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8 Attorneys for Plaintiff Andre Taylor

**FILED**  
Superior Court of California  
County of Los Angeles

05/15/2023

David W. Slayton, Executive Officer / Clerk of Court

By: A. Danelian Deputy

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**SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
**COUNTY OF LOS ANGELES**  
**UNLIMITED JURISDICTION**

ANDRE TAYLOR, an individual,

Plaintiff,

v.

BARRETT FINANCIAL GROUP, LLC, an  
Arizona limited liability company; and DOES  
1-25, inclusive,

Defendants.

Case No. 22STCV32618

**SECOND AMENDED COMPLAINT FOR:**  
**(1) FAILURE TO PAY WAGES ON TIME**  
**AND AT TERMINATION;**  
**(2) FAILURE TO PAY OVERTIME**  
**WAGES;**  
**(3) FAILURE TO PROVIDE ACCURATE**  
**WAGE STATEMENTS;**  
**(4) FAILURE TO PROVIDE MEAL**  
**PERIODS;**  
**(5) FAILURE TO PROVIDE REST**  
**PERIODS;**  
**(6) FAILURE TO REIMBURSE;**  
**(7) UNFAIR BUSINESS PRACTICES; and**  
**(8) PENALTIES PURSUANT TO PAGA**  
**(LABOR CODE §2698, et seq.)**

Plaintiff Andre Taylor alleges as and for cause of action against Defendants, and each of  
them, as follows:

**PARTIES**

1. Plaintiff Andre Taylor is an individual residing in Los Angeles County, California.  
Plaintiff performed the work for Defendants that is the subject of this action primarily in Los  
Angeles County.

2. Defendant Barrett Financial Group, LLC (“BFG”) is an Arizona limited liability

1 company doing business in Los Angeles County, California.

2           3.       Plaintiff is informed and believes and, based upon such information and belief,  
3 alleges that each of the Defendants designated as Does 1 through 25, inclusive, is contractually,  
4 intentionally, negligently, legally, or in some manner responsible for the events and occurrences  
5 more fully described below and which proximately caused injuries and/or damages to Plaintiff as  
6 alleged. Plaintiff is unaware of the true names and capacities of those Defendants sued herein as  
7 Does 1 through 25, inclusive, and therefore sues such Defendants by fictitious names. Plaintiff  
8 will seek leave to amend this Complaint to set forth the true names and capacities of those  
9 Defendants when they have been ascertained.  
10

11           4.       Plaintiff is informed and believes and, based on such information and belief,  
12 alleges that at all times mentioned each of the Defendants was the agent and/or employee of the  
13 remaining Defendants, and was at all times acting within the scope and purpose of this agency  
14 and/or employment and with the consent and permission of the remaining Defendants.  
15

16           5.       Plaintiff is further informed and believes and, based on such information and belief,  
17 alleges that at all times relevant hereto that each of the Defendants acted as agent or alter ego of or  
18 for the other Defendants such that each is liable for the wrongdoings described herein.  
19

20                               **FACTS**

21           6.       Defendants operate a mortgage loan origination business in California and other  
22 states. On information and belief, Defendants employ more than one hundred employees in  
23 California. Mr. Taylor was employed by Defendants as a non-exempt hourly employee from  
24 approximately March 28, 2022 to August 18, 2022 as a mortgage loan originator.  
25

26           7.       Defendants agreed to pay Mr. Taylor and other employees an hourly rate and  
27 commissions. The hourly rate was characterized as a "Draw Guarantee" that would be deducted  
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1 from earned commissions. However, Defendants failed to pay Mr. Taylor and other employees  
2 any hourly rate at all, meaning that Mr. Taylor and other employees often were not paid even  
3 minimum wage. Despite not paying Mr. Taylor any hourly wages, Defendants nevertheless  
4 deducted wages from his commissions.  
5

6 8. Defendants' commission agreement with their employees was vague to the point  
7 that no reasonable person could calculate how much he or she would earn from a particular  
8 transaction. The agreement allowed Defendants to deduct a wide variety of expenses, many of  
9 which were undefined and/or had no relation to the transactions at issue. For example, the  
10 agreement allowed Defendants to deduct "the cost of any company paid employee benefits" and  
11 "[a]ny other direct expenses of BFG, not specifically listed above." Defendants used these vague  
12 rules to make excessive and unlawful deductions from Mr. Taylor's and other employees' earned  
13 commissions.  
14

15 9. Defendants failed to track or record Mr. Taylor's and other employees' time  
16 worked, or pay them for that time. In connection with this failure, Defendants failed to track or  
17 pay employees' overtime work. Throughout his employment, Mr. Taylor routinely worked ten or  
18 more hours a day, fifty or more hours a week. As noted above, Defendants failed to pay  
19 employees regular wages, and also failed to pay overtime premiums for hours in excess of eight  
20 hours in a day, forty hours in a workweek, or for seven consecutive days in a workweek.  
21 Defendants failed to provide accurate, itemized wage statements, or indeed, often failed to provide  
22 any wage statements at all.  
23

24 10. Throughout his employment, Mr. Taylor and other employees were denied timely  
25 and uninterrupted meal and rest periods. Defendants failed to provide clear guidance to  
26 employees regarding their rights to meal and rest periods or when they could or should be taken.  
27  
28

1 Defendants failed to record meal periods for Mr. Taylor and other employees. Because  
2 Defendants failed to provide or record timely meal and rest periods, they owe Mr. Taylor one hour  
3 of compensation for each day worked without a timely meal period and one hour of compensation  
4 for each day worked with a missed rest period. Defendants failed to pay Mr. Taylor those wages  
5 when they were due and failed to pay Mr. Taylor those wages upon termination.  
6

7 11. During the relevant time period, Defendants required Mr. Taylor and other  
8 employees to work from home and use their own phones, computers, residences, personal  
9 vehicles, and the like for work purposes. Defendants failed to compensate Mr. Taylor and other  
10 employees for these expenses, despite the fact that they were expenses incurred at the instruction  
11 of Defendants and for the benefit of Defendants' business.  
12

### 13 **PAGA ALLEGATIONS**

14 12. Mr. Taylor brings his Eighth Cause of Action in a representative capacity on behalf  
15 of the Labor & Workforce Development Agency ("LWDA") and his fellow aggrieved employees  
16 under the Private Attorneys General Act ("PAGA"), and seeks to vindicate his rights under the  
17 Labor Code as well as those of all other aggrieved current and former employees of BFG.  
18

19 13. The group of aggrieved employees consists of those employees of BFG working in  
20 California at any time since September 6, 2021, and through the date of entry of final judgment or  
21 approval of settlement in this matter.  
22

23 14. Plaintiff sent the PAGA notice attached hereto as Exhibit A to BFG on September  
24 6, 2022. Plaintiff sent an amended PAGA notice, attached hereto as Exhibit B, to BFG on March  
25 9, 2023. Plaintiff alleges that by the conduct described herein, BFG violated Labor Code §§201,  
26 202, 204, 226, 226.7, 247.5, 510, 512, 558, 1174, 1197, 2751, 2802, and IWC Wage Order No. 4-  
27 2001 (8 C.C.R. §11040), for which it is subject to civil penalties under PAGA. Sixty-five calendar  
28

1 days have now passed since Plaintiff gave the LWDA notice of his PAGA claims and amended  
2 PAGA claims, and the LWDA has not responded or taken any position as to those claims.

3  
4 **FIRST CAUSE OF ACTION**

5 **(Failure to Pay Wages on Time and at Termination; Violation of Labor Code §§201-204)**

6 15. Plaintiff incorporates the allegations above as though they were fully set forth  
7 herein.

8 16. As set forth above, Defendants failed to track or pay Plaintiff for all hours worked,  
9 and indeed, failed to pay Plaintiff at all for the majority of his employment. When Defendants did  
10 pay Plaintiff commissions, they made wrongful deductions from Plaintiff's pay for their own  
11 benefit.  
12

13 17. Defendants willfully failed to pay Plaintiff all wages owed both (1) at the time they  
14 were due and (2) upon his termination from employment. To date, Defendants have not paid those  
15 wages.  
16

17 **SECOND CAUSE OF ACTION**

18 **(Failure to Pay Overtime Wages;**

19 **Violation of Labor Code §§510, 1197, I.W.C. Wage Order No. 7-2001)**

20 18. Plaintiff incorporates the allegations above as though they were fully set forth  
21 herein.  
22

23 19. As set forth above, Plaintiff regularly worked in excess of eight hours a day, forty  
24 hours a week, and/or on the seventh consecutive day in a workweek without any overtime pay.

25 20. Defendants failed to pay Plaintiff for the overtime hours worked, and failed to pay  
26 Plaintiff any overtime premiums for the overtime hours worked.  
27  
28

1 **THIRD CAUSE OF ACTION**

2 **(Failure to Provide Accurate Wage Statements; Violation of Labor Code §226)**

3 21. Plaintiff incorporates the allegations above as though they were fully set forth  
4 herein.

5  
6 22. Defendants failed to furnish Plaintiff with an accurate itemized statement in writing  
7 on the regular paydays showing gross wages earned, total hours worked, net wages earned, and all  
8 applicable hourly rates of pay in effect during the pay period, and the corresponding number of  
9 hours worked at each hourly rate.

10  
11 23. Defendants knew that they were required by law to furnish accurate itemized  
12 statements in writing and intentionally failed to furnish accurate statements to Plaintiff on the  
13 regular paydays.

14 24. Plaintiff suffered injury from Defendants' failure to provide accurate itemized  
15 statements in writing on the regular paydays. Plaintiff could not promptly and easily determine  
16 the amount of gross or net wages earned, the total number of hours worked, or the applicable rates  
17 in effect for the corresponding hours.

18 **FOURTH CAUSE OF ACTION**

19 **(Failure to Provide Meal Periods;**

20 **Violation of Labor Code §§226.7, 512, I.W.C. Wage Order No. 7-2001)**

21  
22 25. Plaintiff incorporates the allegations above as though they were fully set forth  
23 herein.

24  
25 26. Plaintiff typically worked in excess of eight hours a day without being provided a  
26 30-minute, uninterrupted, off-duty meal period within the first five hours.

27 27. On these occasions, Defendants failed to pay Plaintiff one additional hour of pay at  
28

1 his regular rate of compensation.

2 **FIFTH CAUSE OF ACTION**

3 **(Failure to Provide Rest Periods;**

4 **Violation of Labor Code §§226.7, I.W.C. Wage Order No. 7-2001)**

5 28. Plaintiff incorporates the allegations above as though they were fully set forth  
6 herein.

7 29. Plaintiff typically worked in excess of eight hours in a workday without being  
8 authorized or permitted to take any paid rest periods.

9 30. On these occasions, Defendants failed to pay Plaintiff one additional hour of pay at  
10 his regular rate of compensation.

11 **SIXTH CAUSE OF ACTION**

12 **(Failure to Reimburse Employment-Related Expenses; Violation of Labor Code §2802)**

13 31. Plaintiff incorporates the allegations above as though they were fully set forth  
14 herein.

15 32. As set forth above, Defendants required Plaintiff to use his personal phone,  
16 computer, vehicle, and premises for work purposes.

17 33. Defendants failed to compensate Plaintiff for the expenses associated with the use  
18 of his personal phone, computer, vehicle, and premises for work purposes, despite the fact that  
19 they were expenses incurred at the instruction of Defendants and for the benefit of Defendants'  
20 business.

21 34. As a result, Plaintiff has been damaged in an amount to be proved at trial.

22 **SEVENTH CAUSE OF ACTION**

23 **(Unfair Business Practices, Violation of Bus. & Prof. Code §17200)**

24 35. Plaintiff incorporates the allegations above as though they were fully set forth

1 herein.

2 36. Defendants' conduct, as set forth above, violates the California Unfair Competition  
3 Law, Bus. & Prof. Code §17200, *et seq.* ("UCL"). Defendants' conduct constitutes unlawful,  
4 unfair, or fraudulent business acts or practices in that they willfully fail to pay employees for all  
5 hours worked, make unlawful deductions from commissions, fail to provide lawful commission  
6 agreements, fail to pay overtime wages, fail to provide meal and rest breaks, fail to provide  
7 accurate wage statements, fail to reimburse employees for work expenses, and the like.

8 37. As a result of Defendants' unlawful, unfair, and fraudulent conduct, Plaintiff has  
9 suffered injury in fact.

10 38. Plaintiff is informed and believes, and on that basis alleges, that Defendants  
11 continue to engage in the unlawful, unfair, and fraudulent practices as alleged herein, and that they  
12 will continue to do so unless enjoined by this court.

13 39. Pursuant to Bus. & Prof. Code §17203, Plaintiff seeks declaratory and injunctive  
14 relief for Defendants' unlawful, unfair, and fraudulent conduct, and to recover restitution.

15 **EIGHTH CAUSE OF ACTION**

16 **(Violations of the California Labor Code under the Private Attorneys General Act**

17 **(Lab. Code §2698, *et seq.*))**

18 40. Plaintiff incorporates the allegations above as though they were fully set forth  
19 herein.

20 41. Plaintiff brings this cause of action in a representative capacity on behalf of the  
21 Labor & Workforce Development Agency ("LWDA") and their fellow aggrieved employees  
22 pursuant to the California Private Attorneys General Act (Labor Code §2698, *et seq.*), and seeks to  
23 vindicate his rights under the Labor Code as well as those of all other aggrieved current and  
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1 former California employees of BFG.

2 42. For purposes of this cause of action, the group of aggrieved employees consists of  
3 those employees of BFG working in California at any time since September 6, 2021 (the  
4 “Representative Group”), and through the date of entry of final judgment or approval of settlement  
5 in this matter (the “Claim Period”).  
6

7 43. As set forth above, BFG has violated Labor Code §§201, 202, 204, 226, 226.7,  
8 247.5, 510, 512, 558, 1174, 1197, 2751, 2802, and IWC Wage Order No. 4-2001 (8 C.C.R.  
9 §11040) with respect to Plaintiff and the Representative Group, who have been injured as a result  
10 of these violations.  
11

12 44. Plaintiff seeks to recover civil penalties for violations of the Labor Code committed  
13 by BFG against Plaintiff and all other aggrieved employees as set out in the PAGA notice  
14 submitted to the LWDA. A true and correct copy of the amended PAGA notice is attached hereto  
15 as Exhibit B, and its contents are incorporated by reference as though expressly set out herein.  
16

17 45. For the violations of the Labor Code alleged, Plaintiff and other aggrieved  
18 employees have no further administrative remedies to exhaust.

19 46. Plaintiff has fully complied with notice requirements under PAGA by giving  
20 written notice to both the LWDA and BFG pursuant to Labor Code §2699.3(a)(1)(A), and by  
21 paying the filing fee required by subsection (a)(1)(B) of the same.  
22

23 47. Sixty-five calendar days have now passed since Plaintiff gave the LWDA notice of  
24 their amended PAGA claims, and the LWDA has not responded or taken any position as to those  
25 claims. Accordingly, Plaintiff now has the right to pursue those claims through a representative  
26 civil suit pursuant to Labor Code §2699.3(a)(2)(A).  
27

28 48. Plaintiff has been injured as a direct and proximate result of BFG’s violations of

1 the Labor Code as set out in Exhibit B.

2 49. Pursuant to Labor Code §2699(a) and (f), Plaintiff accordingly seeks to recover  
3 civil penalties against BFG for the specified Labor Code violations against Plaintiff and all other  
4 aggrieved employees.  
5

6 50. In addition, Plaintiff seeks to recover their reasonable attorneys' fees and costs  
7 pursuant to Labor Code §2699(g)(1).  
8

9 WHEREFORE, Plaintiff prays for relief against Defendants as follows:

- 10 1. For damages according to proof;
- 11 2. For unpaid wages and commissions owed;
- 12 3. For prejudgment interest on that amount at the legal rate;
- 13 4. For one additional hour of pay for each workday that Defendants failed to provide a  
meal period pursuant to Labor Code §226.7;
- 14 5. For one additional hour of pay for each workday that Defendants failed to provide  
15 rest periods pursuant to Labor Code §226.7;
- 16 6. For waiting time penalties pursuant to Labor Code §203;
- 17 7. For reimbursement for work-related expenses incurred by Plaintiff pursuant to  
18 Labor Code §2802;
- 19 8. For injunctive relief enjoining Defendants from continuing to engage in the  
20 unlawful conduct described herein;
- 21 9. For penalties pursuant to PAGA;
- 22 10. For costs of suit herein incurred, including attorneys' fees; and
- 23 11. For such further relief as the court deems just.  
24

25 DATED: May 15, 2023

**AIMAN-SMITH & MARCY, P.C.**

27 

28 John A. Lofton, Esq.  
Attorney for Plaintiff Andre Taylor

# Exhibit A

September 6, 2022

***Via Certified Mail***

Barrett Financial Group, LLC  
2314 S. Val Vista Dr., Suite 201  
Gilbert, AZ 85295

Chris Johnson  
California Corporate Agents, Inc.  
2108 N. Street, Suite C  
Sacramento, CA 95816

***Re: PAGA Notice Pursuant to Labor Code §2699.3(a)(1) re: Violations of the California Labor Code***

Dear Sirs or Madams:

Pursuant to California Labor Code §2699.3, Andre Taylor hereby gives notice of violations of the California Labor Code §§201, 202, 204, 226, 226.7, 247.5, 510, 512, 558, 1174, 1194, 2751, 2802, and IWC Wage Order No. 4-2001 (8 C.C.R. §11040) by Barrett Financial Group, LLC (“Defendant”). Defendant’s legal violations as described herein were and are knowing and intentional.

