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11 *California and Aggrieved Employees*

12 **SUPERIOR COURT OF CALIFORNIA**

13 **COUNTY OF ORANGE**

14 DULCE HERNANDEZ-ARROYO, on
15 behalf of the State of California and
16 Aggrieved Employees,

17 Plaintiff,

18 vs.

19 CBDM REDLANDS, LLC d/b/a THE
20 LIBRARY GENTLEMEN'S CLUB;
21 DAVID BRIAN BAILEY, an individual;
22 TORRANCE WHITE, an individual; and
23 DOES 1 through 10, Inclusive,

24 Defendants.

Case No.: 30-2025-01522529-CU-OE-CXC

25 **COMPLAINT FOR CIVIL PENALTIES**
26 **PURSUANT TO LABOR CODE § 2699(a) & (f)**
27 **OF THE PRIVATE ATTORNEYS GENERAL**
28 **ACT OF 2004**

Assigned for All Purposes:
Judge Melissa R. McCormick
Dept. CX105

[UNLIMITED JURISDICTION]

1 Plaintiff Dulce Hernandez-Arroyo (“Hernandez”), on behalf of the State of California and
2 Aggrieved Employees (defined below), complains and alleges as follows:

3 **SUMMARY**

4 1. Hernandez, on behalf of the State of California and other Aggrieved Employees,
5 brings this enforcement action pursuant to the Private Attorneys General Act of 2004, as amended
6 (“PAGA”), against Defendant CBDM Redlands, LLC d/b/a The Library Gentlemen’s Club,
7 David Brian Bailey, Torrance Whtie, and Does 1 through 10, inclusive (“The Library” or
8 “Defendants”) on behalf of individuals who work for or have worked for The Library as non-
9 exempt exotic dancer employees for civil penalties resulting from The Library’s violations of the
10 Labor Code as described herein.

11 2. As detailed below, The Library implemented and enforced uniform policies and
12 practices that unlawfully deprived Hernandez and the other Aggrieved Employees of their earned
13 wages, earned tips, statutorily mandated breaks, and other workplace rights.

14 3. For a portion of time during the relevant time period, The Library paid Hernandez
15 and the other Aggrieved Employees less than the mandated minimum wage rates under the Labor
16 Code and IWC Wage Order(s).

17 4. These unpaid minimum wage payments (*i.e.*, the difference between the requisite
18 minimum wage rate and the substandard wage rate actually paid) constitute wages indisputably
19 owed by The Library, but not paid, to Hernandez and Aggrieved Employees.

20 5. Throughout the relevant time period, The Library failed to authorize and permit
21 Hernandez and Aggrieved Employees to take timely, duty-free meal periods.

22 6. The Library likewise failed to pay the required premium for every workday a
23 compliant meal period was not provided, in violation of Labor Code §§ 226.7 and 512.

24 7. During the same period, The Library failed to authorize and permit paid, duty-free
25 rest periods to Hernandez and the other Aggrieved Employees, and failed to pay premium wages
26 for missed or on-duty rest periods, in violation of Labor Code § 226.7.

8. The Library further illegally recorded Hernandez and Aggrieved Employees in their locker room/changing area without their consent and without a court order, in violation of Labor Code § 435.

9. The Library maintained and enforced an unlawful quota system and deduction policy, effectively requiring Hernandez and the other Aggrieved Employees to furnish their earned tips/gratuities, resulting in unlawful withholding and deduction of wages, and, at times, a net negative wage.

10. The Library also required Hernandez and Aggrieved Employees to participate in illegal tip-sharing arrangements, diverting gratuities to managers, disc jockeys, “trackers,” and other employees of The Library who do not customarily earn tips, in violation of Labor Code § 351.

11. During the applicable statutory period, The Library knowingly and intentionally failed to furnish Hernandez and Aggrieved Employees with accurate, itemized wage statements.

12. During the relevant time period, The Library likewise required Hernandez and Aggrieved Employees to purchase various items to perform their jobs, including specific types of clothing, footwear, and makeup, but did not reimburse Hernandez and Aggrieved Employees for these necessary business expenses.

13. The Library likewise failed to maintain and produce required payroll and employment records, in violation of Labor Code §§ 226 and 1198.5.

14. Hernandez suffered retaliation for reporting unlawful workplace practices and for engaging in protected activity, including complaints regarding workplace safety and violations of wage-and-hour laws, in violation of Labor Code § 98.6, 1102.5, and 6310.

15. Hernandez brings these claims pursuant to PAGA to challenge The Library’s policies and practices of: (1) failing to pay Aggrieved Employees all minimum wages owed pursuant to Labor Code §§ 1194, 1197, 1197.1; (2) failing to pay all wages owed pursuant to Labor Code §§ 204, 210, 1194, and 1194.5; (3) misappropriation of tips under Labor Code § 351; (4) failure to properly record earned tips or gratuities under Labor Code § 353; (5) failure to pay wages indisputably due under Labor Code § 206; (6) unlawful reclaiming of wages, tips, or gratuities already paid to an employee under Labor Code § 221; (7) prohibited employment agreement under

Labor Code § 432.5; (8) prohibited video recording of employees in changing/locker room under Labor Code § 435; (9) failure to provide meal and rest periods and failure to provide compensation for missed meal and rest periods under Labor Code §§ 226.7 and 512; (10) failure to provide timely and compliant wage statements under Labor Code § 226; (11) failure to reimburse for necessary business expenses under Labor Code § 2802; and (12) unlawful retaliation or discrimination under Labor Code § 98.6.

16. Hernandez brings this Action to recover all civil penalties and other PAGA damages on behalf of the State of California and the other Aggrieved Employees.

17. Hernandez seeks to remedy the unlawful practices the Library has imposed and continues to impose on its exotic dancer workers, which deprive the Aggrieved Employees of their lawfully earned compensation and other workplace rights.

JURISDICTION & VENUE

18. This Court has jurisdiction over the State of California's claims for civil penalties, by and through Hernandez as the deputized PAGA representative, pursuant to the California Constitution, Article VI, section 10, which grants the Superior Court "original jurisdiction on all other causes" except those given by statute to other courts. The statutes under which this Action is brought do not specify any other basis for jurisdiction.

19. Hernandez electronically filed her written PAGA Notice with the Labor and Workforce Development Agency ("LWDA") on August 15, 2025, bearing LWDA Case No. LWDA-CM-1119049-25.

20. A true and correct copy of Hernandez's LWDA Notice is attached herein as **Exhibit 1.**

21. The Court has personal jurisdiction over The Library because, upon information and belief, they are California residents and citizens, have benefited from and subjected themselves to the laws of California, employ workers such as Hernandez and the Aggrieved Employees in California, and maintain their business enterprise in California.

22. Venue is proper in this judicial district and County pursuant to CCP §§ 393 and/or 395.5.

23. The Library maintains their adult cabarets in Orange County and San Bernardino County.

24. The Library has employed Aggrieved Employees within Orange County, namely at the Library Gentlemen’s Club locations in Westminster and Anaheim.

25. The Library conducts business in Orange County, employs Aggrieved Employees in Orange County, and therefore liability under PAGA arises in Orange County.

PARTIES

26. Hernandez is an adult individual residing in San Bernardino County, California.

27. Hernandez was employed by The Library as a non-exempt employee from approximately January 2022 to October 2025.

28. Hernandez worked for The Library as an exotic dancer/entertainer in Redlands, California.

29. Hernandez was paid on an hourly rate basis. As of her last date of employment, Hernandez was paid at a rate of \$16.50 per hour plus tips from The Library’s customers.

30. However, for at least a period of time in 2025, The Library paid Hernandez at a rate of \$16.00 per hour, which is less than the minimum wage rate.

31. Throughout the relevant time period, The Library required, instructed, and/or expected Hernandez to share her earned tips with The Library’s employees who do not customarily earn tips, including managers, disc jockeys, “trackers” (*i.e.*, the club employees who track the number of private dances and VIP dances performed by the dancers), and others.

32. Throughout the relevant time period, The Library also instituted a “quota” system whereby the club required Hernandez to perform a certain number of private/VIP dances in her shift depending on the day and time of day she started working.

