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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF STANISLAUS**

JOSE CHIPREZ, II, individually, and on behalf
of all others similarly situated, and on behalf of
the State of California and other aggrieved
persons,

Plaintiff,

v.

KINGSPAN INSULATED PANELS, INC., a
Florida Corporation; and DOES 1 through 10,
inclusive,

Defendants.

Case No.: CV-25-009512

**CLASS & PAGA REPRESENTATIVE
ACTION**

FIRST AMENDED COMPLAINT:

1. Failure to Pay Minimum and Straight Time Wages (Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197);
2. Failure to Pay Overtime Wages (Cal. Lab. Code §§ 1194 and 1198);
3. Failure to Provide Meal Periods (Cal. Lab. Code §§ 226.7, 512);
4. Failure to Authorize and Permit Rest Periods (Cal. Lab. Code §§ 226.7);
5. Failure to Timely Pay Final Wages at Termination (Cal. Lab. Code §§ 201-203);
6. Failure to Provide Accurate Itemized Wage Statements (Cal. Lab. Code § 226);
7. Failure to Indemnify Employees for Expenditures (Cal. Lab. Code § 2802);
8. Unfair Business Practices (Cal. Bus. & Prof. Code §§ 17200, *et seq.*); and
9. PAGA Violations (Cal. Lab. Code §§ 2698).

DEMAND FOR JURY TRIAL

Judge: Hon. Sonny S. Sandhu
Dept.: 24

Complaint Filed: September 30, 2025
Trial Date: Not Yet Set

1 Plaintiff JOSE CHIPREZ, II (“Plaintiff”), based upon facts that either have evidentiary
2 support or are likely to have evidentiary support after a reasonable opportunity for further
3 investigation and discovery, alleges as follows:

4 **INTRODUCTION & PRELIMINARY STATEMENT**

5 1. Plaintiff brings this action against Defendant KINGSPAN INSULATED PANELS,
6 INC. and DOES 1 through 10 (hereinafter collectively referred to as “Defendants”) for California
7 Labor Code violations and unfair business practices stemming from Defendants’ failure to pay for
8 all hours worked (minimum, straight time, and overtime wages), failure to provide meal periods,
9 failure to authorize and permit rest periods, failure to timely pay final wages, failure to furnish
10 accurate wage statements, and failure to indemnify employees for expenditures.

11 2. Plaintiff brings the First through Ninth Causes of Action individually on their own
12 behalf and as a class and representative action on behalf of certain current and former employees
13 of Defendants (hereinafter collectively referred to as the “Class” or “Class Members,” and defined
14 more fully below). The Class consists of Plaintiff and all other persons who have been employed
15 by any Defendant in California as an hourly-paid or non-exempt employee within the applicable
16 statute of limitations period.

17 3. Defendants own/owned and operate/operated an industry, business, and
18 establishment within the State of California, including Sacramento County. As such and based
19 upon all the facts and circumstances incident to Defendants’ business in California, Defendants are
20 subject to the California Labor Code, Wage Orders issued by the Industrial Welfare Commission
21 (“IWC”), and the California Business & Professions Code.

22 4. Despite these requirements, throughout the statutory period, Defendants maintained
23 a systematic, company-wide policy and practice of:

- 24 (a) Failing to pay employees for all hours worked, including all minimum,
25 straight time, and overtime wages in compliance with the California Labor
26 Code and IWC Wage Orders;
27 (b) Failing to provide employees with timely and duty-free meal periods in
28

1 compliance with the California Labor Code and IWC Wage Orders, failing
2 to maintain accurate records of all meal periods taken or missed, and failing
3 to pay an additional hour's pay for each workday a meal period violation
4 occurred;

5 (c) Failing to authorize and permit employees to take timely and duty-free rest
6 periods in compliance with the California Labor Code and IWC Wage
7 Orders, and failing to pay an additional hour's pay for each workday a rest
8 period violation occurred;

9 (d) Willfully failing to pay employees all minimum, straight time, overtime,
10 meal period premium, and rest period premium wages due within the time
11 period specified by California law upon termination of employment;

12 (e) Failing to provide employees with accurate, itemized wage statements
13 containing all the information required by the California Labor Code and
14 IWC Wage Orders; and

15 (f) Failing to indemnify employees for expenditures incurred in direct discharge
16 of duties of employment.
17

18 5. On information and belief, Defendants, and each of them were on actual and
19 constructive notice of the improprieties alleged herein and intentionally refused to rectify their
20 unlawful policies. Defendants' violations, as alleged above, during all relevant times herein were
21 willful and deliberate.

22 6. At all relevant times, Defendants were and are legally responsible for all the
23 unlawful conduct, policies, practices, acts, and omissions as described in each and all of the
24 foregoing paragraphs as the employers of Plaintiff and the Class. Further, Defendants are
25 responsible for each of the unlawful acts or omissions complained of herein under the doctrine of
26 "respondeat superior."
27
28

THE PARTIES

A. Plaintiff

7. Plaintiff JOSE CHIPREZ, II is a resident of Stanislaus County, California who worked for Defendants in Modesto (Stanislaus County), California as an hourly-paid, non-exempt employee from approximately February 3, 2025 to approximately September 5, 2025.

8. Plaintiff reserves the right to seek leave to amend this complaint to add new Plaintiffs, if necessary, to establish suitable representative(s) pursuant to *La Sala v. American Savings and Loan Association* (1971) 5 Cal.3d 864, 872, and other applicable law.

B. Defendants

9. Plaintiff is informed and believes, and based upon that information and belief alleges, that Defendant KINGSPAN INSULATED PANELS, INC. is, and at all times herein mentioned, was:

- (a) A business entity conducting business in the State of California, including in Stanislaus County; and,
- (b) The former employer of Plaintiff and the current and/or former employer of the putative Class because Defendant KINGSPAN INSULATED PANELS, INC. suffered and permitted Plaintiff and the Class to work, and/or controlled their wages, hours, or working conditions.

10. Plaintiff does not know the true names or capacities of the persons or entities sued herein as Does 1-10, inclusive, and therefore sues said Defendants by such fictitious names. Each of the Doe Defendants was in some manner legally responsible for the damages suffered by Plaintiff and the Class as alleged herein. Plaintiff will amend this complaint to set forth the true names and capacities of these Defendants when they have been ascertained, together with appropriate charging allegations, as may be necessary.

11. At all times mentioned herein, the Defendants named as Does 1-10, inclusive, and each of them, were residents of, doing business in, availed themselves of the jurisdiction of, and/or injured a significant number of the Plaintiff and the Class in the State of California.

12. Plaintiff is informed and believes and thereon alleges that at all relevant times each Defendant, directly or indirectly, or through agents or other persons, employed Plaintiff and the other employees described in the class definitions below, and exercised control over their wages, hours, and working conditions. Plaintiff is informed and believes and thereon alleges that, at all relevant times, each Defendant was the principal, agent, partner, joint venturer, officer, director, controlling shareholder, subsidiary, affiliate, parent corporation, successor in interest and/or predecessor in interest of some or all of the other Defendants, and was engaged with some or all of the other Defendants in a joint enterprise for profit, and bore such other relationships to some or all of the other Defendants so as to be liable for their conduct with respect to the matters alleged below. Plaintiff is informed and believes and thereon alleges that each Defendant acted pursuant to and within the scope of the relationships alleged above, that each Defendant knew or should have known about, and authorized, ratified, adopted, approved, controlled, aided and abetted the conduct of all other Defendants.

JURISDICTION & VENUE

13. This Court has subject matter jurisdiction over this action pursuant to California Code of Civil Procedure section 410.10.

14. The Court has personal jurisdiction over Defendants because the Plaintiff and Class Members' claims arise from Defendants' business activities conducted in California.

15. At all times mentioned herein, Defendants, inclusive and each of them, were residents of, doing business in, availed themselves of the jurisdiction of, and/or injured Plaintiff and the Class in the State of California.

16. Venue is appropriate in Stanislaus County, California, because many acts and omissions that give rise to the claims for relief alleged in this action occurred in Stanislaus County.

ALLEGATIONS COMMON TO ALL CAUSES OF ACTION

17. Plaintiff worked for Defendants in Modesto, California as an hourly-paid, non-exempt employee from approximately February 3, 2025 to approximately September 5, 2025. During Plaintiff's employment for Defendants, Defendants paid Plaintiff an hourly wage and

1 classified them as non-exempt from overtime. Defendants typically scheduled Plaintiff to work at
2 least five days in a workweek and at least eight hours per day, but Plaintiff regularly worked more
3 than eight hours in a workday and/or more than forty (40) hours in a workweek.

4 18. Throughout Plaintiff's employment, Defendants failed to pay for all hours worked
5 (including minimum, straight time, and overtime wages), failed to provide Plaintiff with legally
6 compliant meal periods, failed to authorize and permit Plaintiff to take rest periods, failed to timely
7 pay all final wages to Plaintiff when Defendants terminated their employment, failed to furnish
8 accurate wage statements to Plaintiff, and failed to indemnify Plaintiff for expenditures. As
9 discussed below, Plaintiff's experience working for Defendants was typical and illustrative.
10

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

18 20. Throughout the statutory period, Defendants wrongfully failed to provide Plaintiff
19 and the Class with legally compliant meal periods. Defendants regularly, but not always, required
20 Plaintiff and the Class to work in excess of five consecutive hours a day without providing a 30-
21 minute, uninterrupted, and duty-free meal period for every five hours of work, or without
22 compensating Plaintiff and the Class for meal periods that were not provided by the end of the fifth
23 or tenth hour of work. Instead, Defendants continued to assert control over Plaintiff and the Class
24 by requiring, pressuring, or encouraging them to perform work tasks that could not be completed
25 without working in lieu of taking mandatory meal periods, or by denying Plaintiff and the Class
26 permission to take a meal period. Accordingly, Defendants' policy and practice was to not provide
27 meal periods to Plaintiff and the Class in compliance with California law.
28

1 21. Throughout the statutory period, Defendants have wrongfully failed to authorize
2 and permit Plaintiff and the Class to take legally compliant rest periods. Defendants regularly
3 required Plaintiff and the Class to work more than four consecutive hours a day without Defendants
4 authorizing and permitting them to take a 10-minute, uninterrupted, duty-free rest period for every
5 four hours of work (or major fraction of four hours), or without compensating Plaintiff and the
6 Class for rest periods that were not authorized or permitted. Instead, Defendants continued to assert
7 control over Plaintiff and the Class by requiring, pressuring, or encouraging them to perform work
8 tasks which could not be completed without working in lieu of taking mandatory rest periods, or
9 by denying Plaintiff and the Class permission to take a rest period. Accordingly, Defendants'
10 policy and practice was to disallow Plaintiff and the Class to take rest periods required under
11 California law.
12

13 22. Throughout the statutory period, Defendants willfully failed and refused to timely
14 pay Plaintiff and the Class all final wages due at their termination of employment. In addition,
15 Plaintiff's final paychecks did not include payment for all expenditures, minimum wages, straight
16 time wages, overtime wages, meal period premium wages, and rest period premium wages owed
17 by Defendants at the conclusion of their employment. On information and belief, Defendants'
18 failure to timely pay Plaintiff's final wages when their employment terminated was not a single,
19 isolated incident, but was instead consistent with Defendants' policy and practice that applied to
20 Plaintiff and the Class.

