to compensate Plaintiff and other non-party Aggrieved Employees with at least minimum wages for all hours worked, as set forth below;

- 1 (d) Violation of Labor Code sections 226.7, 512(a), 516, and 1198, and the
2 applicable IWC Wage Order for Defendants' failure to provide Plaintiff
3 and other non-party Aggrieved Employees with meal periods, as set
4 forth below;
- 5 (e) Violation of Labor Code sections 226.7, 516, and 1198, and the
6 applicable IWC Wage Order for Defendants' failure to authorize and
7 permit Plaintiff and other non-party Aggrieved Employees to take rest
8 periods, as set forth below;
- 9 (f) Violation of Labor Code sections 226(a) and 1198, and the applicable
10 IWC Wage Order for failure to provide accurate and complete wage
11 statements to Plaintiff and other non-party Aggrieved Employees, as set
12 forth below;
- 13 (g) Violation of Labor Code sections 1174(d) and 1198, and the applicable
14 IWC Wage Order for failure to maintain payroll records, as set forth
15 below;
- 16 (h) Violation of Labor Code sections 204 for failure to pay all earned wages
17 during employment, as set forth below;
- 18 (i) Violation of Labor Code section 201 and 202 for failure to pay all
19 earned wages upon termination, as set forth below;
- 20 (j) Violation of Labor Code sections 551 and 552 for failure to provide one
21 day's rest in seven to Plaintiff and other non-party Aggrieved Employees,
22 as set forth below; and
- 23 (k) Violation of Labor Code section 2810.5 for failure to provide notice of
24 material terms of employment, as set forth below.

25 **FAILURE TO PAY OVERTIME**

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

27 56. Labor Code section 1198 makes it illegal to employ an employee under
28 conditions of labor that are prohibited by the applicable wage order. California Labor Code

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

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

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

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

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

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

1 not recorded.

2 62. First, Defendants had, and continue to have, a company-wide policy and/or
3 practice of discouraging and impeding Plaintiff and other non-party Aggrieved Employees
4 from recording hours worked that were outside of their scheduled shifts in order to limit the
5 amount of overtime employees could accrue. On information and belief, this policy of
6 limiting overtime, coupled with Defendants' practices of assigning heavy workloads and
7 productivity quotas (*see infra*), led Plaintiff and other non-party Aggrieved Employees to
8 work off-the-clock outside of their scheduled shift times in order to complete their assigned
9 tasks. Because Defendants discouraged overtime accrual, Plaintiff and other non-party
10 Aggrieved Employees were required to complete assigned tasks outside of their scheduled
11 shifts without being compensated for the time they worked. For instance, Defendants had a
12 practice of requiring employees to work for up to five (5) minutes off the clock before their
13 scheduled shift start-times. Plaintiff and other non-party Aggrieved Employees spent time
14 booting up their computers, logging in, and clocking in for their shifts, but they had no way of
15 recording this time worked.

16 63. Second, during the relevant period, Defendants had a company-wide policy
17 and/or practice of improperly rounding employee clock-in and clock-out duration times to the
18 nearest quarter-hour in their timekeeping system. Defendants' rounding policy resulted in the
19 failure to compensate Plaintiff and other non-party Aggrieved Employees fully for all hours
20 worked, causing Plaintiff and other non-party Aggrieved Employees to not be paid overtime
21 wages for all of the overtime hours they actually worked. Upon information and belief,
22 Defendants' rounding policy was, and continues to be, unfair and has, over time, resulted in
23 the underpayment of wages to Plaintiff and other non-party Aggrieved Employees. To the
24 extent Defendants' rounding policy took away time worked that was eligible for overtime,
25 Plaintiff and other non-party Aggrieved Employees were denied overtime pay for all hours
26 worked. Because Defendants failed to accurately record their actual hours worked, Plaintiff
27 and other non-party Aggrieved Employees were not paid for all hours worked before or after
28 their scheduled shifts.

1 64. Third, Defendants had, and continue to have, a company-wide policy and/or
2 practice of assigning heavy workloads and enforcing daily productivity quotas, such as
3 processing a certain number of authorizations, which resulted in a failure to provide Plaintiff
4 and other non-party Aggrieved Employees with adequate meal period coverage. On
5 information and belief, Defendants also failed to schedule meal periods, which further caused
6 Plaintiff and other non-party Aggrieved Employees to not be relieved of their duties for
7 compliant meal periods. As a result, Plaintiff and other non-party Aggrieved Employees were
8 not afforded timely, uninterrupted thirty (30) minute meal periods during shifts in which they
9 were entitled to receive meal periods. Thus, Plaintiff and other non-party Aggrieved
10 Employees missed meal periods and/or had meal periods cut short or interrupted in order to
11 handle their workloads. Defendants did not compensate Plaintiff and other non-party
12 Aggrieved Employees for the time they spent working off the clock during meal periods.

13 65. Further, on information and belief, because Defendants frowned upon
14 employees accruing meal period penalties, Defendants pressured Plaintiff and other non-party
15 Aggrieved Employees to clock out for meal periods to reflect compliant meal periods, even
16 when they did not receive a compliant meal period, in order to strictly limit meal penalties that
17 Defendants would otherwise owe. Thus, Plaintiff and other non-party Aggrieved Employees
18 performed work during meal periods for which they were not paid.

19 66. Defendants knew or should have known that, as a result of these company-wide
20 practices and/or policies, Plaintiff and other non-party Aggrieved Employees were performing
21 their assigned duties off-the-clock before their shifts and during meal periods, and were
22 suffered or permitted to perform work for which they were not paid. Because Plaintiff and
23 other non-party Aggrieved Employees regularly worked shifts of eight (8) hours a day or
24 more, or forty (40) hours a week or more, some of this off-the-clock work qualified for
25 overtime premium pay. Therefore, Plaintiff and other non-party Aggrieved Employees were
26 not paid overtime wages for all of the overtime hours they actually worked.

27 67. Furthermore, Defendants did not pay other non-party Aggrieved Employees the
28 correct overtime rates for the recorded overtime hours that they generated. In addition to an

1 hourly wage, Defendants paid other non-party Aggrieved Employees incentive pay,
2 nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the
3 California Labor Code, Defendants failed to incorporate all remunerations, including incentive
4 pay and/or nondiscretionary bonuses, into the calculation of the regular rate of pay for
5 purposes of calculating the overtime wage rate. Therefore, during times when other non-party
6 Aggrieved Employees worked overtime and received these other forms of pay, Defendants
7 failed to pay all overtime wages by paying a lower overtime rate than required.

8 68. Defendants' failure to pay Plaintiff and other non-party Aggrieved Employees
9 the balance of overtime compensation as required by California law, violates the provisions of
10 California Labor Code sections 510 and 1198. Plaintiff and other non-party Aggrieved
11 Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections
12 558 and/or 2699(a), (f), and (g).

