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SEPTEMBER 6, 2022

VIA USPS CERTIFIED MAIL

Walmart Inc.
702 SW 8th Street
Bentonville, AR 72716
7019 0160 0000 9187 4977

Agent for Service of Process for
Walmart Inc.
1505 Corporation
112
C T Corporation System
330 N. Brand Blvd., Suite 700
Sacramento, CA 95833
7019 0160 0000 9187 4861

VIA ONLINE SUBMISSION

State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, CA 95814
www.dir.ca.gov

Re: *California Wage & Hour Violations*
Walmart Inc.

To Whom It May Concern:

This office represents Oralia Sepulveda with respect to Private Attorneys General Act ("PAGA") claims that she intends to pursue against Walmart Inc. ("Walmart") based upon its illegal wage and hour practices in the State of California as to its non-exempt employees who worked at the "Walmart Superstore" located at 440 North Euclid Street in Anaheim, California 92801 ("Store"). This letter constitutes the notice required by Labor Code Section 2699.3.

Facts

Walmart is engaged in the business of retail sales, merchandising, and distribution. Ms. Sepulveda worked as a non-exempt hourly employee of Walmart at the Store. Walmart employs

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This office represents Oralia Sepulveda with respect to Private Attorneys General Act ("PAGA") claims that she intends to pursue against Walmart Inc. ("Walmart") based upon its illegal wage and hour practices in the State of California as to its non-exempt employees who worked at the "Walmart Superstore" located at 440 North Euclid Street in Anaheim, California 92801 ("Store"). This letter constitutes the notice required by Labor Code Section 2699.3.

Facts

Walmart is engaged in the business of retail sales, merchandising, and distribution. Ms. Sepulveda worked as a non-exempt hourly employee of Walmart at the Store. Walmart employs

numerous non-exempt, hourly paid employees such as Ms. Sepulveda at the Store. Unfortunately, Walmart has engaged in the following practices:

Failure to Pay Wages

Walmart failed to pay employees at the Store for all hours worked, including any overtime, on account of COVID-19 health screenings which occurred before employees clocked-in to start their shift. Employees were prevented from clocking in until they passed the daily screening test which included temperature checks and questionnaires. Employees frequently had to wait in line for the screening in addition to time spent undergoing the screening, repeating the screening if needed, being provided personal protective equipment, donning same, and walking over to the time clock to clock in if they were cleared to work. At all times during this process, Walmart retained complete control over employees. This process resulted in anywhere from five (5) to fifteen (15) minutes of unpaid time per employee. Additionally, Employees also did not receive net 30-minute meal breaks on account of the clocking out and clocking process and time clock accessibility as well as work off-the-clock during meal periods.

The above practices resulted in the underpayment of wages to employees, including underpayment of overtime and double-time to the extent applicable.

Failure to Provide COVID-19 Supplemental Paid Sick Leave

Walmart, as a private employer with 26 or more employees, was required to provide COVID-19 Supplemental Paid Sick Leave to employees at the Store who were unable to work or telework due to various reasons including: being subject to a quarantine or isolation period related to COVID-19, being advised by a healthcare provider to quarantine due to COVID-19, experiencing COVID-19 symptoms and seeking a medical diagnosis, caring for a family member who was subject to quarantine or isolation due to COVID-19, or attending a vaccine appointment or unable to work due to vaccine-related side effects. Walmart, however, failed to provide employees such as Ms. Sepulveda with supplemental paid sick leave. In Ms. Sepulveda's instance, she was directed by Walmart to subject herself to a 10-day quarantine but was never paid any supplemental sick leave for this period.

Meal Breaks

Walmart engages in the practice of not allowing mandated meal breaks and not compensating employees at the Store for any missed, late, or short meal breaks. Employees did not receive premium pay for any missed, late, or short meal period. Notably, meal breaks were not

at least a net thirty (30) minutes in duration on account of the clock in and out process and other factors.

Rest Breaks

Walmart engages in the practice of not allowing mandated rest breaks and not compensating employees for any missed, late, or short rest breaks. Employees did not receive premium pay for these missed rest breaks. Notably, rest breaks were not at least a net ten (10) minutes in duration on account of work interruptions and other factors.

Waiting Time and Unpaid Vacation Wages

At the time of an employee's separation (whether it be by termination or resignation) Walmart has failed to provide the employee with all monies owed, including meal break premiums, rest break premiums, and unpaid wages for work performed, including overtime and double-time wages to the extent applicable.