21 23. Throughout the statutory period, Defendants failed to furnish Plaintiff and the Class
22 with accurate, itemized wage statements showing all applicable hourly rates, all overtime hourly
23 rates, and all gross and net wages earned (including correct hours worked, correct wages for meal
24 periods that were not provided in accordance with California law, and correct wages for rest
25 periods that were not allowed in accordance with California law). As a result of these violations of
26 California Labor Code § 226(a), the Plaintiff and the Class suffered injury because, among other
27 things:
28

- 1 (a) the violations led them to incorrectly believe that they were not entitled to
- 2 be paid minimum, straight time, overtime, meal period premium, and rest
- 3 period premium wages;
- 4 (b) the violations led them to incorrectly believe that they had been paid the
- 5 minimum, straight time, overtime, meal period premium, and rest period
- 6 premium wages;
- 7 (c) the violations led them to incorrectly believe they were not entitled to be
- 9 paid minimum, straight time, overtime, meal period premium, and rest
- 10 period premium wages at the correct California rate;
- 11 (d) the violations led them to incorrectly believe they had been paid minimum,
- 12 straight time, overtime, meal period premium, and rest period premium
- 13 wages at the correct California rate;
- 14 (e) the violations hindered them from determining the amounts of minimum,
- 15 straight time, overtime, meal period premium, and rest period premium
- 16 wages owed to them;
- 17 (f) in connection with their employment before and during this action, and in
- 18 connection with prosecuting this action, the violations caused them to have
- 19 to perform mathematical computations to determine the amounts of wages
- 20 owed to them, computations they would not have to make if the wage
- 21 statements contained the required accurate information;
- 22 (g) by understating the wages truly due to them, the violations caused them to
- 23 lose entitlement and/or accrual of the full amount of Social Security,
- 24 disability, unemployment, and other governmental benefits;
- 25 (h) the wage statements inaccurately understated the wages, hours, and wage
- 26 rates to which Plaintiff and the Class were entitled, and Plaintiff and the
- 27 Class were paid less than the wages and wage rates to which they were
- 28 entitled.

1 Thus, Plaintiff and the Class are owed the amounts provided for in California Labor Code
2 § 226(e) and injunctive relief under California Labor Code § 226(h).

3 24. Throughout the statutory period, Defendants have wrongfully required Plaintiff and
4 the Class to pay expenses that they incurred in direct discharge of their duties for Defendants.
5 Plaintiff and the Class regularly paid out-of-pocket for necessary employment-related expenses,
6 including, without limitation, work attire.

7 25. Plaintiff and the Class incurred substantial expenses as a direct result of performing
8 their job duties for Defendants, but Defendants failed to indemnify Plaintiff and the Class for these
9 employment-related expenses.
10

11 **CLASS ACTION ALLEGATIONS**

12 26. Plaintiff brings certain claims individually, as well as on behalf of each and all other
13 persons similarly situated, and thus, seeks class certification under California Code of Civil
14 Procedure § 382.

15 27. All claims alleged herein arise under California law for which Plaintiff seeks relief
16 authorized by California law.

17 28. The proposed Class consists of and is defined as:

18 All persons who worked for any Defendant in California as an hourly-paid or
19 non-exempt employee at any time during the period beginning four years before
20 the filing of the initial complaint in this action and ending when notice to the
Class is sent.

21 29. At all material times, Plaintiff was a member of the Class.

22 30. Plaintiff undertook this concerted activity to improve the wages and working
23 conditions of all Class Members.

24 31. There is a well-defined community of interest in the litigation and the Class is
25 readily ascertainable:

- 26 (a) Numerosity: The members of the Class (and each subclass, if any) are so
27 numerous that joinder of all members would be unfeasible and impractical.
28 The membership of the entire Class is presently unknown to Plaintiff;

1 however, the Class is estimated to be greater than forty (40) individuals and
2 the identity of such membership is readily ascertainable by inspection of
3 Defendants' records.

4 (b) Typicality: Plaintiff is qualified to, and will, fairly and adequately protect
5 the interests of each Class Member with whom there is a shared, well-
6 defined community of interest, and Plaintiff's claims (or defenses, if any)
7 are typical of all Class Members' claims as demonstrated herein.

8 (c) Adequacy: Plaintiff is qualified to, and will, fairly and adequately protect
9 the interests of each Class Member with whom there is a shared, well-
10 defined community of interest and typicality of claims, as demonstrated
11 herein. Plaintiff has no conflicts with or interests antagonistic to any Class
12 Member. Plaintiff's attorneys, the proposed class counsel, are versed in the
13 rules governing class action discovery, certification, and settlement. Plaintiff
14 has incurred, and throughout the duration of this action, will continue to
15 incur costs and attorneys' fees that have been, are, and will be necessarily
16 expended for the prosecution of this action for the substantial benefit of each
17 class member.

18 (d) Superiority: A class action is superior to other available methods for the fair
19 and efficient adjudication of the controversy, including consideration of:

- 20 1) The interests of the members of the Class in individually controlling
21 the prosecution or defense of separate actions;
22 2) The extent and nature of any litigation concerning the controversy
23 already commenced by or against members of the Class;
24 3) The desirability or undesirability of concentrating the litigation of the
25 claims in the particular forum; and,
26 4) The difficulties likely to be encountered in the management of a class
27 action.
28

(e) Public Policy Considerations: The public policy of the State of California is to resolve the California Labor Code claims of many employees through a class action. Indeed, current employees are often afraid to assert their rights out of fear of direct or indirect retaliation. Former employees are also fearful of bringing actions because they believe their former employers might damage their future endeavors through negative references and/or other means. Class actions provide the class members who are not named in the complaint with a type of anonymity that allows for the vindication of their rights while their privacy is protected.

32. There are common questions of law and fact as to the Class (and each subclass, if any) that predominate over questions affecting only individual members, including without limitation, whether, as alleged herein, Defendants have:

- (a) Failed to pay Class Members for all hours worked, including minimum, straight time, and overtime wages;
- (b) Failed to provide meal periods and pay meal period premium wages to Class Members;
- (c) Failed to authorize and permit rest periods and pay rest period premium wages to Class Members;
- (d) Failed to provide Class Members with timely final wages;
- (e) Failed to provide Class Members with accurate wage statements;
- (f) Failed to indemnify Class Members for expenditures; and,
- (g) Violated California Business & Professions Code §§ 17200 *et. seq.* as a result of their illegal conduct as described above.