13 **FAILURE TO PAY MINIMUM WAGES**

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

15 69. At all relevant times, California Labor Code sections 1182.12, 1194, 1197, and
16 1198 provide that the minimum wage for employees fixed by the IWC is the minimum wage
17 to be paid to employees, and the payment of a wage less than the minimum so fixed is
18 unlawful. Compensable work time is defined in IWC Wage Order No. 4-2001 as "the time
19 during which an employee is subject to the control of an employer, and includes all the time
20 the employee is suffered or permitted to work, whether or not required to do so." Cal. Code.
21 Regs. tit. 8, § 11040(2)(K) (defining "Hours Worked").

22 70. As stated, during the relevant time period, due to Defendants' restrictions on
23 overtime accrual, Defendants systematically failed to pay Plaintiff and other non-party
24 Aggrieved Employees for actual hours worked before scheduled shifts, because these hours
25 were not appropriately recorded. Plaintiff and other non-party Aggrieved Employees were
26 required to complete various tasks off-the-clock, before their scheduled shifts, such as booting
27 up their computers, logging in, and clocking in for their shifts. Also, as stated above,
28 Defendants had a policy of rounding Plaintiff's and other non-party Aggrieved Employees'

1 hourly clock-in and clock-out duration times to the quarter-hour in their timekeeping system,
2 resulting in the failure to compensate Plaintiff and other non-party Aggrieved Employees fully
3 for all hours worked.

4 71. Additionally, as set forth above, due to Defendants' uniform practices of
5 assigning heavy workloads, enforcing productivity quotas, failing to schedule meal periods,
6 and subsequent lack of meal period coverage, Plaintiff and other non-party Aggrieved
7 Employees were impeded from taking all uninterrupted meal periods to which they were
8 entitled and were required to work off-the-clock. Further, to limit the meal penalties that
9 Defendants would otherwise owe, Defendants pressured Plaintiff and other non-party
10 Aggrieved Employees to clock out for meal periods to reflect compliant meal periods, but
11 pressured them to continue working, time for which they were not paid.

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

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

21 **FAILURE TO PROVIDE AND RECORD MEAL PERIODS**

22 **VIOLATION OF LABOR CODE SECTIONS 226.7, 512(a), 516, AND 1198**

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

26 75. At all relevant times herein set forth, California Labor Code section 512(a)
27 provides that an employer may not require, cause, or permit an employee to work for a period
28 of more than five (5) hours per day without providing the employee with a meal period of not

1 less than thirty (30) minutes, except that if the total work period per day of the employee is
2 not more than six (6) hours, the meal period may be waived by mutual consent of both the
3 employer and the employee. Under California law, first meal periods must start after no more
4 than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (2012).

5 76. At all relevant times herein set forth, California Labor Code sections 226.7,
6 512(a), 516, and 1198 provide that no employer shall require an employee to work during any
7 meal period mandated by an applicable order of the IWC.

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

15 78. First, as stated, Defendants had, and continue to have, company-wide policies
16 and/or practices of assigning heavy workloads and enforcing productivity quotas,
17 discouraging employees from incurring overtime, and failing to schedule meal periods,
18 resulted in a lack of meal period coverage and prevented Plaintiff and other non-party
19 Aggrieved Employees from taking all timely meal periods to which they were entitled. As a
20 result, Plaintiff and other non-party Aggrieved Employees were forced to work in excess of
21 five (5) hours before taking a meal period, and, at times, had their meal periods interrupted
22 and/or had to forgo their meal periods altogether. For example, Plaintiff took her meal
23 periods late a few times per week due to Defendants' assignment of heavy workloads and
24 enforcement of productivity quotas.

25 79. Second, on information and belief, because Defendants frowned upon
26 employees accruing meal period penalties, Defendants' management pressured Plaintiff and
27 other non-party Aggrieved Employees to clock out for meal periods to reflect compliant meal
28 periods, even when they did not receive a compliant meal period, in order to strictly limit meal

1 penalties that Defendants would otherwise owe. For example, at Defendants' management's
2 direction, Plaintiff would log that her meal period was taken within the first five (5) hours of
3 her shift, even though she would continue working and later took her meal period at the sixth
4 hour of work.

5 80. Third, Defendants did not provide Plaintiff and other non-party Aggrieved
6 Employees with second 30-minute meal periods on days that they worked in excess of 10
7 hours in one day. For example, during the relevant time period, Plaintiff worked shifts in
8 excess of 10 hours in one day and did not take a second meal period unless she worked over
9 12 hours that same day. Plaintiff and other non-party Aggrieved Employees did not sign valid
10 meal period waivers on days that they were entitled to meal periods and were not relieved of
11 all duties.

12 81. Moreover, Defendants had a company-wide policy of requiring all newly hired
13 employees to sign blanket meal period waivers at or near their time of hire. Defendants took
14 the position that non-exempt, hourly paid employees had waived their rights to first and/or
15 second meal periods for the entirety of their employment and, on that basis, did not provide
16 them with all meal periods to which they were entitled. Furthermore, Defendants' meal
17 period waiver form requires employees to provide advanced written notice should they wish to
18 revoke the waiver. Defendants' presumption that meal periods would not be provided for
19 shifts in excess of five (5) hours but less than six (6) hours and for shifts in excess of ten (10)
20 hours but less than twelve (12) hours, due to blanket meal period waivers signed at or near the
21 time of hire, and imposition on employees to revoke the waivers in writing and one day in
22 advance, discouraged and impeded Plaintiff and other non-party Aggrieved Employees from
23 taking all meal periods to which they were entitled.

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

28 [A]fter the meal break obligation is triggered . . . an employer is put to a

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

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

83. Defendants knew or should have known that as a result of their policies, Plaintiff and other non-party Aggrieved Employees were not actually relieved of all duties to take timely, uninterrupted meal periods. Defendants further knew or should have known that they did not pay Plaintiff and other non-party Aggrieved Employees meal period premiums when meal periods were missed, late, short, and/or interrupted.

84. As set forth above, Defendants had a company-wide policy and/or practice of rounding employee clock-in and clock-out duration times in their timekeeping system, which prevented Plaintiff and other non-party Aggrieved Employees from receiving all meal period premiums when they took late and/or shortened meal periods. As stated, Defendants' rounding policy rounded employees' clock-in and clock-out times in their timekeeping system to the nearest quarter (0.25) of an hour. To the extent that Defendants' timekeeping system reported that Plaintiff and other non-party Aggrieved Employees were provided with timely, full 30-minute meal periods when, in fact, the meal periods were taken after the fifth hour of work or were less than 30 minutes, Plaintiff and other non-party Aggrieved Employees were entitled to a meal period penalty. Thus, Plaintiff and other non-party Aggrieved Employees did not receive all meal period penalties for these improperly rounded meal periods.

