LOS ANGELES JEA CALIFORNIA

JOY EMPLOYEE ADVOCATES

July 14, 2025

VIA PAGA ONLINE FILING

California Labor and Workforce Development Agency
Attn: PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, California 94612

VIA U.S. CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Denny's, Inc.
c/o C T Corporation System,
Agent for Service of Process
330 N. Brand Blvd.
Glendale, CA 91203

Re: **Ashley Chiman's Wage and Hour Claims Against Denny's, Inc.**

Dear Labor and Workforce Development Agency and Denny's, Inc.:

Please be advised that Ashley Chiman ("Claimant") has retained our firm to represent her for claims against her former employer Denny's, Inc. ("the Company" or "Denny's").

This letter shall serve as Claimant's written notice to the Labor and Workforce Development Agency ("LWDA") and the Company of the alleged California Labor Code ("Labor Code") violations Claimant claims that the Company committed against her and all other aggrieved employees in California. Claimant provides this notice in accordance with the Labor Code Private Attorneys General Act of 2004 ("PAGA"), Labor Code section 2699.3. Claimant desires to file a civil action to enforce her rights under the Labor Code and seek compensation accordingly.

Pursuant to Labor Code section 2699(a), and by way of this letter, Claimant also intends to represent all other current and former aggrieved employees who performed work for the Company in California and who have suffered at least one of the wage and hour violations described herein during their employment.

FACTUAL BACKGROUND

The Company is an American table service diner-style restaurant chain. It operates over 1,400 restaurants in the United States, Canada, Puerto Rico, and several other international locations. Claimant worked for the Company from May 22, 2024 to June 25, 2025. Claimant was typically scheduled to work five days a week from approximately 5:00 pm – 6:00 am. At all relevant times, the Company classified her as a non-exempt employee and paid her an hourly wage of $22.38 per hour. The Company employed Claimant as a "Manager."

Claimant's job duties include, but are not limited to, managing the restaurant staff to ensure high standards of customer service; setting up the dining room to ensure a pleasant environment for guests; keeping the dining room clean and presentable at all times; hiring and training employees; and ensuring food preparation meets company standards.

The Company denied Claimant and other aggrieved employees in California specific rights afforded to them under the Labor Code and the applicable Wage Order. For example, the Company failed to provide them with legally compliant meal and/or rest breaks or pay them meal and/or rest break premiums, failed to pay Claimant and other aggrieved employees all minimum, regular, and overtime wages owed, failed to maintain accurate records and issue accurate itemized wage statements, failed to reimburse them for necessary business expenses, and failed to timely pay all wages due during and upon separation of employment.

The Company did not provide Claimant and other aggrieved employees with 30-minute, off-duty meal periods and/or 10-minute off-duty rest periods. Due to their workload and the demands of their job, Claimant and other aggrieved employees often were required to work through their meal periods and rest periods. The Company did not provide Claimant and other aggrieved employees with the opportunity to take 30-minute off-duty, uninterrupted meal breaks and/or 10-minute off-duty, uninterrupted rest breaks because they were not relieved of all duties and were required to stay on-duty in case they were needed by customers.

The nature of Claimant and other aggrieved employees' duties did not prevent her from being relieved of all job duties for a timely 30-minute off-duty meal period. Claimant and other aggrieved employees did not enter into a valid on-duty meal period agreement. Though Claimant and other aggrieved employees did not receive full, off-duty meal periods in compliance with California law, the Company did not pay meal period premiums to Claimant and other aggrieved employees as required under Labor Code section 226.7.

For the same reasons, the Company failed to provide Claimant and other aggrieved employees with 10-minute rest periods for every four hours or major fraction thereof worked. Despite not providing legally compliant rest periods, the Company did not pay Claimant and other aggrieved employees all rest period premiums owed.

In addition, the wage statements issued by the Company did not include meal and rest period premiums as required under Labor Code section 226.

As a direct result of the aforementioned Labor Code violations, the Company did not pay Claimant and aggrieved employees all wages due and payable during and upon separation of employment, including meal and rest period premium wages, as required pursuant to Labor Code sections 201, 202 and 204.

Due to the foregoing Labor Code violations, the Company denied Claimant and other aggrieved employees certain rights afforded to them under the California Labor Code and IWC Wage Orders. Claimant makes these claims against the Company on behalf of herself and all other aggrieved current and former employees of the Company in California.

FAILURE TO PROVIDE COMPLIANT MEAL PERIODS AND AUTHORIZE AND PERMIT REST PERIODS

(Labor Code sections 226.7, 512, 558, 1198 and the "Meal Periods" and "Rest Periods" sections of the Applicable Wage Order)

Labor Code section 226.7(b) states, "[a]n employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission…" Labor Code section 226.7(c) states, "[i]f an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law… the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided."

Labor Code section 512(a) states, "[a]n employer may not employ an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than 30 minutes" and "[a]n 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."

The "Meal Periods" section of the Applicable Wage Order states, "[n]o employer shall employ any person for a work period of more than five (5) hours without a meal period of not less than 30 minutes, except that when a work period of not more than six (6) hours will complete the day's work the meal period may be waived by mutual consent of the employer and the employee. Unless the employee is relieved of all duty during a 30 minute meal period, the meal period shall be considered an "on duty" meal period and counted as time worked. An "on duty" meal period shall be permitted only when the nature of the work prevents an employee from being relieved of all duty and when by written agreement between the parties an on-the- job paid meal period is agreed to. The written agreement shall state that the employee may, in writing, revoke the agreement at any time." The Applicable Wage Order further states, "[i]f an employer fails to provide an employee a meal period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the meal period is not provided."

The "Rest Periods" section of the Applicable Wage Order states, "[e]very employer shall authorize and permit 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." Furthermore, "[i]f an employer fails to provide an employee a rest period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the rest period is not provided."

Labor Code section 1198 states, "[t]he maximum hours of work and the standard conditions of labor fixed by the commission shall be the maximum hours of work and the standard conditions of labor for employees. The employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful."

As set forth above, due to the workload and the work demands that the Company imposed on Claimant and other aggrieved employees, the Company failed to provide Claimant and other aggrieved employees with the opportunity to take uninterrupted, off-duty meal breaks of at least 30-minutes before the start of their sixth and eleventh hours of work and did not authorize and permit Claimant and other aggrieved employees to take legally compliant rest breaks, as required by California law. Consequently, Claimant and other aggrieved employees are entitled to receive one-hour of premium wages for each day a compliant meal break was not provided and one-hour of premium wages for each day a compliant rest period was not authorized or permitted. Claimant will pursue all available remedies for the Company's violations on behalf of herself and other aggrieved current and former employees to the extent allowed by law.

FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS
(Labor Code sections 226, 226.3, 246, 248.5, 1198, and the "Records" section of the Applicable IWC Wage Order)

Labor Code section 226(a) states in pertinent part that every employer shall provide an accurate, itemized wage statement in writing with respect to each of its employees showing: "(1) gross wages earned, (2) total hours worked by the employee, except for any employee whose compensation is solely based on a salary and who is exempt from payment of overtime under subdivision (a) of Section 515 or any applicable order of the Industrial Welfare Commission, … (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, … (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."

Labor Code section 226(e) imposes a penalty of 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 exceeding an aggregate penalty of \$4,000, and Claimants are entitled to an award of costs and reasonable attorney's fees. Labor Code section 226.3 imposes an additional civil penalty on the employer of \$250.00 per employee per violation of Labor Code section 226(a) in an initial citation and \$1,000 per employee for each violation in a subsequent citation.

As set forth above, the Company failed to provide Claimant and other aggrieved employees with accurate itemized wage statements that comply with the requirements of the Labor Code because the wage statements issued did not include the correct total regular and overtime hours worked, the correct amount of gross and net wages earned, all deductions, and all applicable hourly rates and the corresponding number of hours worked at each hourly rate. Claimant was instructed by the Company to report the same times worked every day despite working off hours due to international clients. Claimant will pursue all available remedies for the Company's violations on behalf of herself and other aggrieved current and former employees to the extent allowed by law.

FAILURE TO TIMELY PAY ALL WAGES DUE
(Labor Code sections 201, 202, 203, 204, 210, 1194, 1194.2, and 1198
And the "Minimum Wages" section of the Applicable IWC Wage Order)

Labor Code section 204(a) states in pertinent part, "[a]ll wages…earned by any person in any employment are due and payable twice during each calendar month, on days designated in advance by the employer as the regular paydays." Furthermore, Labor Code section 204(b)(1) states, "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." Labor Code section 210 provides that, "every person who fails to pay the wages of an employee as provided in Section…204…shall be subject to a civil penalty" of \$100 for an initial violation and two hundred dollars \$200 plus 25% of the amount unlawfully withheld for a subsequent violation." The "Minimum Wages" section of the applicable IWC Wage Order also states that "[e]very employer shall pay to each employee, on the established payday for the period involved, not less than the applicable minimum wage for all hours worked in the payroll period, whether the remuneration is measured by time, piece, commission, or otherwise."

Labor Code section 201 states, in pertinent part, "[i]f an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately." Labor Code section 202 states, in pertinent part, "If an employee not having a written contract for a definite period quits 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 his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting."

Labor Code section 203(a) states, in pertinent part, "[i]f an employer willfully fails to pay, without abatement or reduction, in accordance with Sections 201, 201.3, 201.5, 201.9, 202, and 205.5, any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefore is commenced; but the wages shall not continue for more than 30 days."

Labor Code section 1194(a) states, "…any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees, and costs of suit." Liquidated damages in an amount equal to the minimum wages unlawfully unpaid and interest thereon are provided for under Labor Code section 1194.2.

As set forth above, the Company violated these Labor Code sections by failing to pay to Claimant and other aggrieved employees all meal and rest break premium wages, within the required time during and upon separation of their employment. As a result of the Company's failure to comply with the aforementioned Labor Code provisions, the Company owes waiting time penalties to Claimant and other aggrieved employees, which they have not yet paid. Claimant will pursue all available remedies for the Company's violations on behalf of herself and other aggrieved current and former employees to the extent allowed by law.

CIVIL PENALTIES FOR VIOLATION OF THE LABOR CODE AND IWC WAGE ORDERS

(Labor Code sections 558 and 558.1)

Labor Code section 558 subjects any employer or any person acting on behalf of an employer who violates Labor Code Part 2, Chapter 1, of the Labor Code (Labor Code §§ 500-558) or any provision regulating the hours and days of work in any IWC Wage Order to a civil penalty as follows: "[f]or any initial violation, fifty dollars ($50) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages. For each subsequent violation, one hundred dollars ($100) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages."

Labor Code section 558.1(a) states that "[a]ny employer or other person acting on behalf of an employer, who violates, or causes to be violated, any provision regulating minimum wage 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." This includes the owners, officers, directors, or managing agents of the employer. Labor Code section 558.1(b).

As set forth above, the Company violated the Labor Code and the applicable IWC Wage Order by failing to pay Claimant and the other aggrieved employees all meal and rest break premium wages, as required under Labor Code sections 203, 226, 226.7, 512, and the applicable sections of the applicable IWC Wage Order. As a result, the Company is liable for civil penalties under Labor Code sections 558 and 558.1. Claimant will pursue all available remedies for the Company's violations on behalf of herself and other aggrieved current and former employees to the extent allowed by law.

ATTORNEY'S FEES, COSTS, INTEREST, LIQUIDATED DAMAGES AND PENALTIES

(Labor Code sections 210, 218.5, 218.6, 225.5, 226(e), 558, and 2699, et seq.)

Labor Code sections 210, 218.5, 218.6, 225.5, 226(e), 558, and 2699, et seq., among others, give employees the right to recover in a civil action the unpaid balance of the full amount of overtime compensation, reimbursements, damages, liquidated damages and penalties, including interest thereon, as well as reasonable attorney's fees and costs.

Pursuant to Labor Code section 2699, et seq., an aggrieved employee is entitled to collect 25% of the penalty assessment. Accordingly, the Company is liable for these penalties separate from and on top of any other damages recoverable. Claimant has already incurred actual damages, costs and attorney's fees and she will continue to incur costs as a result of the Company's unlawful actions. Claimant will pursue all available remedies, including those provided by PAGA, for these violations on behalf of herself and other aggrieved employees.

Conclusion

The facts and claims contained herein are based on the information available at the time of this writing. Therefore, if through discovery and/or expert review, Claimant becomes aware of additional compensation owed to her or other losses incurred by her or by any other aggrieved employee of the Company, she reserves the right to revise these facts and/or add any new claims by amending the claim letter or by adding applicable causes of action in her complaint.

Sincerely,

Sincerely,

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Brendan Y. Joy

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