33. This Court should permit this action to be maintained as a class action pursuant to California Code of Civil Procedure § 382 because:

- (a) The questions of law and fact common to the Class predominate over any question affecting only individual members;

- 1 (b) A class action is superior to any other available method for the fair and
2 efficient adjudication of the claims of the members of the Class;
- 3 (c) The members of the Class are so numerous that it is impractical to bring all
4 members of the class before the Court;
- 5 (d) Plaintiff, and the other members of the Class, will not be able to obtain
6 effective and economic legal redress unless the action is maintained as a
7 class action;
- 9 (e) There is a community of interest in obtaining appropriate legal and equitable
10 relief for the statutory violations, and in obtaining adequate compensation
11 for the damages and injuries for which Defendants are responsible in an
12 amount sufficient to adequately compensate the members of the Class for
13 the injuries sustained;
- 14 (f) Without class certification, the prosecution of separate actions by individual
15 members of the class would create a risk of:
- 16 1) Inconsistent or varying adjudications with respect to individual
17 members of the Class which would establish incompatible standards
18 of conduct for Defendants; and/or,
- 19 2) Adjudications with respect to the individual members which would,
20 as a practical matter, be dispositive of the interests of other members
21 not parties to the adjudications, or would substantially impair or
22 impede their ability to protect their interests, including but not
23 limited to the potential for exhausting the funds available from those
24 parties who are, or may be, responsible Defendants; and,
- 25 (g) Defendants have acted or refused to act on grounds generally applicable to
26 the Class, thereby making final injunctive relief appropriate with respect to
27 the class as a whole.
28

34. Plaintiff contemplates the eventual issuance of notice to the proposed members of the Class that would set forth the subject and nature of the instant action. The Defendants' own business records may be utilized for assistance in the preparation and issuance of the contemplated notices. To the extent that any further notices may be required, Plaintiff contemplates the use of additional techniques and forms commonly used in class actions, such as published notice, e-mail notice, website notice, first-class mail, or combinations thereof, or by other methods suitable to the Class and deemed necessary and/or appropriate by the Court.

FIRST CAUSE OF ACTION

(Against All Defendants for Failure to Pay Minimum and Straight Time Wages for All Hours Worked)

35. Plaintiff incorporates by reference and re-alleges as if fully stated herein paragraphs 1 through 34 in this Complaint.

36. "Hours worked" is the time during which an employee is subject to the control of an employer and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

37. At all relevant times herein mentioned, Defendants knowingly failed to pay to Plaintiff and the Class compensation for all hours they worked. By their failure to pay compensation for each hour worked as alleged above, Defendants willfully violated the provisions of California Labor Code § 1194, and any additional applicable Wage Orders, which require such compensation to non-exempt employees.

38. Accordingly, Plaintiff and the Class are entitled to recover minimum and straight time wages for all non-overtime hours worked for Defendants.

39. By and through the conduct described above, Plaintiff and the Class have been deprived of their rights to be paid wages earned by virtue of their employment with Defendants.

40. By virtue of the Defendants' unlawful failure to pay additional compensation to Plaintiff and the Class for their non-overtime hours worked without pay, Plaintiff and the Class

suffered, and will continue to suffer, damages in amounts which are presently unknown to Plaintiff and the Class, and which will be ascertained according to proof at trial.

41. By failing to keep adequate time records required by California Labor Code § 1174(d), Defendants have made it difficult to calculate the full extent of minimum wage compensation due Plaintiff and the Class.

42. Pursuant to California Labor Code § 1194.2, Plaintiff and the Class are entitled to recover liquidated damages (double damages) for Defendants' failure to pay minimum wages.

43. California Labor Code § 204 requires employers to provide employees with all wages due and payable twice a month. Throughout the applicable statute of limitations period, Plaintiff and the Class were entitled to be paid twice a month at rates required by law, including minimum and straight time wages. However, during all such times, Defendants systematically failed and refused to pay Plaintiff and the Class all such wages due and failed to pay those wages twice a month.

44. Plaintiff and the Class are also entitled to seek recovery of all unpaid minimum and straight time wages, interest, and reasonable attorneys' fees and costs pursuant to California Labor Code §§ 218.5, 218.6, and 1194(a).

SECOND CAUSE OF ACTION

(Against All Defendants for Failure to Pay Overtime Wages)

45. Plaintiff incorporates by reference and re-alleges as if fully stated herein paragraphs 1 through 44 in this Complaint.

46. California Labor Code § 510 provides that employees in California shall not be employed more than eight hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

47. California Labor Code §§ 1194 and 1198 provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, California Labor Code § 1198 states that the employment of an employee for longer hours than those fixed

1 by the IWC is unlawful.

2 48. At all times relevant hereto, Plaintiff and the Class have worked more than eight
3 hours in a workday and/or more than forty (40) hours in a workweek, as employees of Defendants.

4 49. At all times relevant hereto, Defendants failed to pay Plaintiff and the Class
5 overtime compensation for the hours they have worked in excess of the maximum hours
6 permissible by law as required by California Labor Code §§ 510 and 1198.

7 50. By virtue of Defendants' unlawful failure to pay additional premium rate
8 compensation to the Plaintiff and the Class for their overtime hours worked, Plaintiff and the Class
9 have suffered, and will continue to suffer, damages in amounts which are presently unknown to
10 them, but which exceed the jurisdictional minimum of this Court, and which will be ascertained
11 according to proof at trial.

12 51. By failing to keep adequate time records required by Labor Code § 1174(d),
13 Defendants have made it difficult to calculate the full extent of overtime compensation due to
14 Plaintiff and the Class.

15 52. Plaintiff and the Class also request recovery of overtime compensation according to
16 proof, interest, attorneys' fees and costs pursuant to California Labor Code § 1194(a), as well as
17 the assessment of any statutory penalties against Defendants, in a sum as provided by the California
18 Labor Code and/or other statutes.

19 53. California Labor Code § 204 requires employers to provide employees with all
20 wages due and payable twice a month. The Wage Orders also provide that every employer shall
21 pay to each employee, on the established payday for the period involved, overtime wages for all
22 overtime hours worked in the payroll period. Defendants failed to provide Plaintiff and the Class
23 with all compensation due, in violation of California Labor Code § 204.