85. Defendants also have engaged in a company-wide practice and/or policy of not paying all meal period premiums owed when compliant meal periods are not provided. Because of this practice and/or policy, Plaintiff and other non-party Aggrieved Employees

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

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

11 **FAILURE TO AUTHORIZE AND PERMIT REST PERIODS**
12 **VIOLATION OF LABOR CODE SECTIONS 226.7, 516, AND 1198**

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

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

22 89. At all relevant times, California Labor Code section 226.7 provides that no
23 employer shall require an employee to work during any rest period mandated by an applicable
24 order of the California IWC. To comply with its obligation to authorize and permit rest
25 periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an
26 employer must "relinquish any control over how employees spend their break time, and
27 relieve their employees of all duties—including the obligation that an employee remain on
28 call. A rest period, in short, must be a period of rest." *Augustus v. ABM Security Services*,

1 *Inc.*, 2 Cal. 5th 257, 269-270 (2016).

2 90. Pursuant to the applicable IWC Wage Order and California Labor Code section
3 226.7(c), Plaintiff and other non-party Aggrieved Employees are entitled to recover from
4 Defendants one (1) additional hour of pay at their regular rates of pay for each work day that a
5 required rest period was not authorized and permitted.

6 91. During the relevant time period, Defendants regularly failed to authorize and
7 permit Plaintiff and other non-party Aggrieved Employees to take a ten (10) minute rest
8 period per each four (4) hour period worked or major fraction thereof. As with meal periods,
9 Defendants' company-wide practices of assigning heavy workloads and enforcing
10 productivity quotas, resulted in a lack of rest period coverage and prevented Plaintiff and
11 other non-party Aggrieved Employees from being relieved of all duty in order to take
12 compliant rest periods. Defendants also failed to schedule rest periods, which, coupled with
13 Defendants' failure to provide adequate rest period coverage, further led to Plaintiff and other
14 non-party Aggrieved Employees not being authorized and permitted to take rest periods.

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

23 93. As a result of Defendants' practices and policies, Plaintiff and other non-party
24 Aggrieved Employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in
25 excess of 10 hours without receiving all uninterrupted 10-minute rest periods to which they
26 were entitled. For example, Plaintiff had to forego her rest periods occasionally due to the
27 assignment of heavy workloads and enforcement of productivity quotas. Additionally,
28 Plaintiff did not receive a third rest period at all when working shifts in excess of 10 hours.

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

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

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

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

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

1 of hours worked at each hourly rate. Specifically, Defendants violated sections 226(a)(1),
2 226(a)(2), 226(a)(5), 226(a)(8), and 226(a)(9).

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

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

21 100. In addition, and separately from these violations, Defendants issued uniform
22 wage statements to Plaintiff and other non-party Aggrieved Employees that failed to list the
23 address of the legal entity of the actual employer in violation of 226(a)(8). The purpose of
24 section 226(a)(8) is to provide California employees with transparency as to the true identity
25 of their employer, to allow the employee to contact their employer during employment or in
26 the future for various reasons, including filing an administrative claim, judicial claim, or other
27 action to seek relief against their employer, to obtain unemployment benefits, etc. During the
28 relevant time period, Defendants systematically, and on a company-wide basis, issued wage

1 statements to Plaintiff and other non-party Aggrieved Employees that fail to list the
2 employing entity's correct address. Plaintiff's and other non-party Aggrieved Employees'
3 wage statements incorrectly list the employer's address as "14201 DALLAS PKWY,
4 DALLAS, TX 75254," but according to the California Secretary of State's website, CONIFER
5 VALUE-BASED CARE LLC's entity address should be "7624 WARREN PKWY, FRISCO,
6 TX 75034."

7 101. The wage statement deficiencies also include, among other things, failing to list
8 the number of piece-rate units earned and any applicable piece rate if the employee is paid on
9 a piece-rate basis; failing to list all deductions; failing to list the inclusive dates of the period
10 for which aggrieved employees were paid; failing to list the name of the employee and only
11 the last four digits of his or her social security number or an employee identification number
12 other than a social security number; failing to list the name of the legal entity that is the
13 employer; and/or failing to state all hours worked as a result of not recording or stating the
14 hours they worked off-the-clock.

15 102. California Labor Code section 1174(d) provides that "[e]very person employing
16 labor in this state shall . . . [k]eep a record showing the names and addresses of all employees
17 employed and the ages of all minors" and "[k]eep, at a central location in the state or at the
18 plants or establishments at which employees are employed, payroll records showing the hours
19 worked daily by and the wages paid to, and the number of piece-rate units earned by and any
20 applicable piece rate paid to, employees employed at the respective plants or
21 establishments. . . ." Labor Code section 1174.5 provides that employers are subject to a \$500
22 civil penalty if they fail to maintain accurate and complete records as required by section
23 1174(d). During the relevant time period, and in violation of Labor Code section 1174(d),
24 Defendants willfully failed to maintain accurate payroll records for Plaintiff and other non-
25 party Aggrieved Employees showing the daily hours they worked and the wages paid thereto
26 as a result of failing to record the off-the-clock hours that they worked and improperly
27 rounding Plaintiff's and other non-party Aggrieved Employees' total hours worked.

28 103. California Labor Code section 1198 provides that the maximum hours of work

1 and the standard conditions of labor shall be those fixed by the Labor Commissioner and as
2 set forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he
3 employment of any employees for longer hours than those fixed by the order or under
4 conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC
5 Wage Order, employers are required to keep accurate time records showing when the
6 employee begins and ends each work period and meal period. During the relevant time
7 period, Defendants failed, on a company-wide basis, to record actual hours worked, and
8 thereby failed to keep accurate records of work period and meal period start and stop times for
9 Plaintiff and other non-party Aggrieved Employees, in violation of section 1198.
10 Furthermore, in light of Defendants’ failure to provide Plaintiff and other non-party Aggrieved
11 Employees with second 30-minute meal periods to which they were entitled, Defendants kept
12 no records of meal start and end times for second meal periods.

13 104. Defendants’ conduct violates California Labor Code 226(a), 1174(d), and 1198.
14 Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover civil
15 penalties pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f), and (g).

16 **FAILURE TO PAY WAGES DURING EMPLOYMENT**

17 **VIOLATION OF LABOR CODE SECTION 204**

18 105. At all relevant times herein set forth, California Labor Code section 204
19 requires that all wages earned by any person in any employment between the 1st and the 15th
20 days, inclusive, of any calendar month, other than those wages due upon termination of an
21 employee, are due and payable between the 16th and the 26th day of the month during which
22 the labor was performed. Labor Code section 204 further provides that all wages earned by
23 any person in any employment between the 16th and the last day, inclusive, of any calendar
24 month, other than those wages due upon termination of an employee, are due and payable
25 between the 1st and the 10th day of the following month.

26 106. At all relevant times herein, California Labor Code section 204 also requires
27 that all wages earned for labor in excess of the normal work period shall be paid no later than
28 the payday for the next regular payroll period. Alternatively, at all relevant times herein,

1 Labor Code section 204 provides that the requirements of this section are deemed satisfied by
2 the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not
3 more than seven (7) calendar days following the close of the payroll period.

