



1875 Century Park East, Suite 1000
Los Angeles, California 90067
310.556.4811 Main | 310.943.0396 Fax

SAIRAH BUDHWANI
310.929.5455 Direct
Sairah.Budhwani@capstonelawyers.com

May 20, 2025

VIA ONLINE SUBMISSION

California Labor & Workforce Development Agency
ATTN: PAGA Administrator
(<https://dir.govfa.net/418>)

Subject: *Charles Ivy v. Mohawk ESV, Inc., et al.*

Dear PAGA Administrator:

This office represents Charles Ivy in connection with his claims under the California Labor Code. Mr. Ivy was an employee of MOHAWK ESV, INC.; MOHAWK INDUSTRIES, INC.; and/or DAL-TILE SERVICES, INC. For the purpose of this letter, Mr. Ivy collectively refers to these entities as "MOHAWK."

The employers may be contacted directly at the addresses below:

MOHAWK ESV, INC.
160 S. INDUSTRIAL BLVD
CALHOUN, GA 30701

MOHAWK INDUSTRIES, INC.
27561 HYSSOP LN
SANTA CLARITA, CA 91350

DAL-TILE SERVICES, INC.
160 SOUTH INDUSTRIAL BLVD.
CALHOUN, GA 30701

Mr. Ivy intends to seek civil penalties, attorneys' 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"). Mr. Ivy seeks relief on behalf of himself, the State of California, and other persons who are or were employed by MOHAWK as a non-exempt, hourly paid employee in California 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.

MOHAWK employed Mr. Ivy as an hourly paid, non-exempt employee from approximately June 2022 to November 2024. Mr. Ivy worked for MOHAWK as a Warehouse Lead at its facilities in Fremont and Sacramento, California. During his employment, Mr. Ivy typically worked eight (8) to ten (10) hours or more per day and five (5) days per week. At the time Mr. Ivy's employment with MOHAWK ended, he earned approximately \$26.21 per hour. His job duties included, without

limitation, overseeing, loading, and unloading inbound and outbound deliveries; enforcing safety protocols; and providing customer service.

MOHAWK has committed each of the following Labor Code violations against Mr. Ivy, the facts and theories of which follow, making him an “aggrieved employee” pursuant to California Labor Code section 2699(c)(1):¹

MOHAWK’s Company-Wide and Uniform Payroll and HR Practices

MOHAWK ESV, INC. and DAL-TILE SERVICES, INC. are Delaware corporations, and MOHAWK INDUSTRIES, INC. is a California corporation. Together, they are the world’s largest manufacturer, distributor, and marketer of ceramic tile and natural stone, as well as one of the largest suppliers of premium carpet, rugs, laminate, vinyl, and wood flooring in North America. Upon information and belief, MOHAWK maintains a single, centralized Human Resources (HR) department at its corporate headquarters in Calhoun, Georgia, or Santa Clarita, California, for all non-exempt, hourly paid employees working for MOHAWK in California, including Mr. Ivy and other aggrieved employees. At all relevant times, MOHAWK issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Mr. Ivy and other aggrieved employees, regardless of their location or position.

Upon information and belief, MOHAWK maintains a centralized Payroll department at its corporate headquarters in Calhoun, Georgia, or Santa Clarita, California, which processes payroll for all non-exempt, hourly paid employees working for MOHAWK in California, including Mr. Ivy and other aggrieved employees. Further, MOHAWK issues the same formatted wage statements in the same manner for all non-exempt, hourly paid employees working in California, including Mr. Ivy and other aggrieved employees, irrespective of their location, position, or manner in which each employee’s employment ended. In other words, MOHAWK utilized the same methods and formulas when calculating wages due to Mr. Ivy 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 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 Mr. Ivy’s experience and counsel’s review of those records currently available relating to Mr. Ivy’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, Mr. Ivy reserves the right to supplement this letter with additional facts, theories, and claims if he becomes aware of them subsequent to the submission of this letter.

MOHAWK willfully failed to pay all overtime wages owed to Mr. Ivy and other aggrieved employees. During the relevant time period, Mr. Ivy 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.

During the relevant time period, MOHAWK had, and continues to have, a company-wide policy and/or practice requiring Mr. Ivy and other aggrieved employees to perform various work-related tasks off-the-clock after their scheduled shifts. For example, about once a week, after clocking out at the end of his shifts, Mr. Ivy was required to do a walkaround of the facility to verify that certain tasks had been completed, which took about 10-15 minutes per instance. As a further example, after the end of his shifts, Mr. Ivy was required to speak to his manager over the phone to answer questions about that day's assignments and to review the plan for the following morning. MOHAWK failed to track all of the time that employees spent working after their scheduled shifts, and Mr. Ivy and other aggrieved employees received no compensation for this time.

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

MOHAWK's failure to pay Mr. Ivy 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. Mr. Ivy and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring MOHAWK into compliance with the applicable IWC Wage Order and Labor Code sections 510 and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

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 IWC Wage Order No. 1-2001 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, § 11010(2)(G) (defining "Hours Worked").

As set forth above, during the relevant time period, MOHAWK had, and continues to have, a company-wide policy and/or practice of requiring Mr. Ivy and other aggrieved employees to perform work-related tasks while off-the-clock, including completing walkarounds and communicating with managers over the phone, after their scheduled shifts.

MOHAWK did not pay at least minimum wages for all hours worked by Mr. Ivy and other aggrieved employees. To the extent that these off-the-clock hours did not qualify for overtime premium

payment, MOHAWK 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, MOHAWK regularly failed to pay at least minimum wages to Mr. Ivy 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. Mr. Ivy and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring MOHAWK into compliance with the applicable IWC Wage Order and Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f), and (k).

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, MOHAWK had, and continues to have, company-wide policies and/or practices of understaffing its facilities while assigning heavy workloads (including implementing productivity metrics), resulting in a failure to provide Mr. Ivy and other aggrieved employees with adequate meal period coverage. These daily productivity deadlines included a requirement that Mr. Ivy and other aggrieved employees unload approximately 4-7 trucks and put away inbound deliveries by 12 p.m., and to load approximately 4-6 trucks with outbound deliveries by 5 p.m. Because MOHAWK did not employ or staff a sufficient number of employees to meet each facility's productivity demands, there was no one available to relieve employees needing meal period coverage, and Mr. Ivy and other aggrieved employees were not always afforded timely, uninterrupted 30-minute meal periods during shifts when they were entitled to receive a meal period. Further, as stated, MOHAWK had a company-wide practice and/or policy of failing to schedule meal periods, which further caused Mr. Ivy and other aggrieved employees to not be relieved of their duties for compliant meal periods.

MOHAWK's practices and policies prevented Mr. Ivy and other aggrieved employees from taking all compliant meal periods to which they were entitled. As a result, Mr. Ivy and other aggrieved employees had to work through all or part of their meal periods, had their meal periods interrupted, and/or had to wait extended periods of time before taking meal periods. For example, Mr. Ivy's meal periods were often cut short to return to work because there were not enough employees to load and unload delivery trucks by MOHAWK's deadlines, and to handle customer service duties. As a

further example, Mr. Ivy frequently took his meal periods late, after the fifth hour of work, due to the lack of coverage for these tasks.

Second, MOHAWK did not provide Mr. Ivy and other aggrieved employees with second 30-minute meal periods on days that they worked in excess of 10 hours in one day. During his employment, Mr. Ivy regularly worked shifts in excess of ten (10) or more hours per day but was not always provided a second 30-minute meal period. Mr. Ivy 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.

At all times herein mentioned, MOHAWK knew or should have known that, as a result of these policies, Mr. Ivy and other aggrieved employees were prevented from being relieved of all duties and required to perform some of their assigned duties during meal periods. MOHAWK further knew or should have known that MOHAWK did not pay Mr. Ivy and other aggrieved employees all meal period premiums when meal periods were missed, shortened, interrupted, and/or late.

Furthermore, MOHAWK 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, Mr. Ivy and other aggrieved employees have not received premium pay for all missed, late, and interrupted meal periods.

Accordingly, MOHAWK failed to provide all meal periods in violation of California Labor Code sections 226.7, 512(a), 516, and 1198. Mr. Ivy and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring MOHAWK into compliance with the applicable IWC Wage Order and Labor Code sections 226.7, 512(a), 516, and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

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, 273 (2016).

During the relevant time period, MOHAWK regularly failed to authorize and permit Mr. Ivy 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, MOHAWK's company-wide practices, including understaffing and assigning heavy workloads, including pressuring employees to meet productivity deadlines, prevented Mr. Ivy and other aggrieved employees from being relieved of all duty to take rest periods. Additionally, MOHAWK failed to schedule rest periods, which, coupled with MOHAWK's failure to provide adequate rest period coverage, further led to Mr. Ivy and other aggrieved employees not being authorized and permitted to take rest periods.

Furthermore, during the relevant time period, MOHAWK maintained and enforced a company-wide on-premises rest period policy, which effectively required that Mr. Ivy and other aggrieved employees remain on the work premises during their rest periods. Because Mr. Ivy and 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, MOHAWK effectively maintained control over Mr. Ivy and other aggrieved employees during rest periods.

As a result of MOHAWK's practices and policies, Mr. Ivy 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 rest periods to which they were entitled. For example, Mr. Ivy often had to forgo his second and third rest periods altogether due to the lack of rest period coverage.

MOHAWK has also engaged in a company-wide practice and/or policy of not paying rest period premiums owed when compliant rest periods are not authorized and permitted. Because of this practice and/or policy, Mr. Ivy and other aggrieved employees have not received premium pay for all missed rest periods.

Accordingly, MOHAWK failed to authorize and permit all rest periods in violation of California Labor Code sections 226.7, 516, and 1198. Mr. Ivy and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring MOHAWK into compliance with the applicable IWC Wage Order and Labor Code sections 226.7, 516, and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

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. MOHAWK has not provided Mr. Ivy 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, MOHAWK has knowingly and intentionally provided Mr. Ivy and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, MOHAWK issued uniform wage statements to Mr. Ivy and other aggrieved employees that fail to

Because MOHAWK did not record the time Mr. Ivy and other aggrieved employees spent working off-the-clock, MOHAWK did not list the correct amount of gross wages and net wages earned by Mr. Ivy and other aggrieved employees in compliance with section 226(a)(1) and section 226(a)(5), respectively. For the same reason, MOHAWK failed to accurately list the total number of hours worked by Mr. Ivy 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).

Please retain this statement for your record.

 MOHAWK INDUSTRIES, INC.		MOHAWK ESV, INC. P.O. Box 12069 Calhoun GA, 30703	Employee Name CHARLES DIVY JR		Voucher
TAX DATA	MARITAL STATUS	ALLOW	ADD L W/U	Employee Number	Payment Date
					06/02/2024 - 06/08/2024
					06/13/2024

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), MOHAWK willfully failed to maintain accurate payroll records for Mr. Ivy 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.

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, MOHAWK engaged in company-wide practices and/or policies of failing to record actual hours worked, and thereby failed to keep accurate records of work period start and end times for Mr. Ivy and other aggrieved employees, in violation of section 1198. Also, in light of MOHAWK’s failure to provide Mr. Ivy and other aggrieved employees with second 30-minute meal periods to which they were entitled, MOHAWK kept no records of meal start and end times for second meal periods.

Because MOHAWK failed to provide the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on wage statements, Mr. Ivy and other aggrieved employees have been prevented from verifying, solely from information on the wage statements themselves, that they were paid correctly and in full. Instead, Mr. Ivy and other aggrieved employees have had to look to sources outside of the wage statements themselves and reconstruct time records to determine whether in fact they were paid correctly and the extent of underpayment, thereby causing them injury.

Mr. Ivy and other aggrieved employees are entitled to recover civil penalties, attorneys’ fees, costs, and interest thereon, and seek injunctive relief to bring MOHAWK into compliance with the applicable IWC Wage Order and Labor Code sections 226(a), 1174(d), and 1198, pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f), and (k).

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, MOHAWK failed to pay Mr. Ivy and other aggrieved employees all wages due to them, including, but not limited to, overtime wages, minimum wages, and/or meal and rest period premiums, within any time period specified by California Labor Code section 204.

Mr. Ivy and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring MOHAWK into compliance with Labor Code section 204, pursuant to Labor Code sections 210 and/or 2699(a), (f), and (k).

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.

On information and belief, MOHAWK has a company-wide practice and/or policy of paying departing employees their final wages late, instead of adhering to the time requirements set forth in Labor Code sections 201 and 202. For example, Mr. Ivy was terminated on or around November 19, 2024; however, MOHAWK did not provide Mr. Ivy with his final wages until sometime in late December 2024. Thus, MOHAWK failed to pay Mr. Ivy his final wages immediately, in violation of California Labor Code section 201.

In addition, MOHAWK willfully failed to pay Mr. Ivy and other aggrieved employees who are no longer employed by MOHAWK all their earned wages, 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 MOHAWK's employ.

Mr. Ivy and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring MOHAWK into compliance with Labor Code sections 201 and 202, pursuant to Labor Code sections 256 and/or 2699(a), (f), and (k).

Violation of California Labor Code § 2802 – Unreimbursed Business Expenses

California Labor Code section 2802 requires employers to pay for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144 (2014). The applicable wage order, IWC Wage Order No. 1-2001, provides that: "[w]hen tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft."

During the relevant time period, MOHAWK, on a company-wide basis, required Mr. Ivy and other aggrieved employees to use their personal mobile devices, including, but not limited to, cellular phones, and/or mobile data, to carry out their job duties, but failed to fully reimburse them for the costs of their work-related mobile device and/or mobile data expenses. For example, Mr. Ivy used his personal cellular phone to communicate with MOHAWK's management regarding work-related matters. Although MOHAWK required Mr. Ivy and other aggrieved employees to use their personal

mobile devices and/or mobile data to carry out their work-related duties, MOHAWK failed to fully reimburse them for their costs incurred.

MOHAWK could have provided Mr. Ivy and other aggrieved employees with the actual equipment for use on the job, such as company mobile devices; or, MOHAWK could have reimbursed employees for the cost of their mobile device usage. Instead, MOHAWK passed these operating costs onto Mr. Ivy and other aggrieved employees. At all relevant times, Mr. Ivy did not earn at least two (2) times the minimum wage.

Thus, MOHAWK had, and continues to have, a company-wide policy and/or practice of not reimbursing employees for expenses necessarily incurred in violation of California Labor Code section 2802. Mr. Ivy and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring MOHAWK into compliance with the applicable IWC Wage Order and Labor Code section 2802, pursuant to Labor Code sections 2699(a), (f), and (k).

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.” MOHAWK, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Mr. Ivy’s and other aggrieved employees’ rights by violating various sections of the California Labor Code.

Accordingly, Mr. Ivy seeks the remedies set forth in Labor Code section 558 for himself, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 1194.5, 2699(a), 2699(k), 2699.3(a), 2699.3(c), 2699.5, and 558, Mr. Ivy acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties and injunctive relief for himself, all other aggrieved employees, and the State of California against MOHAWK for violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2802.

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

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

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

Best Regards,

A handwritten signature in black ink that reads "Sairah Budhwani". The signature is fluid and cursive, with a small dot at the end.

Sairah Budhwani

Copy: MOHAWK ESV, INC. (via U.S. Certified Mail); MOHAWK INDUSTRIES, INC. (via U.S. Certified Mail); DAL-TILE SERVICES, INC. (via U.S. Certified Mail)

CERTIFIED MAIL



9589 0710 5270 0211 0149 54

MOHAWK ESV, INC.
160 S. INDUSTRIAL BLVD
CALHOUN, GA 30701

MOHAWK ESV, INC.
160 S. INDUSTRIAL BLVD
CALHOUN, GA 30701

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.

MOHAWK ESV, INC.
160 S. INDUSTRIAL BLVD
CALHOUN, GA 30701



9590 9402 8803 4005 5689 33

2 Article Number (Transfer from service label)

9589 0710 5270 0211 0149 54

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

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

Received by (Printed Name)

Received by (Printed Name)	C. Date of Delivery

2. Is delivery address different from item 1?
If YES, enter delivery address below:

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

Service Type

Adult Signature _____
Adult Signature _____
Adult Signature _____

Certified Mail®

Certified Mail Restricted Delivery
Collect on Delivery

all
Collect on Delivery Restricted Deliver

all Restricted Delivery
(over \$500)

☐ Priority Mail Express®
☐ Registered Mail™

☐ Registered Mail Restricted Delivery☐ Signature Confirmation™™

☐ Signature Confirmation
Restricted Delivery

Domestic Return Receipt

**U.S. Postal Service™
CERTIFIED MAIL® RECEIPT**
Domestic Mail Only

For delivery information, visit our website at www.usps.com

Certified Mail Fee

Extra Services & Fees (check box, add fee in appropriate column)

☒ Return Receipt (hardcopy)
☐ Return Receipt (electronic)

MOHAWK ESV, INC.
160 S. INDUSTRIAL BLVD
CALHOUN, GA 30701

PS Form 2800 January 2002 PSN 7500-00-000-000-0

See Program for Further Details

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



9589 0710 5270 0211 0149 61

MOHAWK INDUSTRIES, INC.
27561 HYSSOP LN
SANTA CLARITA, CA 91350

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee

IVY V.

Extra Services & Fees (check box, add fee as appropriate)

☒ Return Receipt (hardcopy) \$

☐ Return Receipt (electronic) \$

☐ Signature Confirmation™ \$

☐ Restricted Delivery \$

☐ Adult Signature \$

☐ Registered Mail™ \$

☐ Priority Mail Express® \$

☐ Insured Mail™ \$

☐ Signature Confirmation™ \$

☐ Restricted Delivery \$

☐ Adult Signature \$

☐ Registered Mail™ \$

☐ Priority Mail Express® \$

☐ Insured Mail™ \$

☐ Signature Confirmation™ \$

☐ Restricted Delivery \$

☐ Adult Signature \$

☐ Registered Mail™ \$

☐ Priority Mail Express® \$

☐ Insured Mail™ \$

☐ Signature Confirmation™ \$

☐ Restricted Delivery \$

☐ Adult Signature \$

☐ Registered Mail™ \$

☐ Priority Mail Express® \$

☐ Insured Mail™ \$

☐ Signature Confirmation™ \$

☐ Restricted Delivery \$

☐ Adult Signature \$

☐ Registered Mail™ \$

☐ Priority Mail Express® \$

☐ Insured Mail™ \$

☐ Signature Confirmation™ \$

☐ Restricted Delivery \$

☐ Adult Signature \$

☐ Registered Mail™ \$

☐ Priority Mail Express® \$

☐ Insured Mail™ \$

☐ Signature Confirmation™ \$

☐ Restricted Delivery \$

☐ Adult Signature \$

☐ Registered Mail™ \$

☐ Priority Mail Express® \$

☐ Insured Mail™ \$

☐ Signature Confirmation™ \$

☐ Restricted Delivery \$

☐ Adult Signature \$

☐ Registered Mail™ \$

☐ Priority Mail Express® \$

☐ Insured Mail™ \$

☐ Signature Confirmation™ \$

☐ Restricted Delivery \$

☐ Adult Signature \$

☐ Registered Mail™ \$

☐ Priority Mail Express® \$

☐ Insured Mail™ \$

☐ Signature Confirmation™ \$

☐ Restricted Delivery \$

☐ Adult Signature \$

☐ Registered Mail™ \$

☐ Priority Mail Express® \$

☐ Insured Mail™ \$

☐ Signature Confirmation™ \$

☐ Restricted Delivery \$

☐ Adult Signature \$

☐ Registered Mail™ \$

☐ Priority Mail Express® \$

☐ Insured Mail™ \$

☐ Signature Confirmation™ \$

☐ Restricted Delivery \$

MOHAWK INDUSTRIES, INC.
27561 HYSSOP LN
SANTA CLARITA, CA 91350

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

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.

MOHAWK INDUSTRIES, INC.
27561 HYSSOP LN
SANTA CLARITA, CA 91350



9590 9402 8803 4005 5689 26

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

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent
☒ Addressee

B. Received by (Printed Name) C. Date of Delivery

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

Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail™
☐ Insured Mail Restricted Delivery
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery

9589 0710 5270 0211 0149 61

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

Domestic Return Receipt

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



9589 0710 5270 0211 0149 78

DAL-TILE SERVICES, INC.
160 SOUTH INDUSTRIAL BLVD.
CALHOUN, GA 30701

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse

DAL-TILE SERVICES, INC.
160 SOUTH INDUSTRIAL BLVD.
CALHOUN, GA 30701



9590 9402 8803 4005 5689 40

2. Article Number (Transfer from service label)

9589 0710 5270 0211 0149 78

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

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☒ Agent
- B. Received by (Printed Name) ☐ Addressee
- C. Date of Delivery

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

- 3. Service Type ☐ Priority Mail Express®
- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)
☒ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$

104 V.

MOHAWK

DAL-TILE SERVICES, INC.
160 SOUTH INDUSTRIAL BLVD.
CALHOUN, GA 30701

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions