MILLS SADAT DOWLAT LLP
Camron Dowlatshahi (SBN 308618)
Mir Raza (SBN 358311)
333 South Hope Street, 40th Floor
Los Angeles, CA 90071
Tel.: (213) 628-3856
Email: camron@msdlawyers.com
Email: mir@msdlawyers.com

Attorneys for Plaintiff
Penny Bee Herr

Electronically FILED by Superior Court of California, County of Los Angeles 8/07/2025 10:23 AM David W. Slayton, Executive Officer/Clerk of Court, By Y. Husen, Deputy Clerk

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

PENNY BEE HERR, an individual,

Plaintiff,

v.

HANSEN & FRANKLIN, a California general partnership; and DOES 1 through 10, inclusive,

Defendants.

Case No. 25TRCV02648

PENNY BEE HERR'S COMPLAINT FOR:

(1) Failure to Pay Overtime Wages (Lab. Code §§ 510, 1194, and IWC Wage Orders)

(2) Failure to Pay Wages Upon Termination (Lab. Code §§ 201-203)

(3) Failure to Provide Accurate Wage Statements (Lab. Code § 226)

(4) Violation of Unfair Competition Law (Bus. & Prof. Code § 17200, et seq.)

(5) Retaliation (Lab. Code § 1102.5)

(6) Private Attorneys General Act (Lab. Code § 2698, et seq.)

(7) Failure to Permit Inspection of Personnel Records (Lab. Code § 1198.5)

(8) Failure to Permit Inspection of Pay Statement Records (Labor Code § 226)

JURY TRIAL DEMANDED

Plaintiff Penny Bee Herr brings this action against Defendant Hansen & Franklin and Does 1 through 10 (collectively, "Defendants"), inclusive, and alleges as follows:

INTRODUCTION

1. Plaintiff Ms. Herr brings this action against her former employer, Hansen Franklin, for its systemic failure to pay wages in a timely and lawful manner, repeated violations of California labor laws, and the hostile and retaliatory work environment that ultimately forced her to resign. Ms. Herr began working at Hansen Franklin in January 2023, first as an intern and then, starting in May 2023, as a full-time staff accountant and receptionist. Beginning mid-May 2023 and continuing throughout her employment, Hansen Franklin regularly failed to pay its employees on time—on no fewer than 14 separate occasions, Ms. Herr received her paycheck several days late, sometimes by as much as a week. Despite repeated internal complaints to management, no corrective action was taken, and the problem persisted. In addition to these payroll violations, Hansen Franklin failed to pay Ms. Herr and her coworkers for overtime hours worked during tax season, instead improperly rolling those hours over to cover future office closures. Ms. Herr endured these unlawful practices in an environment where speaking up was discouraged, and management—particularly co-owners Tammy Hansen and Hilary Franklin—frequently engaged in demeaning and aggressive conduct. Ms. Franklin regularly belittled employees in public, and on one occasion, Ms. Hansen physically threw papers at Ms. Herr during a workplace disagreement. Ultimately, the pattern of wage violations and the toxic workplace culture compelled Ms. Herr to resign in September 2024.

THE PARTIES

2. Plaintiff Penny Bee Herr ("Ms. Herr" or "Plaintiff") is an individual residing in Whittier, California.

3. Defendant Hansen & Franklin ("Hansen & Franklin") is a California General Partnership with its principal place of business in Rolling Hills Estates, California.

4. Plaintiff is unaware of the true names and capacities of the defendants sued as Does 1 through 10, inclusive, and therefore sues these defendants by fictitious names. Plaintiff will amend this complaint to allege their true names and capacities when the same have been

ascertained. Plaintiff is informed and believes that each of the fictitiously named defendants is responsible in some manner for the occurrences herein alleged and that Plaintiff's damages were proximately caused by said defendants' conduct.

5. All the acts and conduct alleged herein were duly authorized, ordered by management-level employees of Defendants. In addition, Defendants participated in the aforementioned conduct of their said employees, agents and representatives, and, upon completion of the aforesaid conduct, officers, directors, and/or managing agents of the Defendants ratified, accepted the benefits of, condoned, lauded, acquiesced, authorized and otherwise approved of the conduct alleged herein.

VENUE AND JURISDICTION

6. The wrongful conduct alleged against the Defendants occurred in the County of Los Angeles, California. At all times relevant hereto, the conduct at issue was part of a continuous and ongoing pattern of behavior.

7. This Court is the proper forum to adjudicate this action because the wrongful acts that are the subject of this action occurred here and because Defendants now reside in its jurisdictional area.

8. Plaintiff has complied with and/or exhausted any applicable claims statutes and/or administrative and/or internal remedies and/or grievance procedures, and/or is excused from complying therewith. Plaintiff was issued a right-to-sue notice on or about June 24, 2025. A true and correct copy of Plaintiff's "Right to Sue" letter is attached as **Exhibit A**.