24 **THIRD CAUSE OF ACTION**

25 **(Against All Defendants for Failure to Provide Meal Periods)**

26 54. Plaintiff incorporates by reference and re-alleges as if fully stated herein paragraphs
27 1 through 53 in this Complaint.
28

56. Despite these legal requirements, Defendants regularly failed to provide Plaintiff and the Class with both meal periods as required by California law. By their failure to permit and authorize Plaintiff and the Class to take all meal periods as alleged above (or because Defendants made it impossible or impracticable to take these uninterrupted meal periods), Defendants willfully violated the provisions of California Labor Code § 226.7 and the applicable Wage Orders.

57. Under California law, Plaintiff and the Class are entitled to be paid one hour of additional wages for each workday he or she was not provided with all required meal periods, plus interest.

(Against All Defendants for Failure to Authorize and Permit Rest Periods)

58. Plaintiff incorporates by reference and re-alleges as if fully stated herein paragraphs 1 through 57 in this Complaint.

59. Defendants are required by California law to authorize and permit breaks of ten uninterrupted minutes for each four hours of work or major fraction of four hours (i.e. more than two hours). According to California Labor Code § 512, the applicable Wage Orders require that the employer permit and authorize all employees to take paid rest periods of ten minutes each for each 4-hour period worked. Thus, for example, if an employee's work time is six hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws. It is a violation of California Labor

Code § 226.7 for an employer to require any employee to work during any rest period mandated under any Wage Order.

60. Despite these legal requirements, Defendants failed to authorize Plaintiff and the Class to take rest breaks, regardless of whether employees worked more than four hours in a workday. By their failure to permit and authorize Plaintiff and the Class to take rest periods as alleged above (or because Defendants made it impossible or impracticable to take these uninterrupted rest periods), Defendants willfully violated the provisions of California Labor Code § 226.7 and the applicable Wage Orders.

61. Under California law, Plaintiff and the Class are entitled to be paid one hour of premium wages rate for each workday he or she was not provided with all required rest breaks, plus interest.

FIFTH CAUSE OF ACTION

(Against All Defendants for Failure to Pay Wages of Discharged Employees – Waiting Time Penalties)

62. Plaintiff incorporates by reference and re-alleges as if fully stated herein paragraphs 1 through 61 in this Complaint.

63. California Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

64. Within the applicable statute of limitations, the employment of many other members of the Class ended, i.e. was terminated by quitting or discharge, and the employment of others will be. However, during the relevant time period, Defendants failed, and continue to fail to pay terminated Class Members, without abatement, all wages required to be paid by California Labor Code §§ 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their

1 leaving Defendants' employ.

2 65. Defendants' failure to pay those Class members who are no longer employed by
3 Defendants their wages earned and unpaid at the time of discharge, or within seventy-two (72)
4 hours of their leaving Defendants' employ, is in violation of California Labor Code §§ 201 and
5 202.

6 66. California Labor Code § 203 provides that if an employer willfully fails to pay
7 wages owed, in accordance with §§ 201 and 202, then the wages of the employee shall continue as
9 a penalty wage from the due date, and at the same rate until paid or until an action is commenced;
10 but the wages shall not continue for more than thirty (30) days.

11 67. The Class is also entitled to recover from Defendants their accruing wages for each
12 day they were not paid, at their regular hourly rate of pay, up to thirty (30) days maximum pursuant
13 to California Labor Code § 203.

14 68. Pursuant to California Labor Code §§ 218.5, 218.6 and 1194, the Class is also
15 entitled to an award of reasonable attorneys' fees, interest, expenses, and costs incurred in this
16 action.

17 **SIXTH CAUSE OF ACTION**

18 **(Against All Defendants for Failure to Provide and Maintain Accurate and Compliant**
19 **Wage Records)**

20 69. Plaintiff incorporates by reference and re-alleges as if fully stated herein paragraphs
21 1 through 68 in this Complaint.

22 70. At all material times set forth herein, California Labor Code § 226(a) provides that
23 every employer shall furnish each of his or her employees an accurate itemized wage statement in
24 writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours
25 worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate
26 if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made
27 on written orders of the employee may be aggregated and shown as one item, (5) net wages earned,
28 (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee

1 and the last four digits of his or her social security number or an employee identification number
2 other than a social security number, (8) the name and address of the legal entity that is the
3 employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding
4 number of hours worked at each hourly rate by the employee.

5 71. Defendants have intentionally and willfully failed to provide employees with
6 complete and accurate wage statements. The deficiencies include, among other things, the failure
7 to correctly identify the gross wages earned by Plaintiff and the Class, the failure to list the true
8 “total hours worked by the employee,” and the failure to list the true net wages earned.

9 72. As a result of Defendants’ violation of California Labor Code § 226(a), Plaintiff and
10 the Class have suffered injury and damage to their statutorily protected rights.

11 73. Specifically, Plaintiff and the members of the Class have been injured by
12 Defendants’ intentional violation of California Labor Code § 226(a) because they were denied both
13 their legal right to receive, and their protected interest in receiving, accurate, itemized wage
14 statements under California Labor Code § 226(a).

15 74. Calculation of the true wage entitlement for Plaintiff and the Class is difficult and
16 time consuming. As a result of this unlawful burden, Plaintiff and the Class were also injured by
17 having to bring this action to attempt to obtain correct wage information following Defendants’
18 refusal to comply with many of the mandates of California’s Labor Code and related laws and
19 regulations.

20 75. Plaintiff and the Class are entitled to recover from Defendants the greater of their
21 actual damages caused by Defendants’ failure to comply with California Labor Code § 226(a), or
22 an aggregate penalty not exceeding four thousand dollars (\$4,000) per employee.

23 76. Plaintiff and the Class are also entitled to injunctive relief, as well as an award of
24 attorneys’ fees and costs to ensure compliance with this section, pursuant to California Labor Code
25 § 226(h).
26
27
28

SEVENTH CAUSE OF ACTION

(Against All Defendants for Failure to Indemnify Employees for Expenditures)

77. Plaintiff incorporates by reference and re-alleges as if fully stated herein paragraphs 1 through 76 in this Complaint.