Mr. Taylor is an aggrieved employee of Defendant as defined by California Labor Code §2699(c) because he was: (1) an employee of Defendant within the past 12 months, (2) against whom Defendant’s violations of the California Labor Code as described herein were committed.

**I. Facts and Theories Giving Rise to Defendant’s Violations of the California Labor Code**

Defendant operates a mortgage loan origination business in California and other states. On information and belief, Defendant employs more than one hundred employees in California. Mr. Taylor was employed by Defendant as a non-exempt hourly employee from approximately March 28, 2022 to August 18, 2022 as a mortgage loan originator.

Defendant agreed to pay Mr. Taylor and other employees an hourly rate and commissions. The hourly rate was characterized as a “Draw Guarantee” that would be deducted from earned commissions. However, Defendant failed to pay Mr. Taylor and

other employees any hourly rate at all, meaning that Mr. Taylor and other employees often were not paid even minimum wage. Despite not paying Mr. Taylor any hourly wages, Defendant nevertheless deducted wages from his commission.

Defendant's commission agreements were vague to the point that no reasonable person could calculate how much he or she would earn from a particular transaction. The agreement allowed Defendant to deduct a wide variety of expenses, many of which were undefined and/or had no relation to the transactions at issue. For example, the agreement allowed Defendant to deduct "the cost of any company paid employee benefits" and "[a]ny other direct expenses of BFG, not specifically listed above." Defendant used these vague rules to make excessive and unlawful deductions from Mr. Taylor's and other employees' earned commissions.

Defendant failed to track or record Mr. Taylor's and other employees' time worked, or pay them for that time. In connection with this failure, Defendant failed to track or pay employees' overtime work. Throughout his employment, Mr. Taylor routinely worked ten or more hours a day, fifty or more hours a week. As noted above, Defendant failed to pay employees regular wages, and also failed to pay overtime premiums for hours in excess of eight hours in a day, forty hours in a workweek, or for seven consecutive days in a workweek. Defendant failed to provide accurate, itemized wage statements, or indeed, often failed to provide any wage statements at all.

Throughout his employment, Mr. Taylor and other employees were denied timely and uninterrupted meal and rest periods. Defendant failed to provide clear guidance to employees regarding their rights to meal and rest periods or when they could or should be taken. Defendant failed to record meal periods for Mr. Taylor and other employees. Because Defendant failed to provide or record timely meal and rest periods, they owe Mr. Taylor one hour of compensation for each day worked without a timely meal period and one hour of compensation for each day worked with a missed rest period. Defendant failed to pay Mr. Taylor those wages when they were due and failed to pay Mr. Taylor those wages upon termination.

During the relevant time period, Defendant required Mr. Taylor and other employees to work from home and use their own phones, computers, residences, personal vehicles, and the like for work purposes. Defendant failed to compensate Mr. Taylor and other employees for these expenses, despite the fact that they were expenses incurred at the instruction of Defendant and for the benefit of Defendant's business.

During the relevant time period, Defendant failed to pay employees all wages owed at the time of separation or within 72 hours of said members' resignation and/or termination.

## **II. Provisions of the California Labor Code Violated by Defendants and Penalties Sought**

As a result of Defendant's violations of the California Labor Code, as alleged herein, Mr. Taylor is entitled to recover civil penalties pursuant to Labor Code §2699 *et seq.* on behalf of himself and all other former or current California employees of Defendant who were subjected to their violations of the Labor Code as described herein.

For failing to provide meal periods in violation of Labor Code §§512, 558 and Industrial Welfare Commission Wage Order No. 4-2001 (8 C.C.R. §11040), Defendant is subject to civil penalties in the amount of \$100 for each aggrieved employee per pay period for the initial violation and \$200 for each aggrieved employee per pay period for each subsequent violation pursuant to Labor Code §2699(f).

For failing to record meal periods and total hours worked in violation of Labor Code §558 and Industrial Welfare Commission Wage Order No. 4-2001 (8 C.C.R. §11040), Defendant is subject to civil penalties in the amount of \$100 for each aggrieved employee per pay period for the initial violation and \$200 for each aggrieved employee per pay period for each subsequent violation pursuant to Labor Code §2699(f).

