



May 23, 2025

NOTICE VIA ONLINE SUBMISSION

California Labor and Workforce Development Agency
Private Attorney General Act (PAGA) – Filing

VIA CERTIFIED MAIL (RETURN RECEIPT REQUESTED)

Americorp International Group Inc.
550 N Brand Blvd Suite 910
Glendale, CA 91203

Re: Notice by David C. Edfors on Behalf of Himself and all Other Aggrieved
California Employees of Americorp International Group Inc. as an individual and
a Representative of the State of California

Dear Labor and Workforce Development Agency and Americorp International Group Inc.:

Pursuant to the Labor Code Private Attorneys General Act of 2004 (“PAGA”), Cal. Lab. Code section 2698, *et seq.*, David C. Edfors (“Mr. Edfors” or “Claimant”) intends to bring a civil action against Americorp International Group Inc. (“the Employer”), individually and on behalf of all other aggrieved employees. This letter serves as Claimant’s written notice pursuant to Labor Code section 2699.3(a)(1) providing the Labor and Workforce Development Agency (“LWDA”) the opportunity to investigate the alleged claims contained herein of the specific provisions of the Labor Code allegedly violated by the Employer and the facts and theories in support of said allegations. This information contained herein is based on currently possessed information and belief.

If the LWDA does not intend to investigate the alleged violations, Claimant intends to file a representative civil action for PAGA penalties on behalf of himself and all other aggrieved employees of the Employer and shall seek civil penalties under the PAGA. A copy of this Notice is being served on the Employer concurrent with its submission to the LWDA.

Identity of “Employees”

Claimant intends to pursue PAGA civil penalties on their own behalf and on the behalf of other current and former employees of the entities/individual referenced below who performed non-exempt work for said entities/individual and were either: 1) classified as a non-exempt

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employee or 2) should have been classified as a non-exempt employee. Said employees are limited to employees performing work for said entities/individuals at any time during one (1) year prior to the date of this PAGA Notice letter and continuing until the unlawful employment practices are stopped and/or a judgment is entered. Said employees are collectively hereinafter referred to as "Aggrieved Employees." The names of Aggrieved Employees (other than Claimant) are contained within the personnel records of the Employer.

Identity and Capacity of Employers/Joint Employers

Claimant intends to pursue a PAGA action against the Employer and its parent companies, subsidiaries, successors, owners, officers, directors, and managing agents (collectively referred to as "Employer" as well). Claimant will seek to hold all owners, directors, officers and managing agents of the Employer, personally liable for said violations to the extent permitted under Labor Code section 558 and/or Labor Code section 558.1.

All business entities referenced herein were the alter-egos of each and every other entity and individual referenced herein and there exists, and at all times herein mentioned has existed, a unity of interest and ownership between said entities and individuals such that any separateness between them ceased to exist in that said individuals and other entities have completely controlled, dominated, managed, and operated the business entities and have intermingled the assets of each to suit convenience. Further, each of the business entities are, and at all times mentioned herein were, mere shells, instrumentalities, and conduits through which the other above-referenced entities/individuals carried out their business while exercising complete control and dominance of the business such that individuality or separateness did not truly exist. Therefore, in the PAGA action, Claimant will seek to hold each said individual and/or entity jointly and severally liable for any and/or all violations committed by the other above-referenced individuals and/or entities.

It should further be noted that the Employer and its parent companies, subsidiaries, successors, owners, officers, directors, and/or managing agents have been engaged in a joint enterprise. Moreover, said persons/individuals are joint employers of Aggrieved Employees for the following reasons: 1) Said entities/individuals directly and/or indirectly exercised control over the wages, hours or working conditions of Aggrieved Employees; 2) Said entities/individuals had knowledge (either personally or through officers, directors and/or managing agents) of the work Aggrieved Employees were doing for them while supposedly being employed by another entity/individual and failed to prevent the work from occurring; and 3) Said entities retained or assumed a general right of control over hiring, direction, supervision, discipline, discharge, and relevant day-to-day aspects of the workplace behavior of Aggrieved Employees.

Violations/Supporting Facts and Theories

At all times herein, the Employer operates a security services company providing armed and unarmed security guard services at contracted locations throughout California. The Employer has employed/jointly employed Employees (including Claimant) to perform work and services in furtherance of their business and joint enterprise interests.

Claimant worked for the Employer from November 20, 2022, initially as a security guard and later in an administrative role, before being returned to a security guard position. Throughout

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his employment, Claimant has been classified as a non-exempt employee. The Employer has subjected Claimant and other Aggrieved Employees to systematic violations of the California Labor Code, including but not limited to failure to pay proper wages, denial of meal and rest breaks, unsafe working conditions, and various other labor law violations as detailed herein.

At all relevant times at least one year prior to the date of this Notice, the Employer subjected Claimant and other Aggrieved Employees to policies and practices caused the violations of the Labor Code as described herein. Claimant now seeks civil penalties on behalf of all Aggrieved Employees and the State of California based on the alleged violations of the Labor Code and applicable IWC Wage Order, including civil penalties pursuant to Labor Code section 558(a). Claimant's claims are set forth in further detail below.

For reasons set forth herein, Claimant alleges the following violations of the Labor Code and applicable IWC Wage Order on behalf of himself and all other non-exempt aggrieved employees of Employer:

1. Failure to Pay All Wages (Overtime and Minimum Wages);
2. Failure to Provide Meal and Rest Periods;
3. Unsafe Working Conditions;
4. Failure to Maintain Accurate Records; and
5. Civil Penalties Under Labor Code sections 558 and 558.1, *et seq.*

The violations of the Employer, thus include, the following:

Failure to Pay All Wages (Overtime and Minimum Wages)

The Employer violated Labor Code sections 218, 500, 510, 1194, 1197, 1198, and the applicable Industrial Welfare Commission Wage Order, sections 3 and 4, by failing to pay Claimant and other Aggrieved Employees at least the minimum wage, and at times, the overtime wage required under the law, including hours worked during meal periods and work performed in excess of 8 hours per workday.

Throughout his employment, Claimant regularly worked 60 to 70 hour work weeks without receiving proper overtime compensation. The Employer implemented a systematic wage theft scheme through a dual payroll system, categorizing payments as "A" and "B" payments split between multiple corporate entities to avoid proper overtime compensation.

The Employer's unlawful practices included:

1. Requiring 24/7 availability for calls and emails without compensation
2. Splitting payments between multiple corporate entities to obscure total hours worked
3. Making "under the table" payments to avoid proper wage reporting
4. Failing to pay overtime rates for hours worked beyond 8 in a day or 40 in a week

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5. Failing to properly report wages.

The Employer's failure to pay Aggrieved Employees all wages in accordance with the Labor Code has been, in part, accomplished by wrongfully failing to include all the times that Employees worked in calculating Aggrieved Employees' wages during each pay-period that Employees were employed.

Furthermore, under California law, employers are obligated to pay the wages of an hourly employee for all time that the employee is under the control of the employer and includes all the time the employee is suffered or permitted to work, whether required to do so. The Employer failed to pay any wages, including overtime and minimum wages for work performed during meal periods.

Accordingly, Claimant now seeks *civil penalties* pursuant to the PAGA on behalf of all Aggrieved Employees based on the alleged violations of the Labor Code and applicable IWC Wage Orders.

Failure to Provide Meal and Rest Periods

Labor Code section 512(a) states that an employer may not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes, except that if the total hours worked is no more than 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.

Labor Code section 226.7 prohibits employers from requiring employees to work during rest periods and mandates that employers pay premium wages for missed rest breaks. This section works in conjunction with the applicable Industrial Welfare Commission (IWC) Wage Order, section 12, which specifically outlines the requirements for rest periods.