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

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

10 **FAILURE TO PAY WAGES UPON TERMINATION**

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

12 109. At all times relevant herein set forth, Labor Code sections 201 and 202 provide
13 that if an employer discharges an employee, the wages earned and unpaid at the time of
14 discharge are due and payable immediately, and that if an employee voluntarily leaves his or
15 her employment, his or her wages shall become due and payable not later than seventy-two
16 (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of
17 his or her intention to quit, in which case the employee is entitled to his or her wages at the
18 time of quitting.

19 110. For example, Plaintiff provided Defendants with a two-week notice of her
20 intent to resign from her employment, and her last date of work was May 24, 2022. However,
21 on May 25, 2022, Defendants only provided Plaintiff with a paycheck that included some of
22 the wages due to her from the prior pay period, and not the vested vacation wages, retroactive
23 overtime wages, and other wages owed, which were paid out at a later date. Upon information
24 and belief, Defendants have, and continue to have, a policy and/or practice of withholding
25 vested vacation wages, retroactive overtime wages, and other wages owed to former
26 employees and did not issue all of Plaintiff's wages due until at least one week after her last
27 day of work. Thus, Defendants failed to pay Plaintiff her final wages within the requisite time
28 limit in violation of California Labor Code section 202.

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

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

FAILURE TO PROVIDE ONE DAY'S REST IN SEVEN

VIOLATION OF LABOR CODE SECTIONS 551 and 552

113. At all relevant times herein, California Labor Code section 551 provides that every person employed in any occupation of labor is entitled to one day's rest in seven. Additionally, California Labor Code section 552 prohibits employers from requiring employees to work more than six consecutive days without a day of rest.

114. At all relevant times herein set forth, California Labor Code section 556 exempts an employer from the day-of-rest requirement when the total hours worked by an employee do not exceed 30 hours in any week or six hours in any one day thereof.

115. During the relevant time period, Defendants scheduled Plaintiff and other non-party Aggrieved Employees to work six (6) or more hours per day and seven (7) consecutive days in a workweek. Because Plaintiff and other non-party Aggrieved Employees worked over 30 hours per week or over six (6) hours per day in any one day in a workweek, they were not exempt from the day-of-rest requirement. To the extent that Plaintiff and other non-party Aggrieved Employees may have signed purported waivers of their right to a day's rest in seven, such waivers are invalid. Thus, Defendants willfully caused Plaintiff and other non-party Aggrieved Employees to work more than six days in seven, in violation of Labor Code

1 sections 551 and 552.

2 116. Thus, during the relevant time period, and in violation of California Labor
3 Code sections 551 and 552, Defendants caused Plaintiff and other non-party Aggrieved
4 Employees to work more than six days in seven. Plaintiff and other non-party Aggrieved
5 Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections
6 558 and/or 2699(a), (f), and (g).

7 **FAILURE TO PROVIDE WRITTEN NOTICE OF MATERIAL TERMS OF**
8 **EMPLOYMENT**

9 **VIOLATION OF LABOR CODE SECTION 2810.5(a)(1)(A)-(C)**

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

21 118. During the relevant time period, Defendants failed to provide Plaintiff and
22 other non-party Aggrieved Employees with written notice that lists all the requisite
23 information set forth in Labor Code section 2810.5(a)(1)(A)-(C).

24 119. Defendants' failure to provide Plaintiff and other non-party Aggrieved
25 Employees with written notice of basic information regarding their employment with
26 Defendants is in violation of California Labor Code section 2810.5. Plaintiff and other non-
27 party Aggrieved Employees are therefore entitled to recover civil penalties pursuant to Labor
28 Code sections 2699(a), (f), and (g).

1 **REQUEST FOR JURY TRIAL**

2 Plaintiff requests a trial by jury.

3 **PRAYER FOR RELIEF**

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

6 1. For civil penalties and attorneys' fees in excess of twenty-five thousand dollars
7 (\$25,000). Plaintiff reserves the right to amend her prayer for relief to seek a different
8 amount.

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

10 2. That the Court declare, adjudge and decree that Defendants violated the
11 following California Labor Code provisions as to Plaintiff and/or other non-party Aggrieved
12 Employees: 510 and 1198 (by failing to pay all overtime compensation); 226.7, 510, and 1198
13 (by failing to include all forms of remuneration in the "regular rate" of pay for purposes of
14 paying overtime wages and/or meal and rest period premiums); 1182.12, 1194, 1197, and
15 1198 (by failing to pay at least minimum wages for all hours worked); 226.7, 512(a), 516, and
16 1198 (by failing to provide all meal periods); 226.7, 516, and 1198 (by failing to authorize and
17 permit all rest periods); 226(a), 1174(d), and 1198 (by failing to provide accurate wage
18 statements and maintain accurate payroll records); 204 (by failing to timely pay all earned
19 wages during employment); 201 and 202 (by failing to timely pay all earned wages upon
20 termination); 551 and 552 (by failing to provide one day's rest in seven); and 2810.5 (by
21 failing to provide written notice of information material to employment).

22 3. For civil penalties, pursuant to California Labor Code sections 210, 226.3, 256,
23 558, 1174.5, 2699(a), (f), and (g), for violations of California Labor Code sections 201, 202,
24 204, 226(a), 226.7, 510, 512(a), 516, 551, 552, 1174(d), 1182.12, 1194, 1197, 1198, and
25 2810.5;

26 4. For attorneys' fees and costs pursuant to California Labor Code section
27 2699(g)(1), and any and all other relevant statutes, for Defendants' violations of California
28 Labor Code sections 201, 202, 204, 226(a), 226.7, 510, 512(a), 516, 551, 552, 1174(d),

1 1182.12, 1194, 1197, 1198, and 2810.5;

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

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

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6 Dated: November 21, 2022

Respectfully submitted,

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Capstone Law APC

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By: 

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Orlando Villalba

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Helga Hakimi

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Roxanna Tabatabaeepour

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Attorneys for Plaintiff Kawaii Brooks

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EXHIBIT “1”

NINEL KOCHARYAN
310.712.8146 Direct
Ninel.Kocharyan@capstonelawyers.com

September 15, 2022

VIA ONLINE SUBMISSION

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

Subject: *Kawaii Brooks v. Conifer Value-Based Care, LLC, et al.*

Dear PAGA Administrator:

This office represents Kawaii Brooks in connection with her claims under the California Labor Code. Ms. Brooks was an employee of CONIFER VALUE-BASED CARE, LLC; CONIFER REVENUE CYCLE SOLUTIONS, LLC; CONIFER HEALTH SOLUTIONS, LLC; and/or TENET HEALTHCARE CORPORATION. For the purpose of this letter, Ms. Brooks collectively refers to these entities as “CONIFER.”