78. As set forth above, Plaintiff and the Class were required to incur substantial necessary expenditures and losses in direct consequence of the discharge of their duties or of their obedience to directions of Defendants.

79. Defendants violated California Labor Code § 2802, by failing to pay and indemnify Plaintiff and the Class for necessary expenditures and losses incurred in direct consequence of the discharge of their duties or of their obedience to directions of Defendants.

80. As a result, Plaintiff and the Class were damaged at least in the amounts of the expenses they paid, or which were deducted by Defendants from their wages.

81. Plaintiff and the Class are entitled to reasonable attorney's fees, expenses, and costs of suit pursuant to California Labor Code § 2802(c) and interest pursuant to California Labor Code § 2802(b).

EIGHTH CAUSE OF ACTION

(Against All Defendants for Violation of California Business & Professions Code §§ 17200, et seq.)

82. Plaintiff incorporates by reference and re-alleges as if fully stated herein paragraphs 1 through 81 in this Complaint.

83. Defendants, and each of them, are "persons" as defined under California Business & Professions Code § 17201.

84. Defendants' conduct has been, and continues to be, unfair, unlawful, and harmful to Plaintiff, other Class members, and to the general public. Plaintiff seeks to enforce important rights affecting the public interest within the meaning of Code of Civil Procedure § 1021.5.

85. Defendants' activities are violations of California law and constitute unlawful business acts and practices in violation of California Business & Professions Code §§ 17200, *et*

1 *seq.*

2 86. A violation of California Business & Professions Code §§ 17200, *et seq.* may be
3 predicated on the violation of any state or federal law. All the acts described herein as violations
4 of, among other things, the California Labor Code, are unlawful and in violation of public policy,
5 unethical, oppressive, fraudulent and unscrupulous, and thereby constitute unfair, unlawful and/or
6 fraudulent business practices in violation of California Business & Professions Code §§ 17200, *et*
7 *seq.*

9 **Failure to Pay Minimum and Straight Time Wages**

10 87. Defendants' failure to pay minimum and straight time wages, and other benefits in
11 violation of the California Labor Code constitutes unlawful and/or unfair activity prohibited by
12 California Business & Professions Code §§ 17200, *et seq.*

13 **Failure to Pay Overtime Wages**

14 88. Defendants' failure to pay overtime compensation and other benefits in violation of
15 California Labor Code §§ 510, 1194, and 1198 constitutes unlawful and/or unfair activity
16 prohibited by California Business & Professions Code §§ 17200, *et seq.*

17 **Failure to Provide Meal Periods**

18 89. Defendants' failure to provide meal periods in accordance with California Labor
19 Code §§ 226.7 and 512, and the IWC Wage Orders, as alleged above, constitutes unlawful and/or
20 unfair activity prohibited by California Business & Professions Code §§ 17200, *et seq.*

21 **Failure to Authorize and Permit Rest Periods**

22 90. Defendants' failure to authorize and permit rest periods in accordance with
23 California Labor Code § 226.7 and the IWC Wage Orders, as alleged above, constitutes unlawful
24 and/or unfair activity prohibited by Business & Professions Code §§ 17200, *et seq.*

25 **Failure to Indemnify Business Expenses**

26 91. Defendants' failure to reimburse expenses incurred in accordance with California
27 Labor Code § 2802, as alleged above, constitutes unlawful and/or unfair activity prohibited by
28 California Business & Professions Code §§ 17200, *et seq.*

1 92. By and through their unfair, unlawful and/or fraudulent business practices described
2 herein, the Defendants have obtained valuable property, money and services from Plaintiff, and all
3 persons similarly situated, and have deprived Plaintiff, and all persons similarly situated, of
4 valuable rights and benefits guaranteed by law, all to their detriment.

5 93. Plaintiff and the Class Members suffered monetary injury as a direct result of
6 Defendants' wrongful conduct.

7 94. Plaintiff, individually, and on behalf of members of the putative Class, is entitled
8 to, and does, seek such relief as may be necessary to disgorge money and/or property which the
9 Defendants have wrongfully acquired, or of which Plaintiff and the Class have been deprived, by
10 means of the above-described unfair, unlawful and/or fraudulent business practices. Plaintiff and
11 the Class are not obligated to establish individual knowledge of the wrongful practices of
12 Defendants to recover restitution.

13 95. Plaintiff, individually, and on behalf of members of the putative Class, is further
14 entitled to, and does, seek a declaration that the above-described business practices are unfair,
15 unlawful and/or fraudulent, and injunctive relief restraining the Defendants, and each of them,
16 from engaging in any of the above-described unfair, unlawful and/or fraudulent business practices
17 in the future.

18 96. Plaintiff, individually, and on behalf of members of the putative Class, has no plain,
19 speedy, and/or adequate remedy at law to redress the injuries which the Class Members suffered
20 as a consequence of the Defendants' unfair, unlawful and/or fraudulent business practices. As a
21 result of the unfair, unlawful and/or fraudulent business practices described above, Plaintiff,
22 individually, and on behalf of members of the putative Class, has suffered and will continue to
23 suffer irreparable harm unless the Defendants, and each of them, are restrained from continuing to
24 engage in said unfair, unlawful and/or fraudulent business practices.

25 97. Plaintiff also alleges that if Defendants are not enjoined from the conduct set forth
26 herein above, they will continue to avoid paying the appropriate taxes, insurance and other
27 withholdings.
28

NINTH CAUSE OF ACTION

**(Civil Penalties Under the Private Attorneys General Act of 2004,
Cal. Lab. Code, §§ 2698, *et seq.*)**

99. Plaintiff incorporates by reference and re-alleges as if fully stated herein paragraphs 1 through 98 in this Complaint.

100. At all times herein mentioned, Defendants were subject to the California Labor Code and the applicable IWC Wage Orders.

101. California Labor Code section 2699, subdivision (a) specifically provides for a private right of action to recover penalties for violations of the California Labor Code: “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 the employee and other current or former employees against whom a violation of the same provision was committed pursuant to the procedures specified in Section 2699.3.”