Section 12(A) of the applicable IWC Wage Order requires employers to authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period. The authorized 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. However, a rest period need not be authorized for employees whose total daily work time is less than three and one-half (3½) hours.

The Employer systematically violated Labor Code sections 226.7 and 512 by failing to provide Claimant and other Aggrieved Employees with legally compliant meal and rest periods. The Employer maintained an illegal policy requiring security guards to remain at their work stations during breaks, effectively denying them duty-free meal and rest periods. The Employer implemented an improper lunch break waiver system for security guards that did not comply with legal requirements.

Specifically, the Employer:

1. Failed to provide uninterrupted 30-minute meal periods
2. Failed to provide required rest breaks

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3. Failed to provide proper facilities for taking breaks
4. Required employees to remain on duty during break periods
5. Failed to pay premium wages for non-compliant meal and rest periods

Accordingly, Claimant now seeks *civil penalties* pursuant to the PAGA on behalf of all Aggrieved Employees based on the alleged violations of the Labor Code and applicable IWC Wage Orders.

Unsafe Working Conditions and Labor Code Violations

California Labor Code sections 6310 and 6311 provide protection for workers who refuse to work due to unsafe conditions in their workplace and from any subsequent retaliation for reporting workplace safety violations. Specifically, it prohibits employers from discharging or discriminating against employees who make complaints regarding health and safety issues.

Labor Code 1139(a)(1) which describes an unsafe working condition as an “emergency condition” that could be meant to include “[c]onditions of...extreme peril to the safety of persons or property at the workplace...caused by...a criminal act.

The Employer violated numerous provisions of the Labor Code related to workplace safety and working conditions, including Labor Code sections 1139(a)(1), 6310, 6311, and 6312. Claimant and other Aggrieved Employees were regularly required to:

1. Transport large amounts of cash while unarmed, creating significant safety risks
2. Work during active fire evacuations and in mandatory evacuation zones
3. Perform duties without proper safety equipment or protocols
4. Work in hazardous conditions without proper training or protection

These practices demonstrate systematic violations of workplace safety requirements and a pattern of putting employees at risk.

Failure to Maintain Accurate Records

Labor Code section 1174(d) requires every person, including Employers, employing labor in the state to “[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. These records shall be kept in accordance with rules established for this purpose by the commission, but in any case shall be kept on file for not less than three years. An employer shall not prohibit an employee from maintaining a personal record of hours worked, or, if paid on a piece-rate basis, piece-rate units earned.”

Labor Code section 1174.5 provides: “Any person employing labor who willfully fails to maintain the records required by subdivision (c) of section 1174 or accurate and complete records

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required by subdivision (d) of Section 1174, or to allow any member of the commission or employees of the division to inspect records pursuant to subdivision (b) of section 1174, shall be subject to a civil penalty of five hundred dollars (\$500).”

Section 7(A) of the applicable IWC Wage Order provides: “Every employer shall keep accurate information with respect to each employee including the following: . . . (3) time records showing when the employee begins and ends each work period. Meal periods, split shift intervals and total daily hours worked shall also be recorded.” Employers failed to accurately record the hours worked and meal periods for Claimant and other non-exempt aggrieved employees.

The Employer failed to maintain accurate records by:

1. Implementing a dual payroll system that obscured true hours worked and wages paid
2. Failing to properly record overtime hours
3. Not maintaining accurate records of meal and rest periods
4. Failing to document cash payments and "under the table" compensation
5. Not properly recording time spent on mandatory 24/7 availability

The Employer's systematic failure to maintain accurate records has resulted in ongoing violations of Labor Code requirements and prevented proper wage and hour compliance monitoring.

Accordingly, Claimant now seeks *civil penalties* pursuant to the PAGA on behalf of all Aggrieved Employees based on the alleged violations of the Labor Code and applicable IWC Wage Orders.

Civil Penalties for Violation of the Labor Code and IWC Wage Orders

Labor Code section 558 subjects any employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of Part 2, Chapter 1, of the Labor Code or any provision regulating hours and days of work in any IWC Wage Order to a civil penalty in the amount of \$50 for any initial violation for each pay period in which an employee is underpaid in addition to an amount sufficient to recover underpaid wages, and \$100 for each subsequent violation in addition to an amount sufficient to recover underpaid wages, which shall be paid to each affected employee.

Labor Code section 558.1(a) states: “Any employer or other person acting on behalf of an employer, who violates, or causes to be violated, any provision regulating minimum wages or hours and days of work in any order of the Industrial Welfare Commission, or violates, or causes to be violated, sections 203, 226, 226.7, 1193.6, 1194, or 2802, may be held liable as the employer for such violation.” Labor Code section 558.1(b) expressly defines “other person acting on behalf of an employer” to include a “natural person who is an owner, director, officer, or managing agent of the employer.”

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Labor Code section 1197.1 states that any employer or other person acting either individually or as an officer, agent or employee of another person, which pays or causes to be paid to any employee a wage less than the minimum fixed by an order of the commission shall be subject to a civil penalty and restitution of wages payable to the employee in an amount of \$100 for the initial violation for each pay period in which an employee underpaid in addition to an amount sufficient to recover underpaid wages, and \$250 for each subsequent violation in addition to an amount sufficient to recover underpaid wages, which shall be paid to each affected employee.

Labor Code section 1174.5 imposes a civil penalty of \$500 for an employer's failure to maintain accurate and complete records. This civil penalty is in addition to the civil penalty of \$100 per pay period, per non-exempt aggrieved employee that would be imposed pursuant to Labor Code section 2699 for a violation of Labor Code section 1174(d). Furthermore, Claimant and all other aggrieved current and former non-exempt employees are entitled to collect 35% of the penalty imposed pursuant to section 2699.

As set forth above, the Employer violated numerous provisions of the Labor Code and applicable IWC Wage Orders through their systematic wage theft scheme, failure to provide meal and rest breaks, unsafe working conditions, privacy violations, and failure to maintain accurate records. As a result, the Employer is liable for civil penalties under Labor Code sections 558, 558.1, 1197.1, 1174.5, and 2699, among others. These violations affected Employer's employees throughout California, demonstrating a pattern of willful non-compliance with California labor laws.

Accordingly, Claimant now seeks *civil penalties* pursuant to the PAGA on behalf of all Aggrieved Employees based on the alleged violations of the Labor Code and applicable IWC Wage Orders.

Attorneys' Fees, Costs, Interest and Penalties

Labor Code sections 218.6, 226(e), 1194, 1194.2, and 2699, *et seq.*, give employees the right to recover in a civil action the unpaid balance of the full amount of minimum wages, regular wages, overtime compensation, damages, liquidated damages, and penalties, including interest thereon, reasonable attorney's fees, and costs of suit.

Pursuant to Labor Code section 2699(m), aggrieved employees are entitled to collect 35% of the civil penalty assessment. Accordingly, Employers are liable for these items in addition to the unpaid wages. Claimant has already incurred in actual damages, costs and attorney's fees and will continue to incur costs because of the Employer's unlawful actions.

Conclusion

If the State of California intends to investigate the matters set forth herein, please inform our offices as soon as possible as prompt administrative action will permit the identified unlawful practices to be rectified in prompt fashion. If the State of California does not send notification of its intent to investigate the alleged violations set forth herein, then pursuant to Labor Code section 2698, *et seq.* (PAGA), Claimant reserves the right to file a PAGA cause of action seeking all available damages, penalties, and remedies as well as attorneys' fees, interest, and costs against

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Employer, as permitted under the PAGA. Should the State of California require any additional information, please do not hesitate to contact the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read 'michiko', followed by a long horizontal line.

Michiko Vartanian, Esq.
michiko@lauremploymentlaw.com