The employers may be contacted directly at the addresses below:

CONIFER VALUE-BASED CARE, LLC
7624 WARREN PKWY,
ATTN: CONIFER LEGAL
FRISCO, TX 75034

CONIFER REVENUE CYCLE
SOLUTIONS, LLC
7624 WARREN PKWY,
FRISCO, TX 75034

CONIFER HEALTH SOLUTIONS, LLC
7624 WARREN PKWY,
ATTN: CONIFER LEGAL
FRISCO, TX 75034

TENET HEALTHCARE CORPORATION
14201 DALLAS PKWY
DALLAS, TX 75254

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

CONIFER employed Ms. Brooks as a non-exempt, hourly paid Prior Authorization Nurse from approximately December 2014 to May 2022. Ms. Brooks worked for CONIFER based out of its

location in Encino, California. She typically worked eight (8) hours or more per day, and five (5) or more days per week. Her primary job duties included, without limitation, reviewing and approving authorizations, sending authorizations to medical directors, reviewing medical records and patients' charts, and sending denial letters.

CONIFER has committed one or more of the following Labor Code violations against Ms. Brooks, the facts and theories of which follow, making her an "aggrieved employee" pursuant to California Labor Code section 2699(c):¹

CONIFER's Company-Wide and Uniform Payroll and HR Practices

CONIFER is a healthcare services company helping organizations strengthen their financial performance, transition from volume to value-based care and enhance the consumer and patient healthcare experience. Upon information and belief, CONIFER maintains a single, centralized Human Resources (HR) department at its corporate headquarters in Frisco, Texas, or Dallas, Texas, for all non-exempt, hourly paid employees working for CONIFER in California, including Ms. Brooks and other aggrieved employees. At all relevant times, CONIFER issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Ms. Brooks and other aggrieved employees, regardless of their location or position.

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

Violation of California Labor Code §§ 510 and 1198 – Unpaid Overtime

California Labor Code sections 510 and 1198 and the applicable Industrial Welfare Commission ("IWC") Wage Order require employers to pay employees working more than eight (8) hours in a day or more than forty (40) hours in a workweek at the rate of time-and-one-half (1 ½) times the regular rate of pay for all hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a workweek. The applicable IWC Wage Order further provides that employers are required to pay employees working more than twelve (12) hours in a day overtime compensation at a rate of two (2) times their regular rate of pay. An employee's regular rate of pay includes all remuneration for employment paid to, or on behalf of, the employee, including nondiscretionary bonuses and incentive pay.

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

CONIFER willfully failed to pay all overtime wages owed to Ms. Brooks and other aggrieved employees. During the relevant time period, Ms. Brooks and other aggrieved employees were not paid overtime premiums for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty (40) hours in a week, because all hours that they worked were not recorded.

First, CONIFER had, and continues to have, a company-wide policy and/or practice of discouraging and impeding Ms. Brooks and other aggrieved employees from recording hours worked that were outside of their scheduled shifts in order to limit the amount of overtime employees could accrue. On information and belief, this policy of limiting overtime, coupled with CONIFER's practices of understaffing and assigning heavy workloads and productivity quotas (*see infra*), led Ms. Brooks and other aggrieved employees to work off-the-clock outside of their scheduled shift times in order to complete their assigned tasks. Because CONIFER discouraged overtime accrual, Ms. Brooks and other aggrieved employees were required to complete assigned tasks outside of their scheduled shifts without being compensated for the time they worked. For instance, CONIFER had a practice of requiring employees to work for up to five (5) minutes off the clock before their scheduled shift start-times. Ms. Brooks and other aggrieved employees spent time booting up their computers, logging in, and clocking in for their shifts. Ms. Brooks and other aggrieved employees had no way of recording this time worked.

Second, during the relevant period, CONIFER had a company-wide policy and/or practice of improperly rounding employee clock-in and clock-out duration times to the nearest quarter-hour in its timekeeping system. CONIFER's rounding policy resulted in the failure to compensate Ms. Brooks and other aggrieved employees fully for all hours worked, causing Ms. Brooks and other aggrieved employees to not be paid overtime wages for all of the overtime hours they actually worked. Upon information and belief, CONIFER's rounding policy was, and continues to be, unfair and has, over time, resulted in the underpayment of wages to Ms. Brooks and other aggrieved employees. To the extent CONIFER's rounding policy took away time worked that was eligible for overtime, Ms. Brooks and other aggrieved employees were denied overtime pay for all hours worked. Because CONIFER failed to accurately record their actual hours worked, Ms. Brooks and other aggrieved employees were not paid for all hours worked before or after their scheduled shifts.

Third, CONIFER had, and continues to have, a company-wide policy and/or practice of understaffing while assigning heavy workloads and enforcing daily productivity quotas, which resulted in a failure to provide Ms. Brooks and other aggrieved employees with adequate meal period coverage. On information and belief, CONIFER also failed to schedule meal periods, which further caused Ms. Brooks and other aggrieved employees to not be relieved of their duties for compliant meal periods. As a result, Ms. Brooks and other aggrieved employees were not afforded timely, uninterrupted thirty (30) minute meal periods during shifts in which they were entitled to receive meal periods. Thus, Ms. Brooks and other aggrieved employees missed meal periods and/or had meal periods cut short or interrupted in order to handle their workloads. CONIFER did not compensate Ms. Brooks and other aggrieved employees for the time they spent working off the clock during meal periods.

Further, on information and belief, because CONIFER frowned upon employees accruing meal period penalties, CONIFER pressured Ms. Brooks and other aggrieved employees to clock out for meal periods to reflect compliant meal periods, even when they did not receive a compliant meal period, in order to strictly limit meal penalties that CONIFER would otherwise owe. Thus, Ms.

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

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

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

CONIFER's failure to pay Ms. Brooks and other aggrieved employees the balance of overtime compensation, as required by California law, violates the provisions of California Labor Code sections 510 and 1198. Ms. Brooks and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

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

California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 require employers to pay employees the minimum wage fixed by the IWC. The payment of a lesser wage than the minimum so fixed is unlawful. Compensable work time is defined in Wage Order No. 4-2001 as "the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so." Cal. Code. Regs. tit. 8, § 11040(2)(K) (defining "Hours Worked").

As stated, during the relevant time period, due to CONIFER's restrictions on overtime accrual, CONIFER systematically failed to pay Ms. Brooks and other aggrieved employees for actual hours worked before scheduled shifts, because these hours were not appropriately recorded. Ms. Brooks and other aggrieved employees were required to complete various tasks off-the-clock, before their scheduled shifts, such as booting up their computers, logging in, and clocking in for their shifts. Also, as stated above, CONIFER had a policy of rounding Ms. Brooks's and other aggrieved employees' hourly clock-in and clock-out duration times to the quarter-hour in its timekeeping system, resulting in the failure to compensate Ms. Brooks and other aggrieved employees fully for all hours worked.

Additionally, as set forth above, due to CONIFER's uniform practices of understaffing, assigning heavy workloads, enforcing productivity quotas, failing to schedule meal periods, and subsequent

lack of meal period coverage, Ms. Brooks and other aggrieved employees were impeded from taking all uninterrupted meal periods to which they were entitled and were required to work off-the-clock. Further, to limit the meal penalties that CONIFER would otherwise owe, CONIFER pressured Ms. Brooks and other aggrieved employees to clock out for meal periods to reflect compliant meal periods, but pressured them to continue working, time for which they were not paid.

