



NOTICE OF LABOR CODE VIOLATIONS - PAGA
(Labor Code § 2699.3)

DATE September 15, 2025

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RECIPIENTS California Labor and Workforce Development Agency
PAGAfiling@dir.ca.gov

SUBJECT: JOANN FRANCINE MARTINEZ V. COURTYARD POST ACUTE LLC;
SUN MAR MANAGEMENT SERVICES — NOTICE OF LABOR CODE
VIOLATIONS UNDER CAL. LABOR CODE §2699.3

To LWDA and to Employer:

This office represents JOANN FRANCINE MARTINEZ (“Ms. Martinez” or “Complainant”) with respect to her claims against COURTYARD POST ACUTE LLC (“Courtyard”), and SUN MAR MANAGEMENT SERVICES (“Sun Mar”) (collectively referred to as “Employers”) for violations of the California Labor Code and IWC Wage Orders. This letter is being sent simultaneously to Employers by certified mail. Employers individually or jointly exercised control over the wages, hours, or working conditions, either directly or indirectly, of Complainant and Aggrieved Employees, and are thus, “employers” or joint employers under California law, and are jointly and severally liable for the violations set forth herein.

COURTYARD POST ACUTE LLC is a California limited liability company doing business in California. SUN MAR MANAGEMENT SERVICES is a California corporation doing business in the State of California. Employers employed Ms. Martinez from approximately December 2023, to about June 2025. During her employment with Employers, Ms. Martinez was employed as a nurse at Employers’ business located at 340 Northlake Dr San Jose, CA 95129.

Ms. Martinez intends to seek penalties for violations of the California Labor Code which are recoverable under California Labor Code section 2698, et seq., the Private Attorneys General Act of 2004 (“PAGA”). Ms. Martinez is seeking penalties on behalf of herself and in a representative capacity on behalf of the State of California and all current and former non-exempt employees of any of the Employers working within California holding various positions who experienced at least one or more of the same violations as Complainant as set forth in this notice. (“Aggrieved Employees”). This letter is being sent in compliance with California Labor Code section 2699.3.

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As detailed below, Employer violated several of California's wage and hour laws during Complainant's employment, including but not limited to violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 227.3, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and the applicable Industrial Welfare Commission Wage Orders ("IWC Wage Order"). The claims made on behalf of Complainant and Aggrieved Employees are based upon the following facts and theories:

1. FAILURE TO PAY FOR ALL TIME WORKED AT CORRECT RATES OF PAY, INCLUDING MINIMUM WAGES, STRAIGHT TIME WAGES, AND OVERTIME COMPENSATION

Employers have engaged in numerous unlawful practices which resulted in the failure to pay Complainant and Aggrieved Employees for all time worked at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation. Complainant and Aggrieved Employees were provided non-discretionary pay that was not incorporated in their regular rate of pay, thus, causing underpayment of wages and premium payments, including but not limited to meal and rest period premiums and overtime and double time compensation.

First, Employers regularly require Complainant and Aggrieved Employees to work off-the-clock in order to complete their duties and responsibilities. This off-the-clock work included, amongst other things, requiring Complainant and Aggrieved Employees to: (1) respond to Employers and work-related requests and perform work while clocked out for purported meal breaks; (2) perform work before clocking in for the start of their shift; and (3) perform work after clocking out for the end of their shift. Complainant and Aggrieved Employees were not compensated for this off-the-clock work, resulting in a failure to pay minimum wages and straight time wages. Specifically, Employers required Complainant to work at least 15 minutes after clocking out of her shift to organize and restock supplies in the nurses station. Additionally, Complainant was required to assist patients while off the clock. Further, Complainant was required to come in on her day off to take part in audits. Complainant and Aggrieved Employees were not compensated for this off-the-clock work, resulting in a failure to pay minimum wages and straight time wages.

Employer also failed to accurately record the actual time worked by Complainant and Aggrieved Employees. Complainant is informed and believes that Employer unlawfully adjusted Complainant and Aggrieved Employees' time records such that the time records do not accurately reflect the start and end times of their shifts. Finally, and as a matter of policy and/or practice, Employer failed to pay overtime to Complainant and Aggrieved Employees for all overtime hours worked based on regular rates of pay correctly calculated to include all applicable remuneration and all compensable work time.

As a result of the foregoing practices, Employer has failed to pay Complainant and Aggrieved Employees all owed wages for all wages earned at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation. Accordingly, Employers violated the applicable IWC Wage Order and California Labor Code sections 204, 510, 1194, 1197, 1197.1 and 1198.