33. The Library required Hernandez and the other Aggrieved Employees to agree in writing to this “quota” system or compensation plan.

34. The Library's "quota" system and compensation plan improperly attempts to circumvent California's wage-and-hour laws, namely California's prohibition on tip misappropriations.

35. The Library's "quota" system, or compensation plan, constitutes a prohibited employment agreement under Labor Code § 432.5.

36. The Library's agreement which purportedly allows it to reclaim tips and/or falsely characterize tips and gratuities as "paid services" constitutes a prohibited employment agreement under Labor Code § 432.5.

37. The Library set the prices for these private/VIP dances which the customer is required to pay.

38. For all intents and purposes, the services performed by Hernandez for these private/VIP dances were not distinguishably different than the services she performed to earn tips from customers.

39. The Library, however, kept the proceeds from these private/VIP dances for itself to count toward its "quota."

40. Upon information and belief, after Hernandez met the "quota" for her shift, the proceeds were then split between Hernandez and The Library at a rate of 80/20, with 80% of the monies generated from the private/VIP dances going to Hernandez and The Library retaining the remaining 20% for itself.

41. Further, throughout her employment, The Library failed to provide Hernandez with compliant and timely meal and rest periods during her shifts.

42. Despite failing to provide Hernandez with compliant and timely meal and rest periods, The Library failed to pay Hernandez the required premium payments.

43. Further, The Library failed to provide Hernandez with compliant and accurate itemized wage statements.

44. The wage statements Hernandez received failed to state all wages owed to Hernandez, including premium payments, and also failed to identify Hernandez's actual employer.

Rather, the wage statements Hernandez received identified a revoked legal entity that is not authorized to conduct business, which obfuscates Hernandez's true employer.

45. Further, throughout the relevant time period, The Library installed cameras in the dancers' locker room/changing area and, upon information and belief, recorded Hernandez and the other Aggrieved Employees in the locker room/changing area.

46. Upon information and belief, The Library did not have the authority, either from the dancers or pursuant to any court order, to record the dancers in the locker room/changing area.

47. Further, throughout the relevant time period, The Library failed to provide Hernandez with wage statements that accurately reflected all wages she actually earned.

48. Following Hernandez's submission of formal complaints to The Library's human resources employees, and after she hired counsel to pursue her Labor Code claims, The Library retaliated against Hernandez by leaving her off of stage lists, refusing to assist her with a rude/"grabby" customer, which negatively effected her ability to do her job and earn tips, and ultimately by terminating her employment in October 2025.

49. Hernandez brings this action on behalf of the State of California and on behalf of all of The Library's current and former non-exempt exotic dancer employees who suffered one or more Labor Code violations Hernandez suffered, which are enumerated in Labor Code §§ 2698, *et seq.*, and who worked for The Library any time since one year and 65 days before the filing of this Complaint until final resolution of this Action.

50. These employees are referred to as the "Aggrieved Employees."

51. Hernandez is an "Aggrieved Employee" within the meaning of Labor Code § 2699(c) because The Library employed her, and she suffered one or more of the alleged Labor Code and/or Wage Order violations committed by The Library within the relevant limitations period.

52. Hernandez and the other Aggrieved Employees were employees of The Library at all relevant times, within the meanings set forth in the Labor Code and applicable Wage Order(s).

53. CBDM Redlands, LLC d/b/a The Library Gentlemen's Club purports to be a Nevada limited liability company with its principal place of business in Redlands.

54. CBDM Redlands, LLC may be served with process through its registered agent: **C T Corporation System, 330 North Brand Boulevard, Suite 700, Glendale, California.**

55. As of the date this Complaint is filed, CBDM Redlands, LLC is in “revoked” status with the Nevada Secretary of State and therefore has no right to transact business pursuant to Nevada or California law. (*See Nev. Rev. Stat. Ann. § 86.274(2); Lewis v. LeBaron* (1967) 254 Cal. App. 2d 270, 279; *CM Record Corp. v. MCA Records, Inc.* (1985) 168 Cal. App. 3d 965, 967 [“California law recognizes that the continuing legal existence of a corporation depends on the law of the state of incorporation.”].)

56. Because CBDM Redlands, LLC is in revoked status and has no right to transact business, Hernandez also sues its managers and/or members David Brian Bailey and Torrance White. (*See Nev. Rev. Stat. Ann. § 86.505.*)

57. These individuals were contemplated in Hernandez’s notice submitted to the LWDA as “Does 1-50” and/or “unknown individuals who were employed by CBDM Redlands, LLC.” (*See Exhibit 1.*)

58. Defendant David Brian Bailey is an individual residing in Huntington Beach, California. Mr. Bailey may be served with process at his last-reported residential address, **18935 Evening Breeze Circle, Huntington Beach, California 92648**, or wherever he may be found.

59. Mr. Bailey exercises control over the wages, hours, and working conditions of Hernandez and the other Aggrieved Employees.

60. Upon information and belief, Mr. Bailey controls the rates of pay for Hernandez and the other Aggrieved Employees.

61. Upon information and belief, Mr. Bailey controls the hours which Hernandez and the other Aggrieved Employees can work in a given day or week.

62. Upon information and belief, Mr. Bailey controls the working conditions for Hernandez and the other Aggrieved Employees by setting work rules, policies, and practices at the adult cabarets where Hernandez and the other Aggrieved Employees work.

63. Mr. Bailey also suffers or permits Hernandez and the other Aggrieved Employees to work as exotic dancers/entertainers at the adult cabarets operated/managed by Mr. Bailey.

64. Mr. Bailey knows Hernandez and the other Aggrieved Employees are working in his adult cabaret clubs and/or fails to prevent Hernandez and the other Aggrieved Employees from working in his adult cabaret clubs while having the power to do so.

65. Defendant Torrance White is an individual residing in California. Mr. White may be served with process at his usual place of business, **1331 West Colton Avenue, Redlands, California 92374**, or wherever he may be found.

66. Mr. White exercises control over the wages, hours, and working conditions of Hernandez and the other Aggrieved Employees.

67. Upon information and belief, Mr. White controls the Hernandez's and the other Aggrieved Employees' ability to earn wages and tips by maintaining a "dance rotation" list which controls which Aggrieved Employee may perform on stage at a given time.

68. Upon information and belief, Mr. White controls the hours which Hernandez and the other Aggrieved Employees can work in a given day or week.

69. Upon information and belief, Mr. White controls the working conditions for Hernandez and the other Aggrieved Employees by enforcing the work rules, policies, and practices at the adult cabarets operated by Mr. Bailey.

70. Mr. White also suffers or permits Hernandez and the other Aggrieved Employees to work as exotic dancers/entertainers at the adult cabarets operated/managed by Mr. Bailey.

71. Mr. White knows Hernandez and the other Aggrieved Employees are working in his adult cabaret clubs and/or fails to prevent Hernandez and the other Aggrieved Employees from working in his adult cabaret clubs while having the power to do so.

72. At all relevant times, Mr. Bailey and Mr. White are considered Hernandez's and the Aggrieved Employees' "employers" or "joint employers" within the meaning prescribed in the Labor Code.

73. At all relevant times, Hernandez and the other Aggrieved Employees are considered "employees" of Mr. Bailey and Mr. White within the meaning prescribed by the Labor Code.

74. Hernandez is informed and believes, and based thereupon alleges, that at all times relevant hereto, Defendants, and each of them, were the agents, employees, managing agents, supervisors, co-conspirators, parent corporation, joint employers, alter ego, and/or joint ventures of the other Defendants, and each of them, and in doing the things alleged herein, were acting at least in part within the course and scope of said agency, employment, conspiracy, joint employer, alter ego status, and/or joint venture and with the permission and consent of each of the other Defendants.

75. The true names and capacities, whether a corporation, agent, individual, or otherwise, of DOES 1 through 10, are unknown to Hernandez, who therefore sues said Defendants by such fictitious names. Each Defendant designated herein as a DOE is negligently or otherwise legally responsible in some manner for the events and happenings referred to herein and thereby proximately caused injuries and damages to Hernandez as alleged herein. Plaintiff will seek leave of the Court to amend this Complaint to show their true names and capacities when the same have been ascertained.

76. At all times mentioned here, Does 1 through 10 were the agents, representatives, employees, successors, and/or assigns of Defendants and at all times pertinent hereto were acting within the course and scope of their authority as such agents, representatives, employees, successors, and/or assigns.

77. At all relevant times, Does 1 through 10 are considered Hernandez's and the Aggrieved Employees' "employer" within the meaning prescribed in the Labor Code.

78. At all relevant times, Hernandez and the other Aggrieved Employees are considered "employees" of Does 1 through 10 within the meaning prescribed by the Labor Code.

79. Hernandez is informed and believes that at all relevant times herein mentioned, Defendants and/or DOES 1 through 10 are and were individuals doing business in the State of California. As such and based upon all the facts and circumstances incident to Defendants' business in California, Defendants are subject to the Labor and Business and Professions Code.

FACTUAL ALLEGATIONS

80. Defendants run, operate, and manage adult cabaret clubs in the Southern California area, including clubs located in Redlands, Westminster, and Anaheim.

81. Defendants, and each of them, are considered “employers” of Hernandez and the other Aggrieved Employees pursuant to Labor Code § 558.1.

82. Specifically, Defendants either directly employed, or were acting on behalf of an employer, with respect to Hernandez and the other Aggrieved Employees in their jobs as exotic dancers at Defendants’ adult cabaret establishments.

83. Mr. Bailey manages, operates, and/or supervises the adult cabaret clubs where Hernandez and the other Aggrieved Employees work.

84. Similarly, Mr. White is a managerial worker and disc jockey at the adult cabaret clubs where Hernandez and the other Aggrieved Employees work.

85. In order to attract customers to these adult cabaret clubs and meet their business objectives, The Library employs exotic dancers/entertainers like Hernandez and the other Aggrieved Employees.

86. Hernandez worked as an exotic dancer/entertainer for The Library from approximately January 2022 through October 2025 in The Library’s Redlands location.

87. The Library classifies Hernandez and the Aggrieved Employees as non-exempt employees.

88. The Library pays Hernandez and the Aggrieved Employees on an hourly rate basis, plus tips/gratuities.

89. During a portion of time in 2025, The Library paid Hernandez at a rate of \$16.00 per hour, which is less than the mandatory minimum wage rate in California.

90. Upon information and belief, The Library likewise paid the Aggrieved Employees at a rate less than the minimum wage at least for a portion of 2025.

91. For the remainder of 2025 through the present, The Library paid Hernandez at a rate of \$16.50 per hour, plus tips/gratuity.

92. These unpaid minimum wages (*i.e.*, the difference between the substandard wages paid and the actual minimum wage rates owed) constitute wages that are indisputably owed by The Library to Hernandez and the other Aggrieved Employees.

93. The Library's managers, supervisors, and other employees regularly pressured Hernandez and the Aggrieved Employees to share a substantial portion of their earned tips and dance fees with managers, security personnel, DJs, "trackers," and other club employees who do not customarily earn tips.

94. Hernandez engaged in protected activity by making written and oral complaints regarding the unlawful wage practices, among other complaints, to The Library's management and to HR Representative Yvonne Gonzalez.

95. Three days after Hernandez filed an HR complaint regarding workplace issues, The Library placed Hernandez on unpaid leave for three days.

96. On multiple occasions throughout her employment, Hernandez complained to The Library regarding workplace safety and hazardous conditions, including the presence of exposed metal staples on chairs that resulted in employee injuries, as well as the lack of adequate air conditioning in dressing rooms.

97. Hernandez reported these hazards directly to The Library's management and to Ms. Gonzalez.

98. Hernandez exercised rights under the Labor Code by reporting wage and hour violations, workplace safety hazards, and other protected activity to The Library's management and Ms. Gonzalez.

99. After making such complaints, Hernandez experienced adverse employment consequences, including being placed on leave and receiving threats of termination for failing to meet "quotas." These actions are regulated by Labor Code § 98.6.

100. Ultimately, The Library terminated Hernandez as a direct and proximate result of her reports of wage and hour violations.

101. During the relevant time period, The Library instituted a "quota" system applicable to Hernandez and the other Aggrieved Employees.

102. Under this “quota” system, The Library requires Hernandez and the other Aggrieved Employees to sell a specific number of private dances and/or VIP or champagne room performances (for ease of reference, “private dances”) each shift worked.

103. The number of private dances Hernandez and the other Aggrieved Employees are required to sell during their shifts depends on the day worked and the time of day the dancers’ shift started, as follows:

Shift Start Time	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
3pm - 3:59pm	6 dances	6 dances	6 dances	6 dances	6 dances	6 dances	6 dances
4pm – 4:59pm	7 dances	7 dances	7 dances	7 dances	7 dances	7 dances	7 dances
5pm – 6:59pm	7 dances	8 dances	7 dances	8 dances	8 dances	8 dances	7 dances
7pm – 8:59pm	8 dances	9 dances	8 dances	9 dances	9 dances	9 dances	8 dances
9pm – 9:59pm	9 dances	10 dances	9 dances	10 dances	10 dances	10 dances	9 dances
10pm -10:30pm	10 dances	11 dances	10 dances	11 dances	11 dances	11 dances	10 dances

104. If Hernandez and the other Aggrieved Employees start their shift after 5:00 p.m. and work over 6 hours, the number of expected private dances increases by 2 for each additional hour of work and continues to increase by 2 for each additional hour worked.

105. If Hernandez and the other Aggrieved Employees do not meet their quota, they are encouraged, instructed, and/or required by The Library to pay out-of-pocket to make up the difference in the “quota” by, first, handing the money to a customer and, second, having the customer use said monies to “purchase” a private dance to count toward the quota.

106. In order to work over 6 hours in a given workday, Hernandez and the other Aggrieved Employees must receive authorization from The Library’s managerial employees.

107. The services provided during these private dances are not materially or significantly distinguishable than the normal exotic dancing services Hernandez and the other Aggrieved Employees perform to earn tips/gratuities from The Library’s customers.

108. The Library sets the price for private dances at \$100 per private dance.

109. The Library’s “trackers” are the employees who observe and record each private dance sold by Hernandez and the other Aggrieved Employees during their shifts.

110. The Library retains the proceeds from these private dances until Hernandez and the other Aggrieved Employees meet their “quota.” However, The Library considers additional money paid by its customer directly to the dancer beyond the private dance fee to be tips/gratuities.

111. For example, if a dancer like Hernandez and the other Aggrieved Employees has a quota of 6 dances during their shift, each at a price of \$100, The Library keeps the entire \$600 for itself and the dancer retains none of those private dance proceeds even though the service provided is not materially different from the services the dancer would normally provide and receive tips/gratuities.

112. Upon information and belief, after Hernandez and the other Aggrieved Employees meet their “quota,” the private dance proceeds are split between the dancer and the club at a rate of 80/20, with 80% going to the dancer performing the private dance service and 20% being retained by The Library.

113. The proceeds from these private dances should rightfully be categorized as tips/gratuities for the benefit of the dancers like Hernandez and the other Aggrieved Employees.

114. The Library improperly retained these private dance tips/gratuities to the detriment of Hernandez and the other Aggrieved Employees.

115. On multiple occasions, Hernandez and the other Aggrieved Employees completed shifts in which the net pay, after deduction of required fees, resulted in negative or sub-minimum wage compensation. These pay practices are subject to Labor Code § 1194.

116. Hernandez and the other Aggrieved Employees routinely worked shifts exceeding 5 hours and were denied the opportunity to take an uninterrupted, duty-free 30-minute meal period.

117. The Library required Hernandez and the other Aggrieved Employees to clock out for meal periods but expected them to continue soliciting dances and meeting their “quotas” during this time.

118. The Library did not provide Hernandez and the other Aggrieved Employees with additional compensation or a premium wage for missed meal periods.

119. Hernandez and the other Aggrieved Employees' scheduled shifts regularly exceeded four hours, and The Library did not authorize or permit Hernandez and the other Aggrieved Employees to take a paid, duty-free 10-minute rest period for every four hours worked.

120. The Library did not pay Hernandez and the other Aggrieved Employees the statutory premium for missed rest periods.

121. The Library required Hernandez and the other Aggrieved Employees to participate in a mandatory tip-sharing arrangement, requiring these employees to give approximately 10% of their total earnings each shift to managers, 10% to DJs, and 10% to the trackers.

122. The Library regularly demanded additional tips for security staff, with some shifts resulting in 30%-to-40% of Hernandez's and the other Aggrieved Employees' total tips being distributed to employees who are not customarily entitled to participate in tip pools.

123. The Library did not provide Hernandez and the other Aggrieved Employees with wage statements accurately reflecting all itemized deductions, or total wages earned.

124. Additionally, the wage statements The Library provided to Hernandez and the other Aggrieved Employees listed a corporate entity as their employer who, at least for a portion of time during the relevant time period, is in revoked status and is not authorized to conduct any business.

125. The Library's failure to provide wage statements which accurately listed Hernandez's and the other Aggrieved Employees' true employer was misleading, confusing, and violative of Labor Code § 226(a)(8).

126. Further, the wage statements provided to Hernandez and the other Aggrieved Employees by The Library did not disclose the amount or purpose of "quotas," nor did they accurately reflect Hernandez's and the other Aggrieved Employees' entitlement to rest or meal period premiums.

127. The Library failed to maintain complete and accurate payroll and employment records, including records of hours worked, premium payments owed for missed meal and rest periods, tips earned, and itemized deductions from Hernandez's and the other Aggrieved Employees' wages.

128. The Library also has cameras installed in the locker rooms/changing areas of the adult cabaret clubs where Hernandez and the other Aggrieved Employees change into their work attire.

129. For example, The Library installed a camera in the changing room of the Redlands location as seen here:



130. Upon information and belief, The Library likewise installed cameras in the locker rooms/changing rooms of its other cabaret locations in Westminster and Anaheim.

131. Upon information and belief, other Aggrieved Employees have witnessed The Library's managerial employees viewing this camera feed from the club's office.

132. Upon information and belief, Hernandez and the other Aggrieved Employees did not give their consent to be filmed/recorded in the locker room/changing areas.

133. Upon information and belief, there is no court order in place authorizing The Library to place any camera in the locker room/changing areas of their clubs, or to otherwise record Hernandez and the other Aggrieved Employees in the locker room/changing areas.

134. The Library also requires Hernandez and the other Aggrieved Employees to purchase certain types of clothing, footwear, and makeup to do their jobs.

135. The Library does not reimburse Hernandez and the other Aggrieved Employees for these necessary work expenditures.

136. Hernandez and the other Aggrieved Employees suffered economic losses, lost wages, denied break premiums, unreimbursed business expenses, and other harm as a result of these practices.

COUNT I

Civil Penalties Pursuant to Labor Code § 2699(a)

137. Hernandez incorporates all other paragraphs by reference.

138. Labor Code § 2699(a) provides:

Notwithstanding any other provision of law, any provision of this code that provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency or any of its departments, divisions, commissions, boards, agencies or employees, for a violation of this code, may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of himself or herself and other current or former employees.

139. Labor Code § 98.6(a) proscribes “discharg[ing] an employee or in any manner discriminat[ing], retaliat[ing], or tak[ing] any adverse action against any employee” because the employee engaged in protected workplace activity.

140. Labor Code § 98.6(b)(3) provides that, “[i]n addition to other remedies available, an employer who violates this section is liable for a civil penalty not exceeding ten thousand dollars (\$10,000) per employee for each violation of this section, to be awarded to the employee or employees who suffered the violation.”

141. Labor Code § 210 provides that every person who violates Section 204 is subject to a civil penalty as follows: “For any initial violation, one hundred dollars (\$100) for each failure to pay each employee” and “For each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld.”

142. Labor Code § 225.5 provides that every person who violates Section 221 shall be subject to a civil penalty of \$100 for the initial violation for each failure to pay each employee, and \$200 for each subsequent or willful failure to pay each employee “plus 25 percent of the amount unlawfully withheld.”

143. Labor Code § 226(a) provides:

Every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees, either as a detachable part of the check, draft, or voucher paying the employee's wages, or separately when wages are paid by personal check or cash, an accurate itemized statement in writing 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, (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 his or her 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.

144. Labor Code § 226(e)(1) provides:

An 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.

145. Labor Code § 226.3 provides:

Any employer who violates subdivision (a) of Section 226 shall be subject to a civil penalty in the amount of two hundred fifty dollars (\$250) per employee per violation in an initial citation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage deduction statement or fails to keep the records required in subdivision (a) of Section 226. The civil penalties provided for in this section are in addition to any other penalty provided by law. In enforcing this section, the Labor Commissioner shall take into consideration whether the violation was inadvertent, and in his or her discretion, may decide not to penalize an employer

for a first violation when that violation was due to a clerical error or inadvertent mistake.

146. Labor Code § 558(a) and (c) provide:

(a) Any employer [] who violates, or causes to be violated, a section of this chapter or any provisions 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 in addition to an amount sufficient to recover underpaid wages. (2) 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.... (c) The civil penalties provided for in this section are in addition to any other civil or criminal penalty provided by law.

147. The Library, as alleged in this Complaint, retaliated and discriminated against Hernandez for asserting her Labor Code rights in violation of Labor Code § 98.6. Hernandez therefore seeks civil penalties in the amounts described under Labor Code § 98.6(b)(3).

148. The Library, as alleged in this Complaint, failed to pay all wages owed to Hernandez and the Aggrieved Employees in a timely manner (twice during each calendar month), including all minimum wages, premium tips, and gratuities as required by Labor Code § 204.

149. Hernandez therefore seeks civil penalties for The Library's violations of Labor Code § 204 in the amounts described in Labor Code § 210.

150. The Library, as alleged in this Complaint, unlawfully collected or received from Hernandez and the other Aggrieved Employees parts of wages paid to them, including but not limited to tips and gratuity payments, in violation of Labor Code § 221.

151. Hernandez therefore seeks civil penalties for The Library's violations of Labor Code § 221 in the amounts described in Labor Code § 225.5.

152. The Library, as alleged in this Complaint, to provide the Aggrieved Employees with accurate, itemized wage statements in compliance with Labor Code § 226(a) in the amounts established by Labor Code § 226(e).

153. Hernandez also seeks civil penalties in the amounts described under Labor Code § 558 pursuant to Labor Code § 2699(a) for each pay period in which The Library, as alleged in this Complaint, failed to pay the Aggrieved Employees for all wages owed each pay period.

154. Pursuant to Labor Code § 2699.3(a)(1) and (2), Hernandez provided the LWDA with notice of her intention to file this claim on August 15, 2025.

155. More than sixty-five (65) calendar days have passed without notice from the LWDA.

156. As such, Hernandez has satisfied all administrative prerequisites to commence this civil action in compliance with § 2699.3(a).

157. Hernandez seeks the aforementioned penalties on behalf of the State and the other Aggrieved Employees as set forth in Labor Code § 2699(g) and (i).

158. The Library is liable to the Aggrieved Employees and the State of California for the civil penalties set forth in this Complaint, with interest thereon.

159. Hernandez is also entitled to an award of attorneys' fees and costs as set forth below.

160. Wherefore, Hernandez and the Aggrieved Employees request relief as hereinafter provided.

COUNT II

Civil Penalties Pursuant to Labor Code § 2699(f)

161. Hernandez incorporates all other paragraphs by reference.

162. Labor Code § 2699(f) provides:

For all provisions of this code except those for which a civil penalty is specifically provided, there is established a civil penalty for a violation of these provisions, as follows: ... (2) If, at the time of the alleged violation, the person employs one or more employees, the civil penalty is one hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation.

1 163. Labor Code § 200 defines wages as “all amounts for labor performed by employees
2 of every description, whether the amount is fixed or ascertained by the standard of time, task, piece,
3 commission basis, or other method of calculation.” All such wages are subject to California’s
4 overtime and double time requirements, including those set forth above.

5 164. Labor Code § 204(a) provides that “[a]ll wages . . . earned by any person in any
6 employment are due and payable twice during each calendar month[.]”

7 165. Labor Code § 206 provides that, “[i]n a case of a dispute over wages, the employer
8 shall pay, without condition and within the time set by this article, all wages, or parts thereof,
9 conceded by him to be due, leaving to the employee all remedies he might otherwise be entitled to
10 as to any balance claimed.”

11 166. Under Labor Code § 206(b), if the LWDA “has determined the validity of any
12 employee’s claim for wages, the claim is due and payable within 10 days after receipt of notice by
13 the employer that such wages are due.”

14 167. Labor Code § 351 provides:

15 No employer or agent shall collect, take, or receive any gratuity or a
16 part thereof that is paid, given to, or left for an employee by a patron,
17 or deduct any amount from wages due an employee on account of a
18 gratuity, or require an employee to credit the amount, or any part
19 thereof, of a gratuity against and as a part of the wages due the
20 employee from the employer. Every gratuity is hereby declared to be
21 the sole property of the employee or employees to whom it was paid,
22 given, or left for. An employer that permits patrons to pay gratuities
23 by credit card shall pay the employees the full amount of the gratuity
24 that the patron indicated on the credit card slip, without any
25 deductions for any credit card payment processing fees or costs that
26 may be charged to the employer by the credit card company.
27 Payment of gratuities made by patrons using credit cards shall be
28 made to the employees not later than the next regular payday
following the date the patron authorized the credit card payment

168. Labor Code § 353 provides that “[e]very employer shall keep accurate records of
all gratuities received by him, whether received directly from the employee or indirectly by means
of deductions from the wages of the employee or otherwise. Such records shall be open to
inspection at all reasonable hours by the department.”

1 169. Labor Code § 432.5 provides: “No employer, or agent, manager, superintendent,
2 or officer thereof, shall require an employee or applicant for employment to agree, in writing, to
3 any term or condition which is known by such employer, or agent, manager, superintendent, or
4 officer thereof to be prohibited by law.”

5 170. Labor Code § 435(a) provides that “[n]o employer may cause an audio or video
6 recording to be made of an employee in a restroom, locker room, or room designated by an
7 employer for changing clothes, unless authorized by court order.

8 171. Labor Code § 510(a) provides as follows:

9 Eight hours of labor constitutes a day’s work. Any work in excess of
10 eight hours in one workday and any work in excess of 40 hours in any
11 one workweek and the first eight hours worked on the seventh day
12 of work in any one workweek shall be compensated at the rate of no
13 less than one and one-half times the regular rate of pay for an
14 employee. Any work in excess of 12 hours in one day shall be
15 compensated at the rate of no less than twice the regular rate of pay
16 for an employee.

17 172. IWC Wage Order 16-2001(3)(A)(1) states that employees:

18 ...shall not be employed more than eight (8) hours in any workday
19 or more than 40 hours in any workweek unless the employee
20 receives one and one-half (1 ½) times such employee’s regular rate
21 of pay for all hours worked over 40 hours in the workweek.
22 Employment beyond eight (8) hours in any workday or more than
23 six (6) days in any workweek is permissible provided the employee
24 is compensated for such overtime at not less than ... [o]ne and one-
25 half (1½) times the employee’s regular rate of pay for all hours
26 worked in excess of eight (8) hours up to and including 12 hours in
27 any workday, and for the first eight (8) hours worked on the seventh
28 (7th) consecutive day of work in a workweek....

29 173. Labor Code § 1194(a) provides as follows:

30 Notwithstanding any agreement to work for a lesser wage, any
31 employee receiving less than the legal minimum wage or the legal
32 overtime compensation applicable to the employee is entitled to
33 recover in a civil action the unpaid balance of the full amount of this
34 minimum wage or overtime compensation, including interest
35 thereon, reasonable attorneys’ fees, and costs of suit.

36 174. Labor Code § 1198 makes it unlawful for employers to employ employees under
37 conditions that violate relevant Wage Order(s).
38

175. Labor Code § 2802 requires employers to indemnify employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of their duties.

176. To the extent that any violation alleged herein does not carry penalties under Labor Code § 2699(a), Hernandez seeks civil penalties pursuant to Labor Code § 2699(f) for the Aggrieved Employees for each pay period in which such employee was aggrieved, in the amounts established by Labor Code § 2699(f).

177. Hernandez seeks civil penalties under Labor Code § 2699(f) for the Library's violations of Labor Code §§ 206, 351, 353, 432.5, 435, 226.7, 510, 512, 1194, 1194.5, 1198, 1194.5, and 2802.

178. Pursuant to Labor Code § 2699.3(a)(1) and (2), Hernandez provided the LWDA with notice of her intention to file this claim on August 15, 2025.

179. More than sixty-five (65) calendar days have passed without notice from the LWDA. Thus, Hernandez satisfied all administrative prerequisites to commence this civil action.

180. Hernandez seeks the aforementioned penalties on behalf of the Aggrieved Employees and the State of California as set forth in Labor Code § 2699(g) and (i).

181. Labor Code § 2699(f)(2) provides a civil penalty of one hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation of a Labor Code provision that does not provide for a civil penalty if, at the time of the violation, the employer employs one or more employees. Labor Code § 2699(f)(2) provides for a civil penalty of two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation of a Labor Code provision that does not provide a civil penalty if, at the time of the violation, the employer employs one or more employees.

182. The Library is liable to the State of California and Aggrieved Employees for the civil penalties set forth in this Complaint.

183. Hernandez is also entitled to an award of attorneys' fees and costs.

184. Wherefore, Hernandez and the Aggrieved Employees request relief as hereinafter provided.

RELIEF REQUESTED

WHEREFORE, Hernandez, on behalf of the State of California and the Aggrieved Employees, seeks the following relief:

- a. A Declaratory Judgment that Defendants violated the Labor Code as alleged herein;
- b. An Order awarding civil penalties against Defendants to the fullest extent provided for by PAGA;
- c. For civil penalties pursuant to Labor Code §§ 1102.5, 6310, and 98.6;
- d. An award of attorneys' fees, costs, and expenses as provided by the Labor Code, including Section 2699(g)(1), Code of Civil Procedure § 1021.5, and/or any other applicable law;
- e. Pre- and post-judgment interest on any amounts awarded at the highest applicable rates allowed by law; and
- f. For such other and further relief as the Court deems just and proper.

Date: October 28, 2025

LAUREL EMPLOYMENT LAW APC

Joshua I. White, Esq.
William M. Hogg, Esq.

*Attorneys for Hernandez, on behalf of the State
of California and Aggrieved Employees*

**SUPERIOR COURT OF CALIFORNIA
COUNTY OF ORANGE**

Hernandez-Arroyo, et al. v. CBDM Redlands, LLC d/b/a The Library Gentlemen's Club, et al.

EXHIBIT 1



August 15, 2025

ELECTRONICALLY FILED

Attn: PAGA Administrator
Labor and Workforce Development Agency
1515 Clay Street, Suite 801
Oakland, California 94612
PAGAFilings@dir.ca.gov

Re: Private Attorneys General Act of 2004 (“PAGA”) Notice

Employees: Dulce Hernandez

Employer: CBDM Redlands, LLC d/b/a The Library Gentlemen’s Club
and Does 1-50

Dear PAGA Administrator:

Pursuant to California Labor Code § 2699.3(a)(1), Dulce Hernandez notifies the California Labor & Workforce Development Agency (“LWDA”) that she intends to seek civil penalties pursuant to California Labor Code § 2699(a) and (f) for violations of the following provisions of the California Labor Code by CBDM Redlands, LLC d/b/a The Library Gentlemen’s Club (“The Library”), as well as any unknown related entities involved in the alleged violations:

1. Failure to pay minimum wages (LAB. CODE §§ 1194, 1197, and 1197.1);
2. Failure to pay wages (LAB. CODE §§ 204, 510, 1194, and 1194.5);
3. Misappropriation of tips (LAB. CODE § 351);
4. Failure to properly record earned tips/gratuities (LAB. CODE § 353);
5. Failure to pay wages indisputably due (LAB. CODE § 206);
6. Unlawful reclaiming of wages, tips, or gratuities already paid to an employee (LAB. CODE § 221);
7. Prohibited employment agreement (LAB. CODE § 432.5);

8. Prohibited video recording of employees in changing/locker room (LAB. CODE § 435);
9. Failure to provide meal and rest periods and failure to provide compensation for missed meal and rest periods (LAB. CODE §§ 226.7 and 512);
10. Failure to provide timely and accurate itemized wage statements (LAB. CODE § 226);
11. Failure to reimburse for necessary business expenses (LAB. CODE § 2802); and
12. Unlawful retaliation/discrimination (LAB. CODE § 98.6).

Ms. Hernandez, who has been aggrieved by each of The Library's violative pay practices stated above, intends to bring a civil action against The Library pursuant to PAGA on behalf of herself, the State of California, and other Aggrieved Employees.¹ Specifically, the Aggrieved Employees at issue here are all of The Library's current and former non-exempt dancers/entertainers, and other employees with similar job duties, who worked in California during the relevant statutory period.

Background of The Library:

The Library runs an adult cabaret business, operating three separate clubs in Southern California. The Library runs clubs in Anaheim, Redlands, and Westminster—each location has similar operations and rules, including the same operating hours (3:00 p.m. to 2:00 a.m.) and, upon information and belief, common management and payroll systems. These clubs provide alcoholic drinks, hookah rentals (at some locations), food, and exotic dancing services to The Library's customers.

Background of Aggrieved Employees:

Ms. Hernandez is currently employed by The Library as a dancer and works at the Redlands club location. Ms. Hernandez has been employed by The Library as a dancer since approximately January 2022 through the present. The Library classified Ms. Hernandez as a non-exempt employee and pays her on an hourly rate basis. For a portion of 2025, The Library paid Ms. Hernandez less than the required minimum wage of \$16.50 per hour, and instead paid her \$16.00 per hour.

As a dancer, Ms. Hernandez provides the exotic dancing services that draw customers to The Library on a regular basis. In addition to her hourly rate of pay, Ms. Hernandez earns tips for the exotic dancing services she provides to The Library's customers. In order to provide these services, Ms. Hernandez is required to pay for various types of clothing and makeup. Specifically,

¹ For avoidance of doubt, Ms. Hernandez is not pursuing any claims against Bob Martin, Inc. She is solely pursuing claims against CBDM Redlands, LLC, as well as unknown individuals who were employed by CBDM Redlands, LLC.

she is required to wear adult cabaret-themed attire that is appropriate for an exotic dancing club like The Library. Ms. Hernandez pays for these necessary clothing and makeup items out of pocket.

The Aggrieved Employees, like Ms. Hernandez, are employed by The Library as dancers or entertainers who provide the exotic dancing services at The Library. Like Ms. Hernandez, the Aggrieved Employees are non-exempt employees, are paid by the hour, and earn tips from The Library's customers for the exotic dancing services they provide.

Allegations:

The Library failed to pay Ms. Hernandez and the other Aggrieved Employees at the correct minimum wage rate, at least for a portion of time. Upon information and belief, The Library fails to update its payroll system to account for annual increases in the minimum wage rates set by the California Labor Code and IWC Wage Order(s). For example, for a portion of 2025, Ms. Hernandez and other Aggrieved Employees were paid at a rate of \$16.00 per hour when the minimum wage rate was \$16.50 per hour. Upon information and belief, The Library failed to properly update its pay practices to account for this annual increase in the state minimum wage rate and failed to provide retroactive payment for these wages. The difference in the wage rate paid (\$16.00 per hour) and the wage rate that should have been paid (at least \$16.50 per hour) constitutes wages indisputably owed by The Library to Ms. Hernandez and the other Aggrieved Employees.

The Library also illegally records Ms. Hernandez and the Aggrieved Employees in their designated locker/changing room through a camera system, in violation of Labor Code § 435. Upon information and belief, there is no court order in place allowing The Library to film Ms. Hernandez and the Aggrieved Employees in this locker/changing room.

The Library, including its managing employees and agents, also regularly require, instruct, or pressure dancers like Ms. Hernandez and the Aggrieved Employees to share portions of their earned tips with other employees at The Library, including employees who do not customarily earn tips such as managerial employees, disc jockeys, security, and "trackers" (*i.e.*, the employees at the club who track the number of dances performed by each exotic dancer, as well as track their earned tips for tax-reporting purposes). On average, Ms. Hernandez is pressured or expected to share approximately 10% of her tips earned on a given night with each employee, meaning she would be required to share 10% of her tips with the manager on duty, another 10% with security, another 10% with the DJ, and another 10% with the "tracker." In total, Ms. Hernandez and other Aggrieved Employees are regularly required, instructed, or pressured to share upwards of 30%-to-40% of their earned tips with The Library's other employees each night worked. Upon information and belief, there is no tip-sharing or tip-pooling agreement at The Library.

The Library also sets a "quota" for dancers like Ms. Hernandez and the Aggrieved Employees to meet for the number of private dances or champagne room/VIP room sessions booked per night. This "quota" is dependent on the day of the week, and time of day, worked. The quota is as follows:

Shift Start Time	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
3pm - 3:59pm	6 dances	6 dances	6 dances	6 dances	6 dances	6 dances	6 dances
4pm - 4:59pm	7 dances	7 dances	7 dances	7 dances	7 dances	7 dances	7 dances
5pm - 6:59pm	7 dances	8 dances	7 dances	8 dances	8 dances	8 dances	7 dances
7pm - 8:59pm	8 dances	9 dances	8 dances	9 dances	9 dances	9 dances	8 dances
9pm - 9:59pm	9 dances	10 dances	9 dances	10 dances	10 dances	10 dances	9 dances
10pm - 10:30pm	10 dances	11 dances	10 dances	11 dances	11 dances	11 dances	10 dances

This means, if a dancer like Ms. Hernandez works a shift on Wednesday and starts their shift some time between 7:00 p.m. and 8:59 p.m., they are expected to perform at least 8 private dances during their shift. The Library’s “trackers” (*i.e.*, supervisory employees who track and record the number of private dances performed by dancers like Ms. Hernandez and the Aggrieved Employees) are responsible for ensuring the dancers meet this “quota.” The Library sets the price of private dances at \$100 per dance, which is paid by the customer directly to the club through the “tracker.”

The Library, however, keeps all proceeds from these quota-eligible services up to and including the total amount earned by the dancer (*e.g.*, if a dancer has a quota of 6 dances and she performed 6 dances in her shift at \$100 per dance, The Library keeps the entire \$600 generated from those private dances). Private dances performed in excess of the quota are generally split between The Library and the Aggrieved Employee dancer at a rate of 20/80, with \$20 of the \$100 dance fee being retained by The Library and the dancer receiving the remaining \$80 as gratuity payments. Upon information and belief, there is no separate written agreement delineating this “commission”-type of arrangement, nor is there any separate agreement stating The Library is authorized to keep these portion of private dance payments.

There is no meaningful difference in the type, kind, or quality of services provided by the dancer to the customer for “Private Dances” that count toward the quota as those dances where the amounts paid are considered tips/gratuities. In effect, these private dances constitute tips/gratuity payments from The Library’s customers to the dancers for the exotic dancing services provided. However, The Library improperly characterizes these gratuity payments as a “service fee” and wrongly retains portions of these tips for itself. Additionally, by setting a “quota” and retaining all monies paid by customers toward such “quota,” The Library is, in effect, improperly retaining all tips/gratuities paid by customers for the dances provided by Ms. Hernandez and the Aggrieved Employees up to the quota amount. This “quota” agreement constitutes an improper attempt by The Library to reclaim tips and gratuities already paid by The Library’s customers to the Aggrieved Employees. This type of agreement to improperly reclaim tips and/or falsely characterize tips/gratuities as “paid services” is prohibited by California law.

As told by The Library, any money paid, handed, or otherwise given by a customer directly to the dancer (rather than to a “tracker” for a service provided by the dancer) is considered a gratuity. This money does not count toward the “quota” and is the dancer’s property. Upon

information and belief, these tips/gratuity payments are not recorded in The Library's gross sales receipts.

On average, dancers like Ms. Hernandez and the other Aggrieved Employees work upwards of 6 hours per shift. If they work in excess of 6 hours per shift, the dancers' "quota" increases by 2 dances for each additional hour worked. Ms. Hernandez and the Aggrieved Employees are also not allowed to work over 6 hours in a workday unless The Library's manager gives them permission to do so.

The Library's policies, practices, and procedures cause Ms. Hernandez and the other Aggrieved Employees to systematically miss their meal and/or rest periods. For example, despite routinely working upwards of 6 hours per workday and above, The Library does not permit or ensure Ms. Hernandez and the Aggrieved Employees receive a fully-compliant and timely meal period. The Library likewise fails to provide or ensure Ms. Hernandez and the Aggrieved Employees receive a 10-minute rest period for each 4 hours of work. Despite The Library's failure to provide timely and compliant meal and rest periods, The Library does not provide Ms. Hernandez and the other Aggrieved Employees with premium payments for non-compliant meal and rest periods. Ms. Hernandez and the Aggrieved Employees are frequently denied meal and/or rest periods for various reasons, including that The Library does not authorize, permit, and/or make available timely meal and/or rest periods to them, and/or Ms. Hernandez and the other Aggrieved Employees are often too busy with work in order to make their daily "quota" each workday to have time to take a bona fide meal and/or rest period. The Library also does not monitor, take steps, or otherwise reasonably attempt to ensure meal and rest periods are made available to Ms. Hernandez and the other Aggrieved Employees. Further, when Ms. Hernandez and the other Aggrieved Employees do attempt to take a meal period, they are often short, subject to interruption, and/or untimely, *i.e.*, after the end of the 5th hour of work. As a result, Ms. Hernandez and the Aggrieved Employees are not provided with duty-free, uninterrupted, and timely 30-minute meal periods by the end of the 5th hour of work.

Additionally, Ms. Hernandez and the other Aggrieved Employees are not provided with uninterrupted, 10-minute rest periods, while completely relieved of any duty and/or control by Pearce, by the end of the 4th hour of work, and each four hours of work or major fraction thereof.

Further, Ms. Hernandez and the other Aggrieved Employees are required to purchase necessary clothing items and makeup using their own money. These clothing items are of a specific kind and variety, namely attire one would normally see at an adult cabaret/exotic dancing establishment. Despite requiring Ms. Hernandez and the other Aggrieved Employees to purchase these clothing items and makeup in order to perform their jobs as dancers/entertainers, The Library does not reimburse these dancers/entertainers for such out-of-pocket expenses.

As outlined herein, Ms. Hernandez and the other Aggrieved Employees are not compensated for all hours worked, all wages owed, all tips generated, and are not paid premium payments for missed meal and rest periods. The Library's violative policies and practices result in non-compliant wage statements. Among other things, the wage statements The Library provides

fail to accurately reflect the gross wages earned, premium payments owed, all deductions applied (including tip claw-backs), and net wages earned. Therefore, Ms. Hernandez and the other Aggrieved Employees do not receive accurate, itemized wage statements as required under the Labor Code.

After Ms. Hernandez hired an attorney and raised complaints about these various substandard working conditions and wage violations, The Library, including its managers and supervisory employees, began discriminating against Ms. Hernandez after she retained counsel and asserted her rights. Among other things, The Library's managers and supervisory employees left Ms. Hernandez off of stage rotations, negatively impacting her ability to earn tips, and likewise declined to assist Ms. Hernandez when she reported a rude customer who touched her inappropriately.

Ms. Hernandez is represented by Laurel Employment Law APC. Laurel Employment Law APC has extensive experience in the successful litigation and resolution of employment and representative actions. A description of the work, mission, and credentials of the firms can be found at www.laurelemploymentlaw.com. Ms. Hernandez and her counsel are committed to zealously pursuing redress on behalf of the State of California and all other similarly situated employees for the violations and civil penalties set forth above.

If I can be of any assistance, please do not hesitate to contact me. We would appreciate hearing from the LWDA at its earliest convenience, and we thank you for your careful consideration of this matter.

Sincerely,



William M. Hogg (SBN 338196)
LAUREL EMPLOYMENT LAW APC
808 Wilshire Boulevard, Suite 200
Santa Monica, California 90401
Tel: (323) 285-6131
Fax: (323) 551-9319
william@laurelemploymentlaw.com

CC via Certified Mail:
CBDM Redlands, LLC
c/o: C T Corporation System
330 North Brand Boulevard
Glendale, California

CC via Email:
Jared Speier (jspeier@stradlinglaw.com)
STRADLING YOCCA CARLSON & RAUTH LLP

CM-010

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address): William M. Hogg (SBN 338196) LAUREL EMPLOYMENTLAW APC, 808 Wilshire Blvd., Ste. 200, Santa Monica, CA 90401 TELEPHONE NO.: 323-551-9221 FAX NO.: 310-564-4093 EMAIL ADDRESS: william@laurelemploymentlaw.com ATTORNEY FOR (Name): Plaintiff Dulce Hernandez-Arroyo		FOR COURT USE ONLY
SUPERIOR COURT OF CALIFORNIA, COUNTY OF ORANGE STREET ADDRESS: 751 West Santa Ana Boulevard MAILING ADDRESS: CITY AND ZIP CODE: Santa Ana, CA 92701 BRANCH NAME: Civil Complex Center		
CASE NAME: Hernandez-Arroyo vs. CBDM Redlands, LLC		
CIVIL CASE COVER SHEET ☒ Unlimited (Amount demanded exceeds \$35,000) ☐ Limited (Amount demanded is \$35,000 or less)	Complex Case Designation ☐ Counter ☐ Joinder Filed with first appearance by defendant (Cal. Rules of Court, rule 3.402)	CASE NUMBER: 30-2025-01522529-CU-OE-CXC JUDGE: Judge Melissa R. McCormick DEPT.: CX105

Items 1–6 below must be completed (see instructions on page 2).

1. Check **one** box below for the case type that best describes this case:

Auto Tort ☐ Auto (22) ☐ Uninsured motorist (46) Other PI/PD/WD (Personal Injury/Property Damage/Wrongful Death) Tort ☐ Asbestos (04) ☐ Product liability (24) ☐ Medical malpractice (45) ☐ Other PI/PD/WD (23) Non-PI/PD/WD (Other) Tort ☐ Business tort/unfair business practice (07) ☐ Civil rights (08) ☐ Defamation (13) ☐ Fraud (16) ☐ Intellectual property (19) ☐ Professional negligence (25) ☐ Other non-PI/PD/WD tort (35) Employment ☐ Wrongful termination (36) ☒ Other employment (15)	Contract ☐ Breach of contract/warranty (06) ☐ Rule 3.740 collections (09) ☐ Other collections (09) ☐ Insurance coverage (18) ☐ Other contract (37) Real Property ☐ Eminent domain/Inverse condemnation (14) ☐ Wrongful eviction (33) ☐ Other real property (26) Unlawful Detainer ☐ Commercial (31) ☐ Residential (32) ☐ Drugs (38) Judicial Review ☐ Asset forfeiture (05) ☐ Petition re: arbitration award (11) ☐ Writ of mandate (02) ☐ Other judicial review (39)	Provisionally Complex Civil Litigation (Cal. Rules of Court, rules 3.400–3.403) ☐ Antitrust/Trade regulation (03) ☐ Construction defect (10) ☐ Mass tort (40) ☐ Securities litigation (28) ☐ Environmental/Toxic tort (30) ☐ Insurance coverage claims arising from the above listed provisionally complex case types (41) Enforcement of Judgment ☐ Enforcement of judgment (20) Miscellaneous Civil Complaint ☐ RICO (27) ☐ Other complaint (not specified above) (42) Miscellaneous Civil Petition ☐ Partnership and corporate governance (21) ☐ Other petition (not specified above) (43)
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2. This case ☒ is ☐ is not complex under rule 3.400 of the California Rules of Court. If the case is complex, mark the factors requiring exceptional judicial management:
- a. ☐ Large number of separately represented parties d. ☒ Large number of witnesses
- b. ☒ Extensive motion practice raising difficult or novel issues that will be time-consuming to resolve e. ☒ Coordination with related actions pending in one or more courts in other counties, states, or countries, or in a federal court
- c. ☒ Substantial amount of documentary evidence f. ☐ Substantial postjudgment judicial supervision
3. Remedies sought (check all that apply): a. ☒ monetary b. ☒ nonmonetary; declaratory or injunctive relief c. ☐ punitive
4. Number of causes of action (specify): 2: Civil Penalties Pursuant to PAGA, Labor Code § 2699(a) and (f)
5. This case ☐ is ☒ is not a class action suit.
6. If there are any known related cases, file and serve a notice of related case. (You may use form CM-015.)

Date: 10/29/2025

William M. Hogg

(TYPE OR PRINT NAME)

(SIGNATURE OF PARTY OR ATTORNEY FOR PARTY)

NOTICE

- Plaintiff must file this cover sheet with the first paper filed in the action or proceeding (except small claims cases or cases filed under the Probate Code, Family Code, or Welfare and Institutions Code). (Cal. Rules of Court, rule 3.220.) Failure to file may result in sanctions.
- File this cover sheet in addition to any cover sheet required by local court rule.
- If this case is complex under rule 3.400 et seq. of the California Rules of Court, you must serve a copy of this cover sheet on all other parties to the action or proceeding.
- Unless this is a collections case under rule 3.740 or a complex case, this cover sheet will be used for statistical purposes only.

Page 1 of 2

INSTRUCTIONS ON HOW TO COMPLETE THE COVER SHEET

CM-010

To Plaintiffs and Others Filing First Papers. If you are filing a first paper (for example, a complaint) in a civil case, you **must** complete and file, along with your first paper, the Civil Case Cover Sheet contained on page 1. This information will be used to compile statistics about the types and numbers of cases filed. You must complete items 1 through 6 on the sheet. In item 1, you must check **one** box for the case type that best describes the case. If the case fits both a general and a more specific type of case listed in item 1, check the more specific one. If the case has multiple causes of action, check the box that best indicates the **primary** cause of action. To assist you in completing the sheet, examples of the cases that belong under each case type in item 1 are provided below. A cover sheet must be filed only with your initial paper. Failure to file a cover sheet with the first paper filed in a civil case may subject a party, its counsel, or both to sanctions under rules 2.30 and 3.220 of the California Rules of Court.

To Parties in Rule 3.740 Collections Cases. A "collections case" under rule 3.740 is defined as an action for recovery of money owed in a sum stated to be certain that is not more than \$25,000, exclusive of interest and attorney's fees, arising from a transaction in which property, services, or money was acquired on credit. A collections case does not include an action seeking the following: (1) tort damages, (2) punitive damages, (3) recovery of real property, (4) recovery of personal property, or (5) a prejudgment writ of attachment. The identification of a case as a rule 3.740 collections case on this form means that it will be exempt from the general time-for-service requirements and case management rules, unless a defendant files a responsive pleading. A rule 3.740 collections case will be subject to the requirements for service and obtaining a judgment in rule 3.740.

To Parties in Complex Cases. In complex cases only, parties must also use the Civil Case Cover Sheet to designate whether the case is complex. If a plaintiff believes the case is complex under rule 3.400 of the California Rules of Court, this must be indicated by completing the appropriate boxes in items 1 and 2. If a plaintiff designates a case as complex, the cover sheet must be served with the complaint on all parties to the action. A defendant may file and serve no later than the time of its first appearance a joinder in the plaintiff's designation, a counter-designation that the case is not complex, or, if the plaintiff has made no designation, a designation that the case is complex.

CASE TYPES AND EXAMPLES

Auto Tort

Auto (22)–Personal Injury/Property Damage/Wrongful Death
Uninsured Motorist (46) (*if the case involves an uninsured motorist claim subject to arbitration, check this item instead of Auto*)

Other PI/PD/WD (Personal Injury/Property Damage/Wrongful Death) Tort

Asbestos (04)
Asbestos Property Damage
Asbestos Personal Injury/Wrongful Death
Product Liability (*not asbestos or toxic/environmental*) (24)
Medical Malpractice (45)
Medical Malpractice–Physicians & Surgeons
Other Professional Health Care Malpractice
Other PI/PD/WD (23)
Premises Liability (e.g., slip and fall)
Intentional Bodily Injury/PD/WD (e.g., assault, vandalism)
Intentional Infliction of Emotional Distress
Negligent Infliction of Emotional Distress
Other PI/PD/WD

Non-PI/PD/WD (Other) Tort

Business Tort/Unfair Business Practice (07)
Civil Rights (e.g., discrimination, false arrest) (*not civil harassment*) (08)
Defamation (e.g., slander, libel) (13)
Fraud (16)
Intellectual Property (19)
Professional Negligence (25)
Legal Malpractice
Other Professional Malpractice (*not medical or legal*)
Other Non-PI/PD/WD Tort (35)

Employment

Wrongful Termination (36)
Other Employment (15)

Contract

Breach of Contract/Warranty (06)
Breach of Rental/Lease
Contract (*not unlawful detainer or wrongful eviction*)
Contract/Warranty Breach–Seller Plaintiff (*not fraud or negligence*)
Negligent Breach of Contract/Warranty
Other Breach of Contract/Warranty
Collections (e.g., money owed, open book accounts) (09)
Collection Case–Seller Plaintiff
Other Promissory Note/Collections Case
Insurance Coverage (*not provisionally complex*) (18)
Auto Subrogation
Other Coverage
Other Contract (37)
Contractual Fraud
Other Contract Dispute

Real Property

Eminent Domain/Inverse Condemnation (14)
Wrongful Eviction (33)
Other Real Property (e.g., quiet title) (26)
Writ of Possession of Real Property
Mortgage Foreclosure
Quiet Title
Other Real Property (*not eminent domain, landlord/tenant, or foreclosure*)

Unlawful Detainer

Commercial (31)
Residential (32)
Drugs (38) (*if the case involves illegal drugs, check this item; otherwise, report as Commercial or Residential*)

Judicial Review

Asset Forfeiture (05)
Petition Re: Arbitration Award (11)
Writ of Mandate (02)
Writ–Administrative Mandamus
Writ–Mandamus on Limited Court Case Matter
Writ–Other Limited Court Case Review
Other Judicial Review (39)
Review of Health Officer Order
Notice of Appeal–Labor Commissioner Appeals

Provisionally Complex Civil Litigation (Cal. Rules of Court Rules 3.400–3.403)

Antitrust/Trade Regulation (03)
Construction Defect (10)
Claims Involving Mass Tort (40)
Securities Litigation (28)
Environmental/Toxic Tort (30)
Insurance Coverage Claims (*arising from provisionally complex case type listed above*) (41)

Enforcement of Judgment

Enforcement of Judgment (20)
Abstract of Judgment (Out of County)
Confession of Judgment (*non-domestic relations*)
Sister State Judgment
Administrative Agency Award (*not unpaid taxes*)
Petition/Certification of Entry of Judgment on Unpaid Taxes
Other Enforcement of Judgment Case

Miscellaneous Civil Complaint

RICO (27)
Other Complaint (*not specified above*) (42)
Declaratory Relief Only
Injunctive Relief Only (*non-harassment*)
Mechanics Lien
Other Commercial Complaint Case (*non-tort/non-complex*)
Other Civil Complaint (*non-tort/non-complex*)

Miscellaneous Civil Petition

Partnership and Corporate Governance (21)
Other Petition (*not specified above*) (43)
Civil Harassment
Workplace Violence
Elder/Dependent Adult Abuse
Election Contest
Petition for Name Change
Petition for Relief From Late Claim
Other Civil Petition