Thus, CONIFER did not pay minimum wages for all hours worked by Ms. Brooks and other aggrieved employees. To the extent that these off-the-clock hours did not qualify for overtime premium payment, CONIFER did not pay at least minimum wages for those hours worked off-the-clock in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198.

Accordingly, CONIFER regularly failed to pay at least minimum wages to Ms. Brooks and other aggrieved employees for all of the hours they worked in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Ms. Brooks and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f)-(g).

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

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

First, as stated, CONIFER had, and continues to have, company-wide policies and/or practices of understaffing, which, combined with the practice of assigning heavy workloads and enforcing productivity quotas, discouraging employees from incurring overtime, and failing to schedule meal periods, resulted in a lack of meal period coverage and prevented Ms. Brooks and other aggrieved employees from taking all timely meal periods to which they were entitled. As a result, Ms. Brooks and other aggrieved employees were forced to work in excess of five (5) hours before taking a meal period, and, at times, had their meal periods interrupted and/or had to forgo their meal periods altogether. For example, Ms. Brooks's took her meal periods late a few times per week due to CONIFER's assignment of heavy workloads and enforcement of productivity quotas.

Second, on information and belief, because CONIFER frowned upon employees accruing meal period penalties, CONIFER's management pressured Ms. Brooks and other aggrieved employees to

clock out for meal periods to reflect compliant meal periods, even when they did not receive a compliant meal period, in order to strictly limit meal penalties that CONIFER would otherwise owe. For example, at CONIFER's management's direction, Ms. Brooks would log that her meal period was taken within the first five (5) hours of her shift, even though she would continue working and later took her meal period at the sixth hour of work.

Third, CONIFER did not provide Ms. Brooks and other aggrieved employees with second 30-minute meal periods on days that they worked in excess of 10 hours in one day. For example, during the relevant time period, Ms. Brooks worked shifts in excess of 10 hours in one day and did not take a second meal period unless she worked over 12 hours that same day. Ms. Brooks and other aggrieved employees did not sign valid meal period waivers on days that they were entitled to meal periods and were not relieved of all duties.

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

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

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

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

CONIFER knew or should have known that as a result of its policies, Ms. Brooks and other aggrieved employees were not actually relieved of all duties to take timely, uninterrupted meal periods. CONIFER further knew or should have known that it did not pay Ms. Brooks and other aggrieved employees meal period premiums when meal periods were missed, late, short, and/or interrupted.

As set forth above, CONIFER had a company-wide policy and/or practice of rounding employee clock-in and clock-out duration times in its timekeeping system, which prevented Ms. Brooks and other aggrieved employees from receiving all meal period premiums when they took late and/or shortened meal periods. As stated, CONIFER's rounding policy rounded employees' clock-in and clock-out times in its timekeeping system to the nearest quarter (0.25) of an hour. To the extent that CONIFER's timekeeping system reported that Ms. Brooks and other aggrieved employees were provided with timely, full 30-minute meal periods when, in fact, the meal periods were taken after the fifth hour of work or were less than 30 minutes, Ms. Brooks and other aggrieved employees were entitled to a meal period penalty. Thus, Ms. Brooks and other aggrieved employees did not receive all meal period penalties for these improperly rounded meal periods.

CONIFER also has engaged in a company-wide practice and/or policy of not paying all meal period premiums owed when compliant meal periods are not provided. Because of this practice and/or policy, Ms. Brooks and other aggrieved employees have not received premium pay for missed, late, and interrupted meal periods. Alternatively, to the extent that CONIFER did pay other aggrieved employees premium pay for missed, late, and interrupted meal periods, CONIFER did not pay other aggrieved employees at the correct rate of pay for premiums because CONIFER systematically failed to include all forms of compensation, such as incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.

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

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

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

To comply with its obligation to authorize and permit rest periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an employer must "relinquish any control over how employees spend their break time, and relieve their employees of all duties—including the obligation that an employee remain on call. A rest period, in short, must be a period of rest." *Augustus, et al. v. ABM Security Services, Inc.*, 2 Cal. 5th 257, 269-270 (2016).

During the relevant time period, CONIFER regularly failed to authorize and permit Ms. Brooks and other aggrieved employees to take a ten (10) minute rest period per each four (4) hour period worked or major fraction thereof. As with meal periods, CONIFER's company-wide understaffing, assigning heavy workloads, and enforcing productivity quotas, resulted in a lack of rest period coverage and

prevented Ms. Brooks and other aggrieved employees from being relieved of all duty in order to take compliant rest periods. CONIFER also failed to schedule rest periods, which, coupled with CONIFER's failure to provide adequate rest period coverage, further led to Ms. Brooks and other aggrieved employees not being authorized and permitted to take rest periods.

Moreover, upon information and belief, CONIFER maintained a company-wide on-premises rest period policy, which mandated that Ms. Brooks and/or other aggrieved employees remain on CONIFER's premises during their rest periods. Because Ms. Brooks and/or other aggrieved employees were restricted from leaving the premises during rest periods, they were denied the ability to use their rest periods freely for their own purposes, such as running personal errands. Thus, CONIFER effectively maintained control over Ms. Brooks and/or other aggrieved employees during rest periods.

As a result of CONIFER's practices and policies, Ms. Brooks and other aggrieved employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without receiving all uninterrupted 10-minute rest periods to which they were entitled. For example, Ms. Brooks had to forego her rest periods occasionally due to the assignment of heavy workloads and enforcement of productivity quotas. Additionally, Ms. Brooks did not receive a third rest period at all when working shifts in excess of 10 hours.

CONIFER also has engaged in a company-wide practice and/or policy of not paying all rest period premiums owed when compliant rest periods are not authorized or permitted. Because of this practice and/or policy, Ms. Brooks and other aggrieved employees have not received premium pay for all missed rest periods. Alternatively, to the extent that CONIFER did pay other aggrieved employees one (1) additional hour of premium pay for missed rest periods, CONIFER did not pay other aggrieved employees at the correct rate of pay for premiums because CONIFER failed to include all forms of compensation, such as incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.

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

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

California Labor Code section 226(a) requires employers to make, keep and provide true, accurate, and complete employment records. CONIFER has not provided Ms. Brooks and other aggrieved employees with properly itemized wage statements. Labor Code section 226(e) provides that if an employer fails to comply with providing an employee with properly itemized wage statements as set forth in 226(a), then the employee is entitled to recover the greater of all actual damages or \$50 for the initial pay period in which a violation occurs and \$100 per employee for each violation in a subsequent pay period, not to exceed \$4,000. Further, Labor Code section 226.3 provides that any employer who violates section 226(a) shall be subject to a civil penalty in the amount of \$250 per employee per violation in an initial citation and \$1,000 per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage statement or fails to keep the required records pursuant to Section 226(a).