For failing to provide one hour of pay to each employee who was not provided a timely meal period under Labor Code §§512, 558 and Industrial Welfare Commission Wage Order No. 4-2001 (8 C.C.R. §11040), in violation of Labor Code §226.7, Defendant is subject to civil penalties in the amount of \$100 for each aggrieved employee per pay period for the initial violation and \$200 for each aggrieved employee per pay period for each subsequent violation pursuant to Labor Code §2699(f).

For failing to provide rest periods in violation of Labor Code §558 and Industrial Welfare Commission Wage Order No. 4-2001 (8 C.C.R. §11040), Defendant is subject to civil penalties in the amount of \$50 for each aggrieved employee per pay period for the initial violation and \$100 for each aggrieved employee per pay period for each subsequent violation pursuant to Labor Code §2699(f).

For failing to provide one hour of pay to each employee who was not provided a rest period under Labor Code §558 and Industrial Welfare Commission Wage Order No. 4-2001 (8 C.C.R. §11040), in violation of Labor Code §226.7, Defendant is subject to civil penalties in the amount of \$100 for each aggrieved employee per pay period for the initial violation and \$200 for each aggrieved employee per pay period for each subsequent violation pursuant to Labor Code §2699(f).

For failing to reimburse employees for expenditures incurred by the employees at the instruction of Defendants, in violation of Labor Code §2802, Defendant is subject to

civil penalties in the amount of \$100 for each aggrieved employee per pay period for the initial violation and \$200 for each aggrieved employee per pay period for each subsequent violation pursuant to Labor Code §2699(f).

For failing to pay employees overtime premiums for work in excess of eight hours per day, forty hours per week, or six days within one workweek in violation of Labor Code §§510, 558, 1194 and Industrial Welfare Commission Wage Order No. 4-2001 (8 C.C.R. §11040), Defendant is subject to civil penalties in the amount of \$100 for each aggrieved employee per pay period for the initial violation and \$200 for each aggrieved employee per pay period for each subsequent violation pursuant to Labor Code §2699(f).

For failing to pay employees the legal minimum wage in violation of Labor Code §§510, 558, 1194 and Industrial Welfare Commission Wage Order No. 4-2001 (8 C.C.R. §11040), Defendant is subject to civil penalties in the amount of \$100 for each aggrieved employee per pay period for the initial violation and \$200 for each aggrieved employee per pay period for each subsequent violation pursuant to Labor Code §2699(f).

For failing to pay all wages due at separation from employment in violation of Labor Code §§201 and 202, Defendant is subject to civil penalties in the amount of \$100 for each aggrieved employee per pay period for the initial violation and \$200 for each aggrieved employee per pay period for each subsequent violation pursuant to Labor Code §2699(f).

For failing to pay wages on time in violation of Labor Code §204, Defendant is subject to civil penalties in the amount of \$100 for each failure to pay each employee for any initial violation, and for each subsequent violation, \$200 for each failure to pay each employee, plus twenty-five percent of the amount unlawfully withheld pursuant to Labor Code §210(a).

For failing to provide accurate, itemized wage statements in violation of Labor Code §226, Defendant is subject to civil penalties in the amount of \$50 for the initial pay period in which the violation occurs and \$100 per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of \$4,000 pursuant to Labor Code 226(e).

For failing to maintain time records in violation of Labor Code §247.5 and Industrial Welfare Commission Wage Order No. 4-2001 (8 C.C.R. §11040), Defendant is subject to civil penalties in the amount of \$100 for each aggrieved employee per pay period for the initial violation and \$200 for each aggrieved employee per pay period for each subsequent violation pursuant to Labor Code §2699(f).

For failing to provide employees with a commission agreement that clearly sets forth the method by which commissions would be computed and paid in violation of Labor Code §2751, Defendant is subject to civil penalties in the amount of \$100 for each aggrieved employee per pay period for the initial violation and \$200 for each aggrieved employee per pay period for each subsequent violation pursuant to Labor Code §2699(f).

Please note that further investigation may shed light upon additional violations beyond those contained herein, and Mr. Taylor reserves the right to file and serve a further amended notice should additional violations be discovered.