102. Plaintiff has exhausted his administrative remedies pursuant to California Labor Code section 2699.3. On or about September 10, 2025, Plaintiff gave written notice by online filing to the Labor and Workforce Development Agency and by certified mail to Defendants of the specific provisions of the California Labor Code that Defendants have violated against Plaintiff and current and former Aggrieved Employees, including the facts and theories to support the violations. Plaintiff also paid the filing fee on or about September 10, 2025. Plaintiff's PAGA

1 case number is LWDA-CM-1124398-25. A true and correct copy of the PAGA notice is attached
2 as **Exhibit 1**.

3 103. More than 65 days has elapsed since Plaintiff provided notice, but the Labor and
4 Workforce Development Agency has not indicated that it intends to investigate Defendants' Labor
5 Code violations discussed in the notices. Accordingly, Plaintiff may commence a civil action to
6 recover penalties under California Labor Code section 2699 pursuant to section 2699.3 for the
7 violations of the Labor Code described in this Complaint. Thus, pursuant to California Labor Code
8 section 2699, subdivision (a), Plaintiff for himself and all current and former Aggrieved
9 Employees, seeks recovery of any and all applicable civil penalties for Defendants' violation of
10 California Labor Code sections 226, 226.3, 226.7, 558, 1197.1, 2699, 2800, and 2802.
11

12 104. In addition, Plaintiff seeks penalties for Defendants' violation of California Labor
13 Code section 1174, subdivision (d). Pursuant to California Labor Code section 1174.5, any person,
14 including any entity, employing labor who willfully fails to maintain accurate and complete records
15 required by California Labor Code section 1174 is subject to a penalty under section 1174.5.
16 Pursuant to the applicable IWC Order section 7, subdivision (A)(3), every employer shall keep
17 time records showing when the employee begins and ends each work period. Meal periods, and
18 total hours worked daily shall also be recorded. Additionally, pursuant to the applicable IWC Order
19 section 7, subdivision (A)(5), every employer shall keep total hours worked in the payroll period
20 and applicable rates of pay.

21 105. During the time period of employment for Plaintiff and the Aggrieved Employees,
22 Defendants failed to maintain records pursuant to the California Labor Code and IWC Orders by
23 failing to maintain accurate records showing meal periods, and accurate records showing when
24 employees begin and end each work period. Defendants' failure to provide and maintain records
25 required by the California Labor Code and IWC Wage Orders deprived Plaintiff and the Aggrieved
26 Employees the ability to know, understand and question the accuracy and frequency of meal
27 periods, and the accuracy of their hours worked stated in Defendants' records. Therefore, Plaintiff
28 and the Aggrieved Employees had no way to dispute the resulting failure to pay wages, all of which

1 resulted in an unjustified economic enrichment to Defendants. As a direct result, Plaintiff and the
2 Aggrieved Employees have suffered and continue to suffer, substantial losses related to the use
3 and enjoyment of such wages, lost interest on such wages and expenses and attorney's fees in
4 seeking to compel Defendants to fully perform their obligation under state law, all to their
5 respective damage in amounts according to proof at trial. Because of Defendants' knowing failure
6 to comply with the California Labor Code and applicable IWC Wage Orders, Plaintiff and the
7 Aggrieved Employees have also suffered an injury in that they were prevented from knowing,
8 understanding, and disputing the wage payments paid to them.

10 106. Based on the conduct described in this Complaint, Plaintiff is entitled to an award
11 of civil penalties on behalf of the State of California and similarly Aggrieved Employees of
12 Defendants. The exact amount of the applicable penalties, in all, is in an amount to be shown
13 according to proof at trial. These penalties are in addition to all other remedies permitted by law.

14 In addition, Plaintiff seeks an award of reasonable attorney's fees and costs pursuant to
15 California Labor Code section 2699, subdivision (g)(1) which states, "Any employee who
16 prevails in any action shall be entitled to an award of reasonable attorney's fees and costs."

17 **PRAYER FOR RELIEF**

18 Plaintiff, individually, and on behalf of all others similarly situated only with respect to the
19 Class claims, prays for relief and judgment against Defendants, jointly and severally, as follows:

20 **Class Certification**

- 21 1. That this action be certified as a class action with respect to the First, Second, Third,
22 Fourth, Fifth, Sixth, Seventh, and Eighth Causes of Action;
23 2. That Plaintiff be appointed as the representative of the Class; and,
24 3. That counsel for Plaintiff be appointed as Class Counsel.

25 **As to the First Cause of Action**

- 26 4. That the Court declare, adjudge, and decree that Defendants violated California
27 Labor Code §§ 204 and 1194 and applicable IWC Wage Orders by willfully failing to pay all
28 minimum and straight time wages due;

- 1 5. For unpaid wages as may be appropriate;
- 2 6. For pre-judgment interest on any unpaid compensation commencing from the date
- 3 such amounts were due;
- 4 7. For liquidated damages;
- 5 8. For reasonable attorneys' fees and for costs of suit incurred herein pursuant to
- 6 California Labor Code § 1194(a); and,
- 7 9. For such other and further relief as the Court may deem equitable and appropriate.

9 As to the Second Cause of Action

- 10 10. That the Court declare, adjudge, and decree that Defendants violated California
- 11 Labor Code §§ 510 and 1198 and applicable IWC Wage Orders by willfully failing to pay all
- 12 overtime wages due;
- 13 11. For unpaid wages at overtime wage rates as may be appropriate;
- 14 12. For pre-judgment interest on any unpaid overtime compensation commencing from
- 15 the date such amounts were due;
- 16 13. For reasonable attorneys' fees and for costs of suit incurred herein pursuant to
- 17 California Labor Code § 1194(a); and,
- 18 14. For such other and further relief as the Court may deem equitable and appropriate.