During the relevant time period, CONIFER has knowingly and intentionally provided Ms. Brooks and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, CONIFER issued uniform wage statements to Ms. Brooks and other aggrieved employees that fail to correctly list: gross wages earned; total hours worked; net wages earned; the address of the legal entity that is the employer; and all applicable hourly rates in effect during the pay period, including rates of pay for overtime wages and/or meal and rest period premiums, and the corresponding number of hours worked at each hourly rate. Specifically, CONIFER violated sections 226(a)(1), 226(a)(2), 226(a)(5), 226(a)(8), and 226(a)(9).

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

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

In addition, and separately from these violations, CONIFER issued uniform wage statements to Ms. Brooks and other aggrieved employees that failed to list the address of the legal entity of the actual employer in violation of 226(a)(8). The purpose of section 226(a)(8) is to provide California employees with transparency as to the true identity of their employer, to allow the employee to contact their employer during employment or in the future for various reasons, including filing an administrative claim, judicial claim, or other action to seek relief against their employer, to obtain unemployment benefits, etc. During the relevant time period, CONIFER systematically, and on a company-wide basis, issued wage statements to Ms. Brooks and other aggrieved employees that fail to list the employing entity's correct address. Ms. Brooks's and other aggrieved employees' wage statements incorrectly list the employer's address as "14201 DALLAS PKWY, DALLAS, TX 75254," but according to the California Secretary of State's website, CONIFER VALUE-BASED CARE LLC's entity address should be "7624 WARREN PKWY, FRISCO, TX 75034."

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

California Labor Code section 1174(d) provides that "[e]very person employing labor in this state

shall . . . [k]eep a record showing the names and addresses of all employees employed and the ages of all minors” and “[k]eep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. . . .” Labor Code section 1174.5 provides that employers are subject to a \$500 civil penalty if they fail to maintain accurate and complete records as required by section 1174(d). During the relevant time period, and in violation of Labor Code section 1174(d), CONIFER willfully failed to maintain accurate payroll records for Ms. Brooks and other aggrieved employees showing the daily hours they worked and the wages paid thereto as a result of failing to record the off-the-clock hours that they worked and improperly rounding Ms. Brooks’s and other aggrieved employees’ total hours worked.

California Labor Code section 1198 provides that the maximum hours of work and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he employment of any employees for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC Wage Order, employers are required to keep accurate time records showing when the employee begins and ends each work period and meal period. During the relevant time period, CONIFER failed, on a company-wide basis, to record actual hours worked (including falsifying time records by recording that compliant meal periods were taken regardless of if or when meal periods were actually taken), and thereby failed to keep accurate records of work period and meal period start and stop times for Ms. Brooks and other aggrieved employees, in violation of section 1198. Furthermore, in light of CONIFER’s failure to provide Ms. Brooks and other aggrieved employees with second 30-minute meal periods to which they were entitled, CONIFER kept no records of meal start and end times for second meal periods.

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

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

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

During the relevant time period, CONIFER willfully failed to pay Ms. Brooks and other aggrieved employees all wages due including, but not limited to, overtime wages, minimum wages, and/or meal and rest period premiums, within the time periods specified by California Labor Code section 204.

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

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

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

For example, Ms. Brooks provided CONIFER with a two-week notice of her intent to resign from her employment, and her last date of work was May 24, 2022. However, on May 25, 2022, CONIFER only provided Ms. Brooks with a paycheck that included some of the wages due to her from the prior pay period, and not the vested vacation wages, retroactive overtime wages, and other wages owed which were paid out at a later date. Upon information and belief, CONIFER has, and continues to have, a policy and/or practice of withholding vested vacation wages, retroactive overtime wages, and other wages owed to former employees and did not issue all of Ms. Brooks's wages due until at least one week after her last day of work. Thus, CONIFER failed to pay Ms. Brooks her final wages within the requisite time limit in violation of California Labor Code section 202.

Additionally, CONIFER willfully failed to pay Ms. Brooks and other aggrieved employees who are no longer employed by CONIFER the earned and unpaid wages set forth above, including but not limited to, overtime wages, minimum wages, and/or meal and rest period premiums either at the time of discharge, or within seventy-two (72) hours of their leaving CONIFER's employ.

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

Violation of California Labor Code §§ 551 and 552 – Failure to Provide One Day's Rest in Seven

California Labor Code section 551 provides that every person employed in any occupation of labor is entitled to one day's rest in seven. California Labor Code section 552 prohibits employers from requiring employees to work more than six consecutive days without a day of rest. California Labor Code section 556 exempts an employer from the day-of-rest requirement when the total hours worked by an employee do not exceed 30 hours in any week or six hours in any one day thereof.

During the relevant time period, CONIFER scheduled Ms. Brooks and other aggrieved employees to work six (6) or more hours per day and seven (7) consecutive days in a workweek. Because Ms. Brooks and other aggrieved employees worked over 30 hours per week or over six (6) hours per day in any one day in a workweek, they were not exempt from the day-of-rest requirement. To the extent that Ms. Brooks and other aggrieved employees may have signed purported waivers of their right to a day's rest in seven, such waivers are invalid. Thus, CONIFER willfully caused Ms. Brooks and other aggrieved employees to work more than six days in seven, in violation of Labor Code sections 551 and 552.

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

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

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

CONIFER failed to provide Ms. Brooks and other aggrieved employees written notice that lists all the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C). CONIFER's failure to provide Ms. Brooks and other aggrieved employees with written notice of basic information regarding their employment with CONIFER is in violation of Labor Code section 2810.5.

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

California Labor Code § 558(a)

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

Accordingly, Ms. Brooks seeks the remedies set forth in Labor Code section 558 for herself, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 2699(a), 2699.3(a) and 2699.3(c), 2699.5, and 558, Ms. Brooks, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties for herself, all other aggrieved employees, and the State of California against CONIFER for violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 510, 512(a), 516, 551, 552, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2810.5.

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

Pre-Litigation Demand

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

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

1. CONIFER shall pay Ms. Brooks and all other aggrieved employees employed by CONIFER at any time during the past three years from the date of this notice unpaid wages and compensation for the above-referenced violations.
2. CONIFER shall comply with all California labor laws and ensure that its non-exempt employees are paid overtime wages and minimum wages for all hours worked and provided lawful meal and rest periods.
3. CONIFER shall conduct a survey or interview all current and former aggrieved employees in California who worked for CONIFER in the past three years to obtain information from them regarding the above-referenced violations, including, but not limited to: the number of meal periods which were not provided and the number of rest periods which were not authorized and permitted, with the investigation to be completed within 60 days.
4. CONIFER shall pay each aggrieved employee one hour of pay at his or her regular rate of pay for each work day he or she was not provided one or more meal periods, as required by Labor Code sections 226.7, 512(a), 516, and 1198. CONIFER also shall pay each aggrieved employee one hour of pay at his or her regular rate of pay for each work day he or she was not authorized and permitted one or more rest periods, as required by Labor Code sections 226.7, 516, and 1198.
5. CONIFER shall pay accrued legal interest to all aggrieved employees at the rate of 10% per annum for said unpaid wages.
6. CONIFER shall provide Ms. Brooks and all aggrieved employees employed by CONIFER at any time during the past three years from the date of this notice corrected wage statements that include the requisite information set forth in Labor Code section 226(a).
7. CONIFER shall provide all aggrieved employees who worked over thirty (30) hours per week and over six (6) hours in any one day in a workweek with one day's rest in seven, as required by Labor Code sections 551 and 552.