Complainant and Aggrieved Employees will therefore seek PAGA default penalties; penalties pursuant to paragraph (20)(A) of the applicable IWC Wage Order; penalties pursuant to California Labor Code sections 558, 1197.1, and 1199; and attorneys' fees and costs.

2. FAILURE TO PROVIDE MEAL PERIODS AND PAY MEAL PERIOD PREMIUMS

Employers required Complainant and Aggrieved Employees to work more than five (5) hours per day but were not provided with uninterrupted 30-minute meal periods. Further, Complainant and Aggrieved Employees were not provided with a second uninterrupted 30-minute meal period when they worked over ten (10) hours per day. Employers regularly required Complainant and Aggrieved Employees to work through their first and second meal periods, to take their first meal period after their fifth (5th) hour of work, and/or to take their second meal periods after their tenth (10th) hour of work. On the occasions that Complainant and Aggrieved Employees did take a meal period, their meal periods were frequently interrupted or cut short. Specifically, Complainant's supervisors regularly interrupted her rest breaks and meal breaks to ask her questions regarding patients and medication. Further, if a patient needed immediate attention, Complainant was required to come back from her rest break or meal break to attend to the patient.

Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Complainant and Aggrieved Employees from taking timely, complete and duty-free meal periods because, amongst other reasons: (1) Employer did not have legally-compliant policies regarding the provision and timing of meal periods or systematically disregarded its own purported meal period policies; (2) Employer's management at various levels, affecting all non-exempt employees, failed and refused to implement and enforce legally compliant meal period policies and practices; (3) Employer failed to adequately inform and train Complainant and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free meal periods; (4) Employer failed to adequately inform and train Complainant and other Aggrieved Employees about their right to premium wages for non-compliant meal periods; (5) Employer failed to ensure that there was adequate staffing to allow Complainant and other Aggrieved Employees to take timely, uninterrupted, and duty-free meal periods; and (6) Employer's policy and culture prevented Complainant and other Aggrieved Employees from taking timely, uninterrupted, and duty-free meal periods because of the priority placed on completing job requirements over employees' right to receive timely, uninterrupted, and duty-free meal periods.

Accordingly, Employers violated of the applicable IWC Wage Order and California Labor Code sections 226.7(a), 512(a) and 1198.

Complainant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties of the applicable IWC Wage Order; penalties pursuant to California Labor Code California Labor Code sections 558 and 1199; and attorneys' fees and costs.

3. FAILURE TO AUTHORIZE AND PERMIT REST PERIODS AND PAY REST PERIOD PREMIUMS

Employers failed to authorize and permit Complainant and Aggrieved Employees to take legally compliant 10-minute periods. Employer required Complainant and Aggrieved Employees to work through rest periods. Complainant and Aggrieved Employees were not provided with uninterrupted, duty-free rest periods when they worked more than four (4) hours or a major fraction thereof. Further, Complainant and Aggrieved Employees were not provided with a second uninterrupted, duty-free rest period when they worked more than six (6) hours in a day, or a third uninterrupted, duty-free rest period after working more than ten (10) hours in day. In the rare event that a rest period was taken, it was frequently interrupted or cut short. Moreover, Complainant and Aggrieved Employees were never completely relieved of duty as required by *Augustus v. ABM Security Services, Inc.*, 2 Cal.5th 257 (2016).

Employers' policies, practices, and procedures were responsible for the violations alleged above and prevented Complainant and other Aggrieved Employees from taking timely and complete rest periods because, amongst other reasons: (1) Employer did not have legally-compliant policies regarding the provision and timing of rest periods or systematically disregarded its own purported rest period policies; (2) Employer's management at various levels, affecting all hourly-non-exempt employees, failed and refused to implement and enforce legally compliant rest period policies and practices; (3) Employer failed to adequately inform and train Complainant and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free rest periods; (4) Employers failed to adequately inform and train Complainant and other Aggrieved Employees about their right to premium wages for non-compliant rest periods; (5) Employer failed to ensure that there was adequate staffing to allow Complainant and other Aggrieved Employees to take timely, uninterrupted, and duty-free rest periods; (6) Employer required Complainant and other Aggrieved Employees to remain on-call and respond to work-related requests at all times, including during rest periods, which included responding to in person verbal interruptions; and (7) Employer's policy and culture prevented Complainant and other Aggrieved Employees from taking timely, uninterrupted, and duty-free rest periods because of the priority placed on completing job requirements over employees' right to receive rest periods.

Complainant and Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the rest periods which were not provided to them in compliance with California law.

Accordingly, Employer violated the applicable IWC Wage Order and California Labor Code sections 226.7(a), and 1198.

Complainant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to the applicable IWC Wage Order; California Labor Code sections 558 and 1199 penalties; and attorneys' fees and costs.

4. FAILURE TO TIMELY PAY WAGES DURING EMPLOYMENT

As to each pay period, Employers have failed to timely pay all wages earned because Complainant and Aggrieved Employees were not paid all the wages they were owed including, *inter alia*,

overtime compensation, straight time wages, and meal and rest period premiums. Accordingly, Employer violated California Labor Code section 204(a).

Complainant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 210 and 1199; and attorneys' fees and costs.

5. FAILURE TO PAY ALL WAGES DUE TO DISCHARGED AND QUITTING EMPLOYEES/WAITING TIME PENALTIES

Employers have failed to timely pay all wages earned either at the time Complainant and Aggrieved Employees were terminated or resigned because Complainant and Aggrieved Employees were not paid all the wages they were owed including, *inter alia*, overtime compensation, straight time wages, and meal and rest period premiums. Accordingly, Employer violated California Labor Code section 201(a), 202(a) and 203(a).

Complainant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 210 and 1199; and attorneys' fees and costs.

6. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

As a result of the practices described above, the wage statements provided to Complainant and Aggrieved Employees did not include the actual hours worked and the correct amount of wages owed, as the time worked was either not recorded, detrimentally rounded, did not include the correct name and address of the legal employing entity, and the correct rates of pay. Accordingly, Employer violated California Labor Code section 226(a).

Complainant and Aggrieved Employees will therefore seek PAGA default penalties; penalties pursuant to California Labor Code section 226.3; and attorneys' fees and costs.

7. FAILURE TO MAINTAIN ACCURATE RECORDS

Employers have failed to maintain accurate records relating to Complainant and Aggrieved Employees' work periods, meal periods, total daily hours worked, and total hours worked per payroll period. Accordingly, Employer violated the applicable IWC Wage Order and California Labor Code sections 1198.5 and 1174(d).

Complainant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant the applicable IWC Wage Order; California Labor Code section 1174.5 penalties; and attorneys' fees and costs.

8. FAILURE TO REIMBURSE NECESSARY EXPENDITURES

California Labor Code sections 2800 and 2802 require an employer to reimburse its employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. IWC Wage Order requires employers to provide employees with the tools or equipment necessary

for the performance of their job. During the relevant time period, Complainant and Aggrieved Employees incurred necessary business-related expenses and costs that were not fully reimbursed by Employer. These costs include but are not limited to the use of Complainant and Aggrieved Employees' use of their personal cell phones to communicate supervisors and colleagues regarding job duties and for other work-related purposes. These costs include but are not limited to the use of Complainant and Aggrieved Employees use of their personal cell phones to communicate with her supervisors regarding her job schedule and to discuss patient care.

Accordingly, Employer violated IWC Order and California Labor Code sections 2800 and 2802.

Complainant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to paragraph (20)(A) of IWC Wage Order; and attorneys' fees and costs.

9. FAILURE TO PAY VACATION TIME

Pursuant to California Labor Code section 227.3, “. . . whenever a contract of employment or employer policy provides for paid vacations, and an employee is terminated without having taken off her vested vacation time, all vested vacation shall be paid to her as wages at her final rate in accordance with such contract of employment or employer policy respecting eligibility or time served.” During the relevant time period, Employer failed to pay Complainant and other Aggrieved Employees for all earned and unused and accrued vacation time at their final rate of pay at the time of termination of their employment. Accordingly, Employers have violated California Labor Code section 227.3.

Complainant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; California Labor Code section 227 penalties; and attorneys' fees and costs.

10. FAILURE TO PAY SICK TIME

Pursuant to California Labor Code section 246(l), all sick pay must be paid at the regular rate of pay. Employers have failed to pay Complainant and Aggrieved Employees their sick pay at the correct rate of pay. Accordingly, Employers have violated California Labor Code section 246(l).

Complainant and Aggrieved Employees will therefore seek PAGA penalties pursuant to Labor Code section 2699; California Labor Code section 227 penalties; relief under California Labor Code 248.5, and attorneys' fees and costs.

Sincerely,



JUSTIN LO, ESQ.

Notice to Employer via Certified Mail

Courtyard Post Acute LLC

Agent for Service of Process

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