Sincerely,

AIMAN-SMITH & MARCY  
A PROFESSIONAL CORPORATION



John A. Lofton

# Exhibit B

March 9, 2023

***Via Certified Mail***

Barrett Financial Group, LLC  
c/o Andrew L. Smith  
Jackson Lewis P.C.  
725 South Figueroa Street, Suite 2500  
Los Angeles, CA 90017

***Re: AMENDED PAGA Notice Pursuant to Labor Code §2699.3(a)(1) re:  
Violations of the California Labor Code***

Dear Sirs or Madams:

Pursuant to California Labor Code §2699.3, Andre Taylor hereby gives amended notice of violations of the California Labor Code §§201, 202, 204, 226, 226.7, 247.5, 510, 512, 558, 1174, 1197, 2751, 2802, and IWC Wage Order No. 4-2001 (8 C.C.R. §11040) by Barrett Financial Group, LLC (“Defendant”). Defendant’s legal violations as described herein were and are knowing and intentional.

Mr. Taylor is an aggrieved employee of Defendant as defined by California Labor Code §2699(c) because he was: (1) an employee of Defendant within the past 12 months, (2) against whom Defendant’s violations of the California Labor Code as described herein were committed.

**I. Facts and Theories Giving Rise to Defendant’s Violations of the California Labor Code**

Defendant operates a mortgage loan origination business in California and other states. On information and belief, Defendant employs more than one hundred employees in California. Mr. Taylor was employed by Defendant as a non-exempt hourly employee from approximately March 28, 2022 to August 18, 2022 as a mortgage loan originator.

Defendant agreed to pay Mr. Taylor and other employees an hourly rate and commissions. The hourly rate was characterized as a “Draw Guarantee” that would be

deducted from earned commissions. However, Defendant failed to pay Mr. Taylor and other employees any hourly rate at all, meaning that Mr. Taylor and other employees often were not paid even minimum wage. Despite not paying Mr. Taylor any hourly wages, Defendant nevertheless deducted wages from his commission.

Defendant's commission agreements were vague to the point that no reasonable person could calculate how much he or she would earn from a particular transaction. The agreement allowed Defendant to deduct a wide variety of expenses, many of which were undefined and/or had no relation to the transactions at issue. For example, the agreement allowed Defendant to deduct "the cost of any company paid employee benefits" and "[a]ny other direct expenses of BFG, not specifically listed above." Defendant used these vague rules to make excessive and unlawful deductions from Mr. Taylor's and other employees' earned commissions.

Defendant failed to track or record Mr. Taylor's and other employees' time worked, or pay them for that time. In connection with this failure, Defendant failed to track or pay employees' overtime work. Throughout his employment, Mr. Taylor routinely worked ten or more hours a day, fifty or more hours a week. As noted above, Defendant failed to pay employees regular wages, and also failed to pay overtime premiums for hours in excess of eight hours in a day, forty hours in a workweek, or for seven consecutive days in a workweek. Defendant failed to provide accurate, itemized wage statements, or indeed, often failed to provide any wage statements at all.

Throughout his employment, Mr. Taylor and other employees were denied timely and uninterrupted meal and rest periods. Defendant failed to provide clear guidance to employees regarding their rights to meal and rest periods or when they could or should be taken. Defendant failed to record meal periods for Mr. Taylor and other employees. Because Defendant failed to provide or record timely meal and rest periods, they owe Mr. Taylor one hour of compensation for each day worked without a timely meal period and one hour of compensation for each day worked with a missed rest period. Defendant failed to pay Mr. Taylor those wages when they were due and failed to pay Mr. Taylor those wages upon termination.

During the relevant time period, Defendant required Mr. Taylor and other employees to work from home and use their own phones, computers, residences, personal vehicles, and the like for work purposes. Defendant failed to compensate Mr. Taylor and other employees for these expenses, despite the fact that they were expenses incurred at the instruction of Defendant and for the benefit of Defendant's business.

During the relevant time period, Defendant failed to pay employees all wages owed at the time of separation or within 72 hours of said members' resignation and/or termination.

## **II. Provisions of the California Labor Code Violated by Defendants and Penalties Sought**

As a result of Defendant's violations of the California Labor Code, as alleged herein, Mr. Taylor is entitled to recover civil penalties pursuant to Labor Code §2699 *et seq.* on behalf of himself and all other former or current California employees of Defendant who were subjected to their violations of the Labor Code as described herein.

For failing to provide meal periods in violation of Labor Code §§512, 558 and Industrial Welfare Commission Wage Order No. 4-2001 (8 C.C.R. §11040), Defendant is subject to civil penalties in the amount of \$100 for each aggrieved employee per pay period for the initial violation and \$200 for each aggrieved employee per pay period for each subsequent violation pursuant to Labor Code §2699(f).

For failing to provide one hour of pay to each employee who was not provided a timely meal period under Labor Code §§512, 558 and Industrial Welfare Commission Wage Order No. 4-2001 (8 C.C.R. §11040), in violation of Labor Code §226.7, Defendant is subject to civil penalties in the amount of \$100 for each aggrieved employee per pay period for the initial violation and \$200 for each aggrieved employee per pay period for each subsequent violation pursuant to Labor Code §2699(f).

For failing to provide rest periods in violation of Labor Code §558 and Industrial Welfare Commission Wage Order No. 4-2001 (8 C.C.R. §11040), Defendant is subject to civil penalties in the amount of \$50 for each aggrieved employee per pay period for the initial violation and \$100 for each aggrieved employee per pay period for each subsequent violation pursuant to Labor Code §2699(f).

For failing to provide one hour of pay to each employee who was not provided a rest period under Labor Code §558 and Industrial Welfare Commission Wage Order No. 4-2001 (8 C.C.R. §11040), in violation of Labor Code §226.7, Defendant is subject to civil penalties in the amount of \$100 for each aggrieved employee per pay period for the initial violation and \$200 for each aggrieved employee per pay period for each subsequent violation pursuant to Labor Code §2699(f).

For failing to maintain accurate time and payroll records, and to record meal periods and total hours worked in violation of Labor Code §§247.5, 558, and 1174 and Industrial Welfare Commission Wage Order No. 5-2001 (8 C.C.R. §11050), Employer is subject to civil penalties in the amount of \$100 for each aggrieved employee per pay period for the initial violation and \$200 for each aggrieved employee per pay period for each subsequent violation pursuant to Labor Code §2699(f).

For failing to reimburse employees for expenditures incurred by the employees at the instruction of Defendants, in violation of Labor Code §2802, Defendant is subject to civil penalties in the amount of \$100 for each aggrieved employee per pay period for the initial violation and \$200 for each aggrieved employee per pay period for each subsequent violation pursuant to Labor Code §2699(f).

For failing to pay employees overtime premiums for work in excess of eight hours per day, forty hours per week, or six days within one workweek in violation of Labor Code §§510, 558, 1197 and Industrial Welfare Commission Wage Order No. 4-2001 (8 C.C.R. §11040), Defendant is subject to civil penalties in the amount of \$100 for each aggrieved employee per pay period for the initial violation and \$200 for each aggrieved employee per pay period for each subsequent violation pursuant to Labor Code §2699(f).

For failing to pay at least the minimum wage for time worked, in violation of Labor Code §§558 and 1197 and Industrial Welfare Commission Wage Order No. 4-2001 (8 C.C.R. §11040), Defendant is subject to civil penalties in the amount of \$100 for each aggrieved employee per pay period for the initial violation and \$200 for each aggrieved employee per pay period for each subsequent violation pursuant to Labor Code §2699(f).

For failing to pay all wages due at separation from employment in violation of Labor Code §§201 and 202, Defendant is subject to civil penalties in the amount of \$100 for each aggrieved employee per pay period for the initial violation and \$200 for each aggrieved employee per pay period for each subsequent violation pursuant to Labor Code §2699(f).

For failing to pay wages on time in violation of Labor Code §204, Defendant is subject to civil penalties in the amount of \$100 for each failure to pay each employee for any initial violation, and for each subsequent violation, \$200 for each failure to pay each employee, plus twenty-five percent of the amount unlawfully withheld pursuant to Labor Code §210(a).

For failing to provide accurate, itemized wage statements in violation of Labor Code §226, Employer is subject to civil penalties in the amount of \$100 for each aggrieved employee per pay period for the initial violation and \$200 for each aggrieved employee per pay period for each subsequent violation pursuant to Labor Code §2699(f).

For failing to provide employees with a commission agreement that clearly sets forth the method by which commissions would be computed and paid in violation of Labor Code §2751, Defendant is subject to civil penalties in the amount of \$100 for each aggrieved employee per pay period for the initial violation and \$200 for each aggrieved employee per pay period for each subsequent violation pursuant to Labor Code §2699(f).

Please note that further investigation may shed light upon additional violations beyond those contained herein, and Mr. Taylor reserves the right to file and serve a further amended notice should additional violations be discovered.

Sincerely,

AIMAN-SMITH & MARCY  
A PROFESSIONAL CORPORATION



John A. Lofton