GENERAL ALLEGATIONS

9. Ms. Herr worked from Hansen Franklin as a staff accountant and receptionist from January 11, 2023 to September 13, 2024.   At the beginning of her tenure at Hansen Franklin, Ms. Herr was an intern and rotated through a number of roles.   In or about May 2023, Ms. Herr was promoted to full-time employee and worked as both a staff accountant and a receptionist concurrently.

10. Beginning mid-May 2023, Ms. Herr noticed issues with Hansen Franklin payroll and that she and her coworkers were being paid late on a regular basis. On no fewer than 14

occasions during her employment, Hansen Franklin paid Ms. Herr late. To her knowledge, all employees were paid late on those occasions. This was a part of a larger patterned of late payments that plagued Hansen and Franklin. On average, Ms. Herr and her coworkers were paid approximately 3 days late, but on some occasions, it took up to a week to be paid.

11. Ms. Herr notified Office Manager Thomas ("Ms. Thomas") and Human Resources Manager Corey Branner ("Mr. Branner"), who were supportive but stated that the payroll was out of their control.

12. In her role as receptionist, Ms. Herr also fielded frequently calls from collection agencies attempting to collect late service fees on behalf of the payroll service that Hansen Franklin used. Ms. Herr would inform Mr. Branner and Operations Manager Eric Grieco ("Mr. Grieco") when these calls occurred.

13. Fear of retaliation prevented Ms. Herr from complaining further. Both co-owners of Hansen Franklin, Tammy Hanson ("Ms. Hansen") and Hilary Franklin ("Ms. Franklin") had a reputation for outsized reactions to small issues. Ms. Franklin frequently belittled her employees in front of customers and in public settings. On one occasion, believing that Ms. Herr had mislaid a client's file, Ms. Hanson threw the papers in the file at Ms. Herr.

14. During tax season, from January to mid-April each year, Ms. Herr worked many hours of overtime. For example, in 2024, Ms. Herr accrued approximately 135 hours of overtime. She worked comparable amounts during the 2022.

15. Ms. Herr and her coworkers were not paid the overtime they worked. Rather Franklin Hansen rolled over those hours to the off season to cover the Fridays when the office was closed.

16. On or about September 13, 2024, frustrated with continued late payments and the stressful work environment, Ms. Herr tendered her resignation to Mr. Branner. On her last day of work, Ms. Herr said goodbye to Ms. Franklin who ignored her.

17. On February 14, 2025, Ms. Herr, by and through her counsel, sent a letter to Hansen Frank requesting Ms. Herr's: (1) personnel file and all other records relating to her performance pursuant to Labor Code section 1198.5; (2) all documents signed by Ms. Herr's relating to her

employment pursuant to Labor Code section 432; and (3) Ms. Herr's payroll records for the past three years pursuant to Labor Code section 226. The letter was sent via certified mail to Defendant's business address as listed on the California Secretary of State website and to Defendant's registered agent for service of process. A true and correct copy of this letter is attached as **Exhibit B.**

18. The United States Postal Service ("USPS") tracking number assigned to this mailing is 9414 8118 9876 5450 9713 55. USPS confirmed delivery on February 2, 2025.

19. Defendant did not respond at all to Ms. Herr's letter and failed to provide any documents responsive to Ms. Herr's request for records relating to her employment by the statutory deadlines.

20. In an effort to avoid litigation, counsel for Ms. Herr attempted to contact Defendant multiple times to obtain the requested records. On or about May 9, 2025, Plaintiff called Ms. Franklin at the phone number provided by Ms. Herr. Ms. Hansen stated that the letter was sent to the incorrect address.

21. On or about May 9, 2025, Ms. Herr's counsel re-sent the request for records to the address provided by Ms. Hansen and extended the deadline to May 30, 2025.

22. To date, Ms. Herr has not received the personnel or complete pay statement records to which she is entitled under Labor Code sections 1198.5 and 226.

FIRST CAUSE OF ACTION

Failure to Pay Overtime Wages (Lab. Code §§ 510, 1194, and IWC Wage Orders)

(Against All Defendants)

Plaintiff incorporates all preceding paragraphs of this Complaint as though set forth fully herein.

23. At all times relevant to this complaint, Plaintiff was employed by Hansen & Franklin.

24. By the course of conduct set forth above, Defendants violated Labor Code sections 510, 1194, and relevant IWC Wage Orders.

//

25. The Labor Code requires employers, such as Defendants, to pay overtime compensation to all non-exempt employees.

26. At all relevant times, Plaintiff was a non-exempt employee entitled to be paid proper overtime compensation for all overtime hours worked.

27. Labor Code section 510 and the applicable Wage Orders require that an employer compensate all work performed by an employee in excess of eight hours in one workday or in excess of forty hours in any one workweek, and all work performed by an employee during the first eight hours worked on the seventh day of work in any one workweek, at one and one-half times the employee's regular rate of pay.

28. Labor Code section 510 and the applicable Wage Orders further require that an employer compensate all work performed by an employee in excess of 12 hours in one workday, and all work in excess of eight hours on any seventh day of a workweek, at twice the employee's regular rate of pay.

29. During the relevant time period, Plaintiff worked in excess of eight hours in a work day and/or 40 hours in a work week, and on occasion over twelve hours in a day for Defendants.

30. Defendants knowingly and willfully failed to pay proper overtime wages earned and due to for overtime hours worked.

31. As a result of Defendants' failure to pay wages earned and due, Defendants violated the Labor Code.

32. As a direct and proximate result of Defendants' unlawful conduct, as set forth herein, Plaintiff has sustained damages, including loss of earnings for hours of overtime worked on behalf of Defendant, prejudgment interest, and attorneys' fees and costs.

SECOND CAUSE OF ACTION

Failure to Pay Wages Upon Termination (Lab. Code §§ 201-203)

(Against All Defendants)

33. Plaintiff incorporates all preceding paragraphs of this Complaint as though set forth fully herein.

//

34. Labor Code sections 201 and 202 require an employer to pay its employees all wages due immediately upon discharge or within 72 hours of resignation. This requirement applies to unpaid overtime wages. Labor Code section 203 provides that if an employer willfully fails to pay such wages, the employer must continue to pay the subject employee's wages until the back wages are paid in full or an action is commenced, up to a maximum of thirty days of wages.

35. Defendants willfully failed to pay Plaintiff her earned and unpaid overtime wages for over 30 days from the time such wages should have been paid under the Labor Code.

36. As a result of Defendants' willful failure to pay Plaintiff's owed overtime wages upon separation from employment, Plaintiff has been harmed and Defendants are liable for statutory waiting time penalties pursuant to Labor Code section 203.

THIRD CAUSE OF ACTION

Failure to Provide Accurate Wage Statements (Lab. Code § 226)

(Against All Defendants)

37. Plaintiff incorporates all preceding paragraphs of this Complaint as though set forth fully herein.

38. Labor Code section 226, subdivision (a) requires employers to provide employees, semi-monthly or at the time of each payment of wages, with a statement that accurately reflects certain itemized information including total number of hours worked.

39. Defendants knowingly and intentionally failed to furnish Plaintiff with timely and accurate wage statements that accurately reflected the total number of hours worked and wages earned, as required by Labor Code section 226.

40. As a result of Defendants' failure to provide accurate itemized wage statements, Plaintiff suffered actual damages and harm by being unable to determine the amount of overtime worked each pay period in a timely manner, which prevented him from asserting his rights under California law.

41. As a result, Defendants are liable to Plaintiff for the amounts provided by Labor Code section 226, subdivision (e): the greater of actual damages or fifty dollars ($50) for the initial

violation and one hundred dollars ($100) for each subsequent violation, up to four thousand dollars ($4,000).

<u>FOURTH CAUSE OF ACTION</u>

Violation of Unfair Competition Law (Bus. & Prof. Code § 17200, *et seq.*)

(Against All Defendants)

42. Plaintiff incorporates all preceding paragraphs of this Complaint as though set forth fully herein.

43. Business and Professions Code section 17200, *et seq.* ("UCL") prohibits any "unlawful, unfair, or fraudulent business act or practice." Defendants have engaged in unlawful activity as follows:

a. Violations of Labor Code sections 510 and 1194 for failure to pay overtime wages;

b. Violations of Labor Code section 226 for failure to provide accurate wage statements;

c. Violations of Labor Code sections 201-203 for failure to pay accrued wages upon separation of employment;

d. Violations of Labor Code section 1102.5 for terminating Plaintiff in retaliation for his good faith complaints about Defendant's wage and hour violations;

e. Violations of IWC Wage Orders for the same conduct set forth herein; and

44. Plaintiff lost money as a result of Defendants' violations of the unlawful prong of the UCL in the form of lost wages, lost paid time off, and ultimately, the loss of her job and future wages.

45. As a result of its unlawful business practices, Defendants have damaged Plaintiff by wrongfully denying her earned overtime wages, meal periods, rest breaks, and premium compensation.

46. Plaintiff seeks restitution and disgorgement and other appropriate relief available under Business and Professions Code section 17200, *et seq*.

FIFTH CAUSE OF ACTION

Retaliation (Lab. Code § 1102.5)

(Against All Defendants)

47. Plaintiff incorporates all preceding paragraphs of this Complaint as though set forth fully herein.

48. At all times mentioned herein, Defendants employed five or more persons, and Labor Code section 1102.5 was binding on Defendants. This section requires Defendants to refrain from retaliating against any employee as a result of the employee's opposition to practices forbidden by state or federal statute, or practices that violate or do not comply with a local, state, or federal rule or regulation pursuant to Labor Code section 1102.5, subdivision (c).

49. At all relevant times, Plaintiff was an employee of Defendant.

50. As set forth above, Plaintiff complained to Defendants and/or its agents that she was unable to take her meal and rest breaks as required under California law.

51. Plaintiff had reasonable cause to believe that Defendants' failure to provide meal and rest breaks was a violation of law.

52. Plaintiff's complaints regarding her inability to take meal and rest breaks was a substantial factor in Defendants' decision to terminate Plaintiff's employment.

53. As a direct and proximate result of Defendants' unlawful conduct, as set forth herein, Plaintiff has sustained, and continues to sustain, damages in the form of lost wages and other employment benefits in an amount in excess of the minimum jurisdictional requirements of this court, the exact amount of which will be proven at trial.

54. As a further legal result of the above-described conduct of Defendants, and each of them, Plaintiff has and will continue to incur attorneys' fees and costs in an amount according to proof.

//

//

//

//

<u>SIXTH CAUSE OF ACTION</u>

Private Attorneys General Act (Lab. Code § 2698, *et seq.*)

(Against All Defendants)

55. Plaintiff incorporates all preceding paragraphs of this Complaint as though set forth fully herein.

56. Plaintiff is an aggrieved employee under PAGA because she was employed by Defendants during the applicable statutory period and suffered one or more of the Labor Code violations set forth in this Complaint. Plaintiff seeks to recover on her behalf, on behalf of the State, and on behalf of all current and former aggrieved employees of Defendants, the civil penalties provided by PAGA, plus reasonable attorney's fees and costs in this representative action.

57. Plaintiff seeks penalties pursuant to PAGA for violation of the following Labor Code sections:

a. Failure to provide prompt payment of wages to employees upon termination and resignation in violation of Labor Code sections 201-203;

b. Failure to provide accurate itemized wage statements to employees in violation of Labor Code section 226;

c. Failure to maintain accurate payroll records in violation of Labor Code sections 1174 and 1174.5;

d. Failure to pay overtime wages in violation of applicable wage orders and Labor Code sections 510, 558, and 1194; and

58. On May 15, 2025, Plaintiff provided the requisite written notice by certified mail to the California Labor and Workforce Development Agency ("LWDA") and to Defendants, informing them of the provisions of the Labor Code alleged to have been violated, including the facts and theories to support the alleged violations. Plaintiff's PAGA case number is LWDA-CM-1098818-25. A true and correct copy of Plaintiff's letter to LWDA is attached as **Exhibit C**.

59. At the time of this filing, LWDA has not indicated that it intends to investigate Defendants' Labor Code violations discussed in the notice. If it does so, Plaintiff will amend

his complaint. Otherwise, Plaintiff may commence a civil action to recover penalties under Labor Code section 2699 pursuant to section 2699.3 for the violations of the Labor Code described in this Complaint. These penalties include, but are not limited to, penalties under Labor Code sections 210, 226.3, 558, 1197.1, and 2699, subdivision (f)(2).

SEVENTH CAUSE OF ACTION

Failure to Permit Inspection of Personnel Records (Lab. Code § 1198.5)

(Against All Defendants)

60. Plaintiff re-alleges and incorporates by reference the foregoing allegations as though fully set forth herein.

61. Labor Code section 1198.5 ("Section 1198.5") requires an employer to allow inspection and copying of personnel records within 30 days of a written request and provides for a $750 penalty payable to the employee for failure to comply and allows an employee to sue for injunctive relief and to obtain an award of costs and attorneys' fees.

62. Defendants have failed and refused to comply with Section 1198.5 by refusing to permit Plaintiff to inspect or copy her personnel records within 30 days of Plaintiff's written request.

63. As a result of Defendants' acts, Plaintiff is entitled to recover a civil penalty of $750 dollars, pursuant to Section 1198.5, subdivision k.

64. Furthermore, as permitted under Section 1198.5, subdivision *1*, Plaintiff seeks an injunction compelling Defendants to permit him to inspect and/or copy all of her personnel records maintained by Defendants, along with an award of Plaintiff's reasonable attorneys' fees and costs.

EIGHTH CAUSE OF ACTION

Failure to Permit Inspection of Pay Statement Records (Labor Code § 226)

(Against All Defendants)

65. Plaintiff re-alleges and incorporates by reference the foregoing allegations as though fully set forth herein.

66. Labor Code section 226 "("Section 226"), subdivisions (b) and (c) requires an employer to allow inspection and copying of pay statement records within 21 days of a written or

oral request. Section 226, subdivisions (f) and (h) further provides for a $ 750 penalty payable to the employee for each violation and allows an employee to sue for injunctive relief and for an award of attorneys' fees and costs.

67. Defendants have failed and refused to comply with Section 226 by refusing to permit Plaintiff the opportunity to inspect or copy wage statements pertaining to her employment with Defendants.

68. As a result of Defendants' conduct, Plaintiff is entitled to recover a civil penalty of $ 750 dollars, pursuant to Section 226, subdivision (f).

69. Furthermore, as permitted under Labor Code § 226(h), Plaintiff seeks an injunction compelling Defendants to permit her to inspect and/or copy all of the records maintained by Defendants pursuant to Labor Code § 226(a), along with an award of Plaintiff's reasonable attorneys' fees and costs.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment against Defendants as follows:

A. For general damages, special damages, and non-economic damages according to proof, but in an amount in excess of the jurisdictional limit of this Court;

B. For punitive damages in an amount appropriate to punish Defendants and deter others from engaging in similar misconduct on appropriate legal causes of action;

C. For unpaid overtime wages, meal and rest period premiums, and other due wages;

D. For amounts provided for in in Labor Code sections 226 and 226.7;

E. For penalties available under applicable laws, including waiting time penalties;

F. For restitution and disgorgement under the UCL;

G. For an award of civil penalties under PAGA;

H. For prejudgment interest;

I. For costs of suit, including attorneys' fees and expert witness fees; and

J. For such other relief as the Court deems just and proper.

//

//

Dated: August 7, 2025

MILLS SADAT DOWLAT LLP

By: *__/s/ Camron Dowlatshahi__*
Camron Dowlatshahi

Attorneys for Plaintiff
Penny Bee Herr

EXHIBIT A

STATE OF CALIFORNIA | Business, Consumer Services and Housing Agency
GAVIN NEWSOM, GOVERNOR
KEVIN KISH, DIRECTOR

Civil Rights Department
651 Bannon Street, Suite 200 | Sacramento | CA | 95811
1-800-884-1684 (voice) | 1-800-700-2320 (TTY) | California's Relay Service at 711
calcivilrights.ca.gov | contact.center@calcivilrights.ca.gov

June 24, 2025

Penny Herr
,

RE: **Notice of Case Closure and Right to Sue**
CRD Matter Number: 202506-30005624
Right to Sue: Herr / Hansen & Franklin

Dear Penny Herr:

This letter informs you that the above-referenced complaint filed with the Civil Rights Department (CRD) has been closed effective June 24, 2025 because an immediate Right to Sue notice was requested.

This letter is also your Right to Sue notice. According to Government Code section 12965, subdivision (b), a civil action may be brought under the provisions of the Fair Employment and Housing Act against the person, employer, labor organization or employment agency named in the above-referenced complaint. The civil action must be filed within one year from the date of this letter.

This matter may qualify for CRD's Small Employer Family Leave Mediation Program. Under this program, established under Government Code section 12945.21, a small employer with 5 -19 employees, charged with violation of the California Family Rights Act, Reproductive Loss Leave, or Bereavement Leave (Government Code sections 12945.2, 12945.6, or 12945.7) has the right to participate in CRD's free mediation program. Under this program both the employee requesting an immediate right to sue and the employer charged with the violation may request that all parties participate in CRD's free mediation program. The employee is required to contact the Department's Dispute Resolution Division prior to filing a civil action and must also indicate whether they are requesting mediation. The employee is prohibited from filing a civil action unless the Department does not initiate mediation within the time period specified in section 12945.21, subdivision (b) (4), or until the mediation is complete or is unsuccessful. The employee's statute of limitations to file a civil action, including for all related claims not arising under section 12945.2, is tolled from the date the employee contacts the Department regarding the intent to pursue legal action until the mediation is complete or is unsuccessful. Contact CRD's Small Employer Family Leave Mediation Pilot Program by emailing DRDOnlinerequests@calcivilrights.ca.gov and include the CRD matter number indicated on the Right to Sue notice.

STATE OF CALIFORNIA | Business, Consumer Services and Housing Agency
GAVIN NEWSOM, GOVERNOR
KEVIN KISH, DIRECTOR
Civil Rights Department
651 Bannon Street, Suite 200 | Sacramento | CA | 95811
1-800-884-1684 (voice) | 1-800-700-2320 (TTY) | California's Relay Service at 711
calcivilrights.ca.gov | contact.center@calcivilrights.ca.gov

After receiving a Right-to-Sue notice from CRD, you may have the right to file your complaint with a local government agency that enforces employment anti-discrimination laws if one exists in your area that is authorized to accept your complaint. If you decide to file with a local agency, you must file before the deadline for filing a lawsuit that is on your Right-to-Sue notice. Filing your complaint with a local agency does not prevent you from also filing a lawsuit in court.

To obtain a federal Right to Sue notice, you must contact the U.S. Equal Employment Opportunity Commission (EEOC) to file a complaint within 30 days of receipt of this CRD Notice of Case Closure or within 300 days of the alleged discriminatory act, whichever is earlier.

Sincerely,

Civil Rights Department

EXHIBIT B

MSD MILLS SADAT DOWLAT LLP

333 South Hope Street
40th Floor
Los Angeles, CA 90071
www.msdlawyers.com

Camron Dowlatshahi
O: +1 213 628 3856
E: camron@msdlawyers.com

February 14, 2025

VIA CERTIFIED U.S. MAIL

Hansen & Franklin
Human Resources/Legal Department
500 Silver Spur Rd Suite 207
Rolling Hills Estates, CA 90275

Re: Penny Bee Herr – Demand for Personnel File and Payroll Records

Dear Hansen & Franklin:

My firm has been retained by Penny Bee Herr ("Ms. Herr") to pursue legal action against Hansen & Franklin ("Hansen & Franklin") in connection with Hansen & Franklin's unlawful conduct during the course of Ms. Herr's employment. This letter serves as Ms. Herr's formal demand for the following:

(1) Ms. Herr's personnel file and all other records relating to Ms. Herr's performance (Cal. Lab. Code § 1198.5);

(2) All documents signed by Ms. Herr relating to her obtaining and/or holding of employment with Hansen & Franklin including any documents signed by Ms. Herr (Cal. Lab. Code § 432); and

(3) All of Ms. Herr's payroll records from the past three years (Cal. Lab. Code § 226, subds. (b) and (c)).

Per California law, Hansen & Franklin must produce the materials identified in categories 1 and 2 within 30 days of receipt of this letter. (Cal. Lab. Code § 1198.5, subd. (b)(1).) Penalties for noncompliance include a $750 fine. (*Id.* at subd. (k).) Hansen & Franklin must produce the payroll records identified in category 3 within 21 days of this request. (Cal. Lab. Code § 226, subd. (c).)

All materials may be produced to me via email at camron@msdlawyers.com, copying Maria at maria@msdlawyers.com.

In addition, this letter will serve as Ms. Herr's demand to Hansen & Franklin to preserve (*i.e.*, refrain from deleting, destroying, or in any way modifying) all communications, documents, and electronically-stored information in your possession, custody, or control that may be relevant to this matter. This includes information stored on computers, tablets, smartphones, flash drives, handheld devices, and any other media, whether digital or non-digital.

Failure to comply with this request will result in Ms. Herr seeking sanctions, costs, attorney's fees, adverse jury instructions, and any other available remedies and may result in criminal liability. (Cal. Pen. Code, § 135 ["A person who, knowing that any book, paper, record, instrument in writing, digital image, video recording owned by another, or other matter or thing, is about to be produced in evidence upon a trial, inquiry, or investigation, authorized by law, willfully destroys, erases, or conceals the same, with the intent to prevent it or its content from being produced, is guilty of a misdemeanor."].)

Please feel free to contact my office if you have any questions or if you would like to discuss any of the foregoing.

Sincerely,

Camron Dowlatshahi

MILLS SADAT DOWLAT LLP

333 South Hope Street
40th Floor
Los Angeles, CA 90071
www.msdlawyers.com

Brie Mills
O: +1 213 262 9415
E: brie@msdlawyers.com

CONFIRMATION OF REPRESENTATION

This letter will confirm that Mills Sadat Dowlat LLP represents me in connection with my employment dispute with Handsen Franklin. I hereby authorize my attorneys to handle my claim(s) against Handsen Franklin and consent to having any materials pertaining to my employment delivered to Mills Sadat Dowlat LLP.

February 12, 2025

EXHIBIT C

MILLS SADAT DOWLAT LLP

333 South Hope Street
40th Floor
Los Angeles, CA 90071
www.msdlawyers.com

Camron Dowlatshahi
O: (213) 628 3856
D: (213) 279-2612
E: camron@msdlawyers.com

May 15, 2025

VIA ELECTRONIC SUBMISSION TO LWDA;
VIA CERTIFIED MAIL TO EMPLOYER

California Labor and Workforce Development Agency
Attn: PAGA Administrator
455 Golden Gate Avenue, 9th Floor
San Francisco, CA 94102

Hansen & Franklin
715 Silver Spur Road, Suite 209
Rolling Hills Estates, CA 90274

Re: Notice of Claim Under Private Attorneys General Act ("PAGA")

Dear LWDA:

My office has been retained by Penny Bee Herr ("Plaintiff'') to pursue a PAGA representative action (Lab. Code § 2699, *et seq.*) against Hansen & Franklin ("Defendant"). This letter shall serve as notice, and a request pursuant to Labor Code section 2699.3, that the Labor and Workforce Development Agency ("LWDA") investigate the violations by Defendant described herein against Plaintiff and against other current and/or former employees ("Aggrieved Employees"). If LWDA does not intend to investigate the violations described herein, we respectfully request that the agency specifically notify our office of the same at your earliest possible opportunity

<u>Plaintiff's Employment with Defendant</u>

Defendant owns/owned and operates/operated an industry, business, and establishment within the State of California. Defendant is therefore subject to the California Labor Code, Wage Orders issued by the Industrial Welfare Commission ("IWC"), and the California Business and Professions Code.

Plaintiff is a resident of Los Angeles, California who worked for Defendant in California as an hourly-paid, non-exempt employee from approximately January 11, 2023 to approximately September 13, 2024. Plaintiff regularly worked more than eight hours in a workday and/or more than 40 hours in a workweek.

Throughout Plaintiff's employment, Defendant failed to pay for all hours worked (including minimum, straight time, and overtime wages), failed to provide Plaintiff with legally compliant meal periods, failed to authorize and permit Plaintiff to take rest periods, failed to timely pay all final wages to Plaintiff when Defendant terminated Plaintiff's employment, failed to furnish accurate wage statements to Plaintiff, and failed to indemnify Plaintiff for expenditures. As discussed below, Plaintiff's experience working for Defendant was typical and illustrative.

Defendant Failed to Pay for All Hours Worked, Including Minimum, Straight Time, and Overtime Wages

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is 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.

In addition, Labor Code section 510 provides that employees in California shall not be employed more than eight hours in any workday or 40 hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law. Labor Code sections 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code section 1198 states that the employment of an employee for longer hours than those fixed by the IWC is unlawful.

Throughout the statutory period, Defendant maintained a policy and practice of not paying Plaintiff and the Aggrieved Employees for all hours worked, including minimum, straight time, and overtime wages. Defendant required Plaintiff and the Aggrieved Employees to work "off-the clock," uncompensated, by, for example, requiring Plaintiff and the Aggrieved Employees to perform work during unpaid meal periods and after clocking out for the workday. Some of this unpaid work should have been paid at the overtime rate. In failing to pay for all hours worked, Defendant also failed to maintain accurate records of the hours Plaintiff and the Aggrieved Employees worked.

Throughout the statutory period, Defendant used a system of time rounding and/or synthetic timekeeping that resulted, over a period of time, in failing to compensate Plaintiff and the Aggrieved Employees properly for all the time they have actually worked, even though the realities of Defendant operations are such that it is possible, practical, and feasible to count and pay for work time to the minute. Accordingly, Defendant frequently paid Plaintiff and the Aggrieved Employees less than all their work time. Some of this unpaid work also should have been paid at the overtime rate. In failing to pay for all hours worked, also failed to maintain accurate records of the hours Plaintiff and the Aggrieved Employees worked.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code sections 210, 1197.1, and 2699, subdivision (t)(2) for failing to pay for all hours worked, including minimum, straight time, and overtime wages.

Failure to Authorize and Permit Rest Periods

Employers are required by California law to authorize and permit breaks of 10 uninterrupted minutes for each four hours of work or major fraction of four hours (*i.e.*, more than two hours). Thus, for example, if an employee's work time is six hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as required is itself a violation of California's rest break laws.

Throughout the statutory period, Defendant has wrongfully failed to authorize and permit Plaintiff and the Aggrieved Employees to take legally compliant rest periods. Defendant regularly required Plaintiff and the Aggrieved Employees to work in excess of four consecutive hours a day without Defendant authorizing and permitting them to take a 10-minute, uninterrupted, duty-free rest period for every four hours of work (or major fraction of four hours), or without compensating Plaintiff and the Aggrieved Employees for rest periods that were not authorized or permitted.

Instead, Defendant continued to assert control over Plaintiff and the Aggrieved Employees by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory rest periods, or by denying Plaintiff and the Aggrieved Employees permission to take a rest period. Accordingly, Defendant's policy and practice was to not authorize and permit Plaintiff and the Aggrieved Employees to take rest periods in compliance with California law.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not authorized and permitted to take all required rest period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for rest periods and that they were not authorized and permitted to take.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code sections 210 and 2699, subdivision (f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

Failure to Pay All Earned Wages Twice Per Month

Based on its failure to pay Plaintiff and the Aggrieved Employees for all wages as discussed above, Defendant also violated Labor Code section 204.

Labor Code section 204 requires employers to pay employees all earned wages two times per month. Throughout the statute of limitations period applicable to this cause of action, employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for overtime hours worked. However, during all such times, Defendant systematically failed and refused to pay the employees all wages due, and failed to pay those wages twice a month, in that employees were not paid all wages for all meal periods not provided by Defendant, all wages for all rest periods not authorized and permitted by Defendant, and all wage for all hours worked. As a result, Defendant owes employees the legally required wages for unpaid wages, and Plaintiff and the Aggrieved Employees suffered damages in those amounts.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code section 210 for failing to pay all earned wages twice per month.

Failure to Maintain Accurate Records of Hours Worked and Meal Periods

Plaintiff seeks penalties under Labor Code section 1174, subdivision (d). Under Labor Code section 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by Labor Code section 1174 is subject to a penalty under section 1174.5. Pursuant to IWC Wage Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Defendant, however, failed to maintain accurate records of hours worked and all meal periods taken or missed by Plaintiff and the Aggrieved Employees.

Defendant's failure to provide and maintain records required by the Labor Code and the applicable IWC Wage Order deprived Plaintiff and the Aggrieved Employees the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Defendant's records. Therefore, Plaintiff and the Aggrieved Employees had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Defendant. As a direct result, Plaintiff and the Aggrieved Employees have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorney's fees in seeking to compel Defendant to fully perform its obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Defendant's knowing failure to comply with the Labor Code and applicable IWC Wage Order, Plaintiff and the Aggrieved Employees have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

Failure to Timely Pay All Wages at Termination

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 72 hours thereafter, unless the employee has given 72 hours' previous notice of their intention to quit, in which case the employee is entitled to their wages at the time of quitting.

Within the applicable statute of limitations, the employment of Plaintiff and many other Aggrieved Employees ended—i.e., was terminated by quitting or being discharged—and the employment of others will be terminated. However, during the relevant time period, Defendant failed, and continues to fail, to pay Plaintiff and terminated Aggrieved Employees, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or 72 hours of their leaving Defendant's employment. These unpaid wages include wages for unpaid work time (including minimum, straight time, and overtime wages), missed meal period premium wages, and missed rest period premium wages.

Defendant's conduct violates Labor Code sections 201 and 202. Labor Code section 203 provides that if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the wages of the employee shall continue as a penalty wage from the due date, and at the same rate until paid or until an action is commenced, but that the wages shall not continue for more than 30 days.

Accordingly, Plaintiff and the Aggrieved Employees are entitled to recover from Defendant their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up 30 days, pursuant to Labor Code section 203. Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code section 2699, subdivision (f)(2) for failing to timely pay all wages at termination.

Failure to Provide Accurate Itemized Wage Statements

Labor Code section 226, subdivision (a) provides that every employer shall furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned; (2) total hours worked by the employee; (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item; (5) net wages earned; (6) the inclusive dates of the period for which the employee is paid; (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number; (8) the name and address of the legal entity that is the employer; and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226, subd. (e)(2)(B)(iii).)

The statute further provides that "[a]n employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars ($50) for the initial pay period in which a violation occurs and one hundred dollars ($100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars ($4,000), and is entitled to an award of costs and reasonable attorney's fees." (Lab. Code § 226, subd. (e)(1).)

Throughout the statutory period, Defendant or failed to furnish Plaintiff and the Aggrieved Employees with accurate, itemized wage statements showing all applicable hourly rates, and all gross and net wages earned (including correct hours worked, correct wages for meal periods that were not provided in accordance with California law, and correct wages for rest periods that were not authorized and permitted to take in accordance with California law).

Because Defendant violated Labor Code § 226, Plaintiff and similarly Aggrieved Employees suffered injury and damage to their statutorily protected rights. Accordingly, Plaintiff and similarly Aggrieved Employees are entitled to recover from Defendant the greater of their actual damages caused by Defendant's failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding four thousand dollars ($4,000) per employee.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 226.3 for failing to furnish accurate itemized wage statements.

Failure to Reimburse Necessary Expenditures

Labor Code section 2802, subdivision (a) provides that employers shall indemnify employees for all necessary business expenditures or losses that have been incurred by the employees in direct discharge of their duties. Throughout the statutory period applicable to this cause of action, Defendant wrongfully required Plaintiff and the Aggrieved Employees to pay expenses that they incurred in direct discharge of their duties for Defendant. Plaintiff and the Aggrieved Employees regularly paid out-of-pocket for necessary employment-related expenses, including, without limitation, work-related equipment, work attire, and use of personal cellular phones. Plaintiff and the Aggrieved Employees incurred substantial expenses as a direct result of performing their job duties for Defendant, but Defendant or failed to indemnify Plaintiff and the Aggrieved Employees for these employment-related expenses.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code sections 2802 and 2699, subdivision (f)(2) for failing to indemnify Plaintiff and the Aggrieved Employees for necessary business expenditures.

Statement of Specific Provisions of the Labor Code Violated

Plaintiff alleges that Defendant violated the following provisions of the Labor Code with respect to the Aggrieved Employees:

(1) Labor Code sections 204, 510, 1194, 1197, and 1198 by failing to pay for all hours worked, including minimum wages, straight time wages, and overtime wages;

(2) Labor Code section 226.7 and applicable IWC Wage Orders by failing to provide meal periods;

(3) Labor Code section 226.7 and applicable IWC Wage Orders by failing to authorize and permit rest periods;

(4) Labor Code section 204 by failing to pay all earned wages twice per month;

(5) Labor Code section 1174.5 and applicable IWC Wage Orders by failing to maintain accurate records of hours worked and meal periods taken or missed;

(6) Labor Code section 201 to 203 by willfully failing to pay all wages owed at termination;

(7) Labor Code section 226 by failing to provide accurate itemized wage statements; and

(8) Labor Code section 2802 by failing to indemnify for necessary expenditures.

Pursuant to PAGA, Plaintiff seeks civil penalties arising from these violations. These include, but are not limited to, penalties under Labor Code sections 210, 226.3, l 174.5, 1197.l, and 2699, subdivision (f)(2).

This letter shall serve as Plaintiff's notice pursuant to Labor Code section 2699.3 and we ask that LWDA conduct an investigation concerning the violations described herein. Alternatively, if LWDA does not intend to investigate these violations, we ask that it issue a notification letter to our office confirming the same so that we may proceed with our civil action asserting the PAGA claims described herein.

Please feel free to contact me if you have any questions or if you would like to discuss this matter further. Nothing in this letter is intended to be, or should be construed as, an admission against the interests of Plaintiff or other current or former employees of Defendant and shall not be construed as a waiver of their rights, remedies, claims, or defenses, all of which are expressly reserved.

Sincerely,

Camron Dowlatshahi