Walmart maintained a separate vacation/PTO benefit for employees and vacation wages would be owed to the extent that any unpaid compensation was not factored into the accrual of the vacation benefit. Correspondingly, any vacation balance paid to an employee upon separation would not be full and complete.

Noncompliant Wage Statements

Walmart has adopted a custom and practice of failing to provide wage statements which reflect all hours worked during any pay period, whether or not employees received all wages entitled to, including meal and rest break premiums and sick leave.

Failure to Fully Reimburse Employee Expenses

Walmart required the use of personal cell phones during employee training periods but never provided compensation for their use by employees.

Failure to Provide Suitable Seating

Walmart failed to provide employees with seats when they worked at a cash register or other job duties permitting the use of seats.

Failure to Maintain Records

Walmart further failed to maintain Ms. Sepulveda's and other aggrieved employees' payroll records showing the hours worked daily and the wages paid pursuant to Labor Code §1174.

Additional Penalties

Ms. Sepulveda and all other similarly aggrieved employees intend to seek all available civil penalties for the violations described above.

Code Provisions Violated and Legal Theories

The specific provisions of the California Labor Code which Walmart has violated, and applicable legal theories which establish the violations, are as follows:

Labor Code Section 201: Walmart violated, and continues to violate, Labor Code Section 201 by failing to pay the employees its has discharged the complete and correct amount of all wages owing at the time of termination. The wages earned but not paid at termination include uncompensated work time, including overtime and double-time as applicable, and premium wages for missed meal and rest breaks.

Labor Code Section 202: Walmart violated, and continues to violate, Labor Code Section 202 by failing to pay employees who quit the correct amount of all wages, within 72 hours of the termination. As already stated, the wages earned but not paid at termination include the above.

Labor Code Section 203: Walmart violated, and continues to violate, Labor Code Section 203 by failing to pay 30 days of continuing wages to employees owed wages (explained above) whose employment ended.

Labor Code Section 204: Walmart violated, and continues to violate, Labor Code Section 204 by failing to pay wages to employees for all hours worked as explained above.

Labor Code Section 226: Walmart violated, and continues to violate, Labor Code Section 226(a) by failing to provide employees with accurate and compliant itemized wage statements.

Labor Code Section 226.7: Walmart violated, and continues to violate, Labor Code Section 226.7 by failing to provide meal periods and/or rest periods that are in accordance and in compliance with the IWC's applicable wage order.

Labor Code Section 227.3: Walmart violated, and continues to violate, Labor Code Section 227.3 by failing to promptly pay all vested vacation or PTO benefits to employees upon their separation.

Labor Code Sections 246, 247, 248.2, and 248.6: Walmart violated, and continues to violate, Labor Code Sections 246, 247, 248.2, and 248.6 by failing to provide sick leave and COVID-19 Supplemental Paid Sick Leave to employees.

Labor Code Section 510: Walmart violated, and continues to violate, Labor Code Section 510 by failing to pay minimum wage or overtime compensation required by law including failing to calculate overtime and doubletime wages in accordance with employees' regular rate of pay.

Labor Code Section 512: Walmart violated, and continues to violate, Labor Code Section 512 by not providing employees with legally compliant meal periods.

Labor Code Sections 1174 and 1174.5: Walmart violated, and continues to violate, Labor Code Section 1174 by failing to maintain employees' payroll records showing the hours worked daily and the wages paid.

Labor Code Section 1194: Walmart violated, and continues to violate, Labor Code Section 1194 by failing to pay employees minimum wage and overtime compensation required by law.

Labor Code Sections 1197 and 1197.1: Walmart violated, and continues to violate, Labor Code Section 1197 by failing to pay employees a wage less than the minimum fixed by an applicable state or local law.

Labor Code Sections 1198 and 1199: Walmart violated, and continues to violate, Labor Code Sections 1198 and 1199 by failing to provide employees with suitable seating pursuant to Industrial Welfare Commission Wage Order 7-2001, sections 14(A) and (B).

Labor Code Section 2802: Walmart violated and continues to violate, Labor Code Section 2802 by failing to indemnify employees for all necessary expenditures or losses incurred by employees in direct consequence of the discharge of their duties.

Conclusion

Please inform us if you intend to investigate this matter. We look forward to prompt administrative action so that the identified unlawful practices can be rectified. In the absence of such action, we may file an appropriate action, pursuant to Labor Code Section 2698 *et seq.* Ms. Sepulveda and all other similarly aggrieved employees intend to seek all penalties for the

violations described above. Should you require any additional information, do not hesitate to contact the undersigned.

Very truly yours,

MOORADIAN LAW, APC

/s/ Haik Hacopian

HAIK HACOPIAN