8. CONIFER shall provide all aggrieved employees written notice of basic information regarding their employment that includes the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C).
9. CONIFER shall pay waiting time penalties, equal to 30 days of pay, to each former aggrieved employee who was not paid all wages due as described herein.
10. CONIFER shall pay all penalties arising from the violations of the Labor Code and IWC Wage Order sections referenced above and pursuant to PAGA, Labor Code sections 2698, *et seq.*, including, but not limited to, penalties under Labor Code sections 210, 226.3, 256, 558, 1174.5, 1197.1, and 2699, and Wage Order No. 4-2001, section 20.

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

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

Best Regards,



Ninel Kocharyan

Copy: CONIFER VALUE-BASED CARE, LLC (via U.S. Certified Mail); CONIFER REVENUE CYCLE SOLUTIONS, LLC (via U.S. Certified Mail); CONIFER HEALTH SOLUTIONS, LLC (via U.S. Certified Mail); TENET HEALTHCARE CORPORATION (via U.S. Certified Mail)

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

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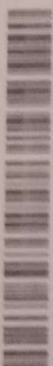
7022 2410 0000 2406 2594

CONIFER VALUE-BASED CARE, LLC
7624 WARREN PKWY,
ATTN: CONIFER LEGAL
PRISCO, TX 75034

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- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
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CONIFER VALUE-BASED CARE, LLC
7624 WARREN PKWY,
ATTN: CONIFER LEGAL
PRISCO, TX 75034



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Postage

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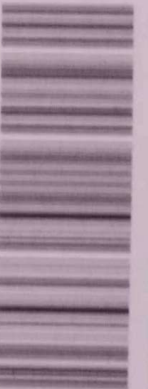
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CONIFER VALUE-BASED CARE, LLC
7624 WARREN PKWY,
ATTN: CONIFER LEGAL
PRISCO, TX 75034

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Capsforce Law, APC
 8275 Century Park East, 1000
 Los Angeles, CA 90067



7021 1970 0001 8870 3785

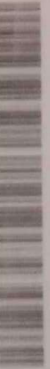
CERTIFIED MAIL

CONFER REVENUE CYCLE
 SOLUTIONS, LLC
 7624 WARREN PKWY,
 FRISCO, TX 75034

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CONFER REVENUE CYCLE
 SOLUTIONS, LLC
 7624 WARREN PKWY,
 FRISCO, TX 75034



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2. Article Number (Transfer from service label)

7021 1970 0001 8870 3785

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☐ Addressee

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C. Date of Delivery

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1. Service Type

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10. Signature	11. Signature	12. Signature

CONFER REVENUE CYCLE
 SOLUTIONS, LLC
 7624 WARREN PKWY,
 FRISCO, TX 75034

7021 1970 0001 8870 3785

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

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7022 2410 0000 2406 2600

CONIFER HEALTH SOLUTIONS, LLC
7624 WARREN PKWY,
ATTN: CONIFER LEGAL
FRISCO, TX 75034

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CONIFER HEALTH SOLUTIONS, LLC
7624 WARREN PKWY,
ATTN: CONIFER LEGAL
FRISCO, TX 75034



9590 9402 7420 2055 3561 39

2. Article Number (Transfer from service label)

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☐ Agent
☐ Addressee

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13.00

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CONIFER HEALTH SOLUTIONS, LLC
7624 WARREN PKWY,
ATTN: CONIFER LEGAL
FRISCO, TX 75034

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PS Form 3800, April 2015 PSN 7530-02-000-9017

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

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TENET HEALTHCARE
CORPORATION
14201 DALLAS PKWY
DALLAX, TX 75254

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TENET HEALTHCARE
CORPORATION
14201 DALLAS PKWY
DALLAX, TX 75254



9590 9402 7420 2055 3563 75

2 Article Number (Transfer from service label)

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

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A. Signature

X

B. Received by (Printed Name)

☐ Agent

☐ Addressee

C. Date of Delivery

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If YES, enter delivery address below: ☐ No

3. Service Type

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- ☐ Adult Signature Restricted Delivery
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- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Priority Mail Express®
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CONIFER HEALTH SOLU
7624 WARREN PK
ATTN: CONIFER LI
FRISCO, TX 750



9590 9402 7420 2055 3561 39

2. Article Number (Transfer from service label)

7022 2410 0000 2406 2600

Restricted Delivery
(over \$500)

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

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COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

Ron Carroll

☐ Agent☐ Addressee

B. Received by (Printed Name)

Ron Carroll conf

C. Date of Delivery

9/20/22

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

14201 Dallas Parkway
Dallas Texas 75254

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
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- ☐ Collect on Delivery
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CONIFER REVENUE CYCLE
SOLUTIONS, LLC
7624 WARREN PKWY,
FRISCO, TX 75034



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ad Mail
ad Mail Restricted Delivery
(over \$500)

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

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

Ron Carroll

☐ Agent☐ Addressee

B. Received by (Printed Name)

Ron Carroll conf

C. Date of Delivery

9/20/22

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

14201 Dallas Parkway
Dallas, Texas 75254

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

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

SENDER: COMPLETE THIS SECTION

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

CONIFER VALUE-BASED CARE, LLC
7624 WARREN PKWY,
ATTN: CONIFER LEGAL
FRISCO, TX 75034



9590 9402 7420 2055 3562 69

2. Article Number (Transfer from service label)

7022 2410 0000 2406 2594

Restricted Delivery

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

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

Ron Carroll

☐ Agent☐ Addressee

B. Received by (Printed Name)

Ron Carroll conf

C. Date of Delivery

9/20/22

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

14201 Dallas Parkway
Dallas Texas 75254

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

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

SENDER: COMPLETE THIS SECTION

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

TENET HEALTHCARE
CORPORATION
14201 DALLAS PKWY
DALLAX, TX 75254



9590 9402 7420 2055 3563 75

2 Article Number (Transfer from service label)

7021 1970 0001 8870 3792

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

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

R. Carroll

☐ Agent

☐ Addressee

B. Received by (Printed Name)

Ran Carroll

C. Date of Delivery

9/20/22

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

3. Service Type

☐ Adult Signature

☐ Adult Signature Restricted Delivery

☐ Certified Mail®

☐ Certified Mail Restricted Delivery

☐ Collect on Delivery

☐ Collect on Delivery Restricted Delivery

☐ Mail Restricted Delivery

☐ Priority Mail Express®

☐ Registered Mail™

☐ Registered Mail Restricted Delivery

☐ Signature Confirmation™

☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt