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August 15, 2025

VIA WEBSITE UPLOAD

State of California
Labor and Workforce Development Agency

VIA CERTIFIED MAIL (RETURN RECEIPT REQUESTED)

TileImpact, Inc.
3392 Seidon Court
Fremont, CA 94539

Re: *Serna v. TileImpact, Inc.*

Dear TileImpact, Inc.:

This office represents Juan Lopez Serna. We are informing you of our representation and ask that all further communication regarding this matter be directed to our attention at the address located on this letterhead, and that no contact be made directly with our client. This letter is sent pursuant to the provisions of California Labor Code, §§2699, *et seq.*

I. FACTS & NATURE OF THE DISPUTE

This is a Class Action lawsuit Plaintiff is bringing, seeking relief for Defendant's violations of the California Business & Professions Code §§ 17200 *et seq.*, including full restitution and disgorgement of all compensation retained by Defendant as a result of its unlawful and unfair business practices, as well as injunctive relief.

This action is on behalf of Plaintiff and others similarly situated to recover wages from Defendant due to Defendant's systematic failure to pay overtime/double time, minimum wages, provide timely meal/rest breaks (or pay the statutory compensation due), to issue accurate wage statements, pay wages on termination, pay sick pay, reimburse business expenses and to allow inspection of employment records and unfair competition.

Plaintiff seeks compensatory, statutory, declaratory, and injunctive relief for himself and all members of the Class, to compensate these workers for the unpaid wages and to protect current

and future workers of Defendant from being subjected to similar wage theft and otherwise unlawful working conditions.

II. § 2699, ET SEQ., LABOR CODE VIOLATIONS

Our client has numerous legal claims against TileImpact, Inc. Further investigation and formal discovery will likely uncover other claims and additional facts supporting liability herein.

The details of our client's Labor Code, §2699, claims include, but are not limited to:

A. OFF THE CLOCK WORK

(Labor Code § 203, 226, 510, 558, 1197, 1197.1, and 2699(f)(2); IWC Wage Order No. 16)

Defendant was required to pay their employees for all time worked, even if employees were not clocked in or after they were clocked out. Defendant failed to pay Plaintiff and the Class for any off the clock work they performed.

Specifically, at all times relevant, Plaintiff and Class members consistently worked hours for which they were not paid because Plaintiff and the Class members were required to engage in pre- and post-shift activities while off the clock. Plaintiff and Class members were asked to arrive early prior to the start of their shifts and begin working, but not clock in. Further, Plaintiff and Class members were routinely required to answer calls after clocking out for their shifts. Plaintiff and Class members worked approximately 1 hour off the clock each week. Plaintiff and Class members were not compensated for this off the clock work.

As a direct and proximate result of Defendant's failure and refusal to pay for Plaintiff and Class members' off the clock work, Plaintiff and Class members suffered damages in an amount to be proven at trial.

B. FAILURE TO PAY PREMIUM OVERTIME/DOUBLE TIME WAGES DUE

(Cal. Labor Code §§ 510, 511, 558, 1194, 1198, IWC Wage Order No. 16)

Under California law, non-exempt employees as defined by IWC Wage Order No. 16, are entitled to premium wages for overtime/double time worked. At times Plaintiff and Class members were not paid for their overtime and double time work and were required to engage in off the clock activities. Further, when Plaintiff and Class members worked in excess of 12 hours per day, they were not paid double time.

As a result, Defendant failed to pay Plaintiff and Class members all overtime/double time wages due. Monies for unpaid overtime/double time remain due and owing.

Throughout Plaintiff's employment, Defendant failed and refused to pay compensation to Plaintiff and Class members as required by law. The foregoing overtime/double time compensation is owed and unpaid. As a direct and proximate result of Defendant's failure and refusal to pay overtime/double time, Plaintiff and Class members suffered damages in an amount to be proven at trial.

C. FAILURE TO PAY MINIMUM WAGES

(Cal. Labor Code §§1194, 1194.2, 1997, 1197.1, 1198, IWC Wage Order No. 16)

Defendant failed to satisfy minimum wage requirements. As a result of Defendant not affording Plaintiff and Class members compliant meal/rest breaks, Plaintiff and members of the Class were paid less than minimum wage. Further, Plaintiff and Class members' hours were rounded down. This resulted in Defendant's failure to compensate Plaintiff properly for "all hours worked" and consequently underpaid Plaintiff and Class members for the actual hours Plaintiff and Class members worked in violation of *Labor Code* §§ 1197, 1198 and Wage Order No. 16.

D. FAILURE TO PROVIDE MEAL PERIODS

(Cal. Labor Code § 226.7, IWC Wage Order No. 16)

Plaintiff and Class members' meal breaks were interrupted and/or not afforded.

By virtue of Defendant's unlawful failure to provide compliant meal periods to Plaintiff and the Class, Plaintiff and the Class have suffered, and will continue to suffer, damages in amounts which are presently unknown to Plaintiff and the Class, but which exceed the jurisdictional limits of the Court and which will be ascertained according to proof at trial.

E. FAILURE TO PROVIDE REST PERIODS

(Cal. Labor Code § 226.7, IWC Wage Order No. 16)

Plaintiff and Class members were never afforded any rest breaks.

By virtue of Defendant's unlawful failure to provide compliant rest periods to Plaintiff and the Class, Plaintiff and the Class have suffered, and will continue to suffer, damages in amounts which are presently unknown to Plaintiff and the Class, but which exceed the jurisdictional limits of the Court and which will be ascertained according to proof at trial.

F. FAILURE TO MAINTAIN RECORDS AND PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

(Cal. Labor Code §226)

Defendant intentionally and knowingly provided Plaintiff and other members of the Class with weekly itemized wage statements containing inaccurate information regarding the wages earned by Plaintiff and members of the Class in that the payments

owed to Plaintiff and the members of the Class for overtime/double time compensation, minimum wages, meal/rest periods on duty and sick pay wages were not included in gross wages earned by Plaintiff and members of the Class.

Plaintiff and members of the Class were damaged by these failures because, among other things, the failures led them to believe that they were not entitled to overtime/double time compensation, minimum wages, pay for meal/rest periods not compliant and sick pay, even though they were so entitled and these failures hindered them from determining the amounts of wages owed to them.

G. FAILURE TO PAY WAGES ON TERMINATION AND/OR RESIGNATION

(Cal. Labor Code §§201-203; IWC Wage Order No. 16)

Plaintiff and the Class were discharged and/or resigned from Defendant's employ and Defendant willfully failed to pay Plaintiff and the Class wages due them.

Plaintiff and Class members were not paid for all the wages they were owed when their employment with Defendant ended. Plaintiff and Class members are still owed wages for overtime/double time compensation, minimum wages, meal/rest periods not afforded, sick pay, and other wages.

H. FAILURE TO REIMBURSE BUSINESS EXPENSES

(Cal. Labor Code §2802)

Defendant was aware that Plaintiff and Class members were using their personal cell phones and vehicles for business, but failed to indemnify Plaintiff and Class members for all their business-related expenses, in accordance with Labor Code §2802. Plaintiff is informed and believes and thereon alleges that at all relevant times, Defendants maintained a practice of not reimbursing Plaintiff and Class members for their work-related expenses that they incurred in using their cell phones and vehicles for work-related purposes.

Plaintiff and Class members suffered damages in an amount, subject to proof, to the extent they were not reimbursed for all of their business-related expenses incurred in the discharge of their duties. An employer may never impose a financial burden on employees, with respect to business-related expenses, which would reduce the employees' wage rate below the minimum wage.

I. FAILURE TO PAY SICK PAY WAGES

(Cal. Labor Code §§201-204, 218, 218.5, 233, 245, 246 et seq.; IWC Wage Order No. 16)

Defendant acted intentionally and with deliberate disregard to the rights of Plaintiff and members of the Class by failing to pay proper sick pay wages because shift differentials were not blended into their sick pay rate.

Plaintiff and Class members were damaged by these failures because, among other things, the failures led them to believe that they were not entitled to shift differentials being included in their sick pay, even though they were so entitled and these failures hindered them from determining the amounts of wages owed to them.

J. FAILURE TO ALLOW INSPECTION OF EMPLOYMENT RECORDS
(Cal. Labor Code §1198.5, IWC Wage Order No. 16)

On or about August 15, 2025, Plaintiff's counsel issued a written request to you for copies of his personnel records. You have failed and refused to permit Plaintiff to have access to copies of his records.

As a result of your failure and refusal to permit Plaintiff to have full access to his records, Plaintiff will seek injunctive relief and recovery of statutory penalties.

K. UNFAIR COMPETITION
(Cal. Bus. & Prof. Code §§17200 et seq.)

Defendant, through the unfair and unlawful business practices as described herein, has obtained valuable property, money and services from the Plaintiff and the Class and has deprived them of valuable rights and benefits guaranteed by law all to the detriment of Plaintiff and the Class. All the acts described are violations of, among other things, the Labor Code and applicable Industrial Commission Wage Orders, are unlawful and in violation of public policy; and in addition are immoral, unethical, oppressive, and unscrupulous, and thereby constitute unfair and unlawful business practices in violation of Business & Professions Code §§ 17200 *et seq.*

Plaintiff and the Class are entitled to, and are, seeking such relief as may be necessary to restore to them the money and property which Defendant has acquired, or of which Plaintiff and the Class have been deprived by means of the above-described unfair and unlawful business practices.

Moreover, Plaintiff, and all other similarly aggrieved California employees, intend to seek all penalties for the violations described above. Moreover, Plaintiff also intends to recover the actual wages owed to employees under the Labor Code sections that authorize such recovery, including but not limited to Labor Code §558.

III. CONCLUSION

Please take notice this letter is intended to exhaust the pre-litigation requirements set forth under California Labor Code, §§2699, *et seq.* By law, an employee alleging a violation of one of the above-referenced sections must notify his or her employer and the Labor and Workforce Development Agency (LWDA) before he or she can invoke the provisions of §2699, *et seq.*, by seeking redress in court. (Labor Code § 2699.3(a)(1).) The LWDA must then notify the employer

and the employee within 33 calendar days regarding whether it intends to investigate the alleged violation. (Labor Code, §2699.3(a)(2)(B).) If the LWDA advises that it will not investigate, or if no notice is provided within 33 calendar days, the employee may file a lawsuit invoking the provisions under Labor Code, §2699. (Labor Code, §2699.3(a)(2)(A).) It is the intention of this office to file a civil complaint and to bring the appropriate claims under Labor Code, §2699, should your office not address these matters within the proscribed time.

We write this letter subject to and without waiver of our client's rights and remedies, all of which we expressly reserve. This letter is not an express statement of all facts and circumstances concerning this matter.

Sincerely,

LIPELES LAW GROUP, APC

A handwritten signature in blue ink, appearing to read 'K. Lipeles', is positioned above the printed name.

Kevin A. Lipeles, Esq.