19 As to the Third Cause of Action

- 20 15. That the Court declare, adjudge, and decree that Defendants violated California
- 21 Labor Code §§ 226.7 and 512, and the IWC Wage Orders;
- 22 16. For unpaid meal period premium wages as may be appropriate;
- 23 17. For pre-judgment interest on any unpaid compensation commencing from the date
- 24 such amounts were due;
- 25 18. For reasonable attorneys' fees under California Code of Civil Procedure § 1021.5,
- 26 and for costs of suit incurred herein; and,
- 27 19. For such other and further relief as the Court may deem equitable and appropriate.
- 28

As to the Fourth Cause of Action

20. That the Court declare, adjudge, and decree that Defendants violated California Labor Code §§ 226.7 and 512, and the IWC Wage Orders;

21. For unpaid rest period premium wages as may be appropriate;

22. For pre-judgment interest on any unpaid compensation commencing from the date such amounts were due;

23. For reasonable attorneys' fees under California Code of Civil Procedure § 1021.5, and for costs of suit incurred herein; and,

24. For such other and further relief as the Court may deem equitable and appropriate.

As to the Fifth Cause of Action

25. That the Court declare, adjudge and decree that Defendants violated California Labor Code §§ 201, 202, and 203 by willfully failing to pay all compensation owed at the time of termination of the employment;

26. For statutory wage penalties pursuant to California Labor Code § 203 for former employees who have left Defendants' employ;

27. For pre-judgment interest on any unpaid wages from the date such amounts were due;

28. For reasonable attorneys' fees and for costs of suit incurred herein; and,

29. For such other and further relief as the Court may deem equitable and appropriate.

As to the Sixth Cause of Action

30. That the Court declare, adjudge, and decree that Defendants violated the record keeping provisions of California Labor Code § 226(a) and applicable IWC Wage Orders, and willfully failed to provide accurate itemized wage statements thereto;

31. For all actual damages, according to proof;

32. For statutory penalties pursuant to California Labor Code § 226(e);

33. For injunctive relief to ensure compliance with this section, pursuant to California Labor Code § 226(h);

34. For reasonable attorneys' fees and for costs of suit incurred herein; and,

35. For such other and further relief as the Court may deem equitable and appropriate.

As to the Seventh Cause of Action

36. That the Court declare, adjudge, and decree that Defendants violated California Labor Code § 2802 by willfully failing to indemnify employees for expenditures;

37. For unpaid wages or unreimbursed business expenses as may be appropriate;

38. For pre-judgment interest on any unpaid compensation commencing from the date such amounts were due;

39. For reasonable attorneys' fees and for costs of suit incurred herein; and,

40. For such other and further relief as the Court may deem equitable and appropriate.

As to the Eighth Cause of Action

41. That the Court declare, adjudge, and decree that Defendants violated California Business & Professions Code §§ 17200, *et seq.* by failing to pay for all hours worked (minimum, straight time, and overtime wages), failing to provide meal periods, failing to authorize and permit rest periods, and failing to indemnify employees for expenditures;

42. For restitution of unpaid wages to Plaintiff and all Class Members and prejudgment interest from the day such amounts were due and payable;

43. For the appointment of a receiver to receive, manage and distribute any and all funds disgorged from Defendants and determined to have been wrongfully acquired by Defendants as a result of violations of California Business & Professions Code §§ 17200 *et seq.*;

44. For reasonable attorneys' fees and costs of suit incurred herein pursuant to California Code of Civil Procedure § 1021.5;

45. For injunctive relief to ensure compliance with this section, pursuant to California Business & Professions Code §§ 17200, *et seq.*; and,

46. For such other and further relief as the Court may deem equitable and appropriate.

As to the Ninth Cause of Action

47. That the Court declare, adjudge, and decree that Defendants violated the California Labor Code by failing to pay wages for all hour worked (including minimum, straight time, and overtime wages), failing to provide meal periods, failing to authorize and permit rest periods, failing to furnish accurate wage statements, and failing to indemnify employees for expenditures;

48. For all civil penalties pursuant to California Labor Code sections 2699, et seq., and all other applicable Labor Code provisions;

49. For reasonable attorneys' fees and costs of suit incurred herein pursuant to California Labor Code section 2699; and

50. For such other and further relief as the Court may deem equitable and appropriate.

As to All Causes of Action

51. For any additional relief that the Court deems just and proper.

Respectfully submitted,

WILSHIRE LAW FIRM, PLC

By:



Thiago M. Coelho
Chumahan B. Bowen
Jennifer M. Leinbach

Attorneys for Plaintiff

Dated: November 26, 2025

DEMAND FOR JURY TRIAL

Plaintiff demands a trial by jury as to all causes of action triable by jury.

Dated: November 26, 2025

WILSHIRE LAW FIRM, PLC

By: 

Thiago M. Coelho
Chumahan B. Bowen
Jennifer M. Leinbach

Attorneys for Plaintiff

EXHIBIT 1

**WILSHIRE LAW FIRM,
PLC**

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September 10, 2025

LWDA

Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612
(Via Online Submission)

KINGSPAN INSULATED PANELS, INC.
726 SUMMERHILL DRIVE
DELAND, FL 32174
(Via Certified Mail, Return Receipt Requested)
9489 0090 0027 6638 7721 24

DONAL CASEY
Agent for Service of Process for:
KINGSPAN INSULATED PANELS, INC.
2000 MORGAN ROAD
MODESTO, CA 95358
(Via Certified Mail, Return Receipt Requested)
9489 0090 0027 6638 7721 00

Re: ***Jose Chiprez, II v. Kingspan Insulated Panels, Inc.***
Notice of Labor Code Violations and PAGA Penalties

To Whom It May Concern:

Please be advised that my office has been retained by Jose Chiprez, II (“Mr. Chiprez” or “Mr. Chiprez”) to pursue a representative action under the California Labor Code Private Attorneys General Act of 2004 (PAGA), California Labor Code¹ section 2699, *et seq.* against Mr. Chiprez’s former employer, KINGSPAN INSULATED PANELS, INC. (“KIP” or “Employer”). The purpose of this letter is to comply with PAGA and set forth the facts and theories of Labor Code violations which Mr. Chiprez alleges KIP engaged in with respect to Mr. Chiprez and potentially all KIP’s current and former employees.

Mr. Chiprez wishes to pursue this action on behalf of KIP’s current and former employees, on behalf of the State of California, as well as on behalf of all other persons who worked for KIP in

¹ Unless otherwise stated, all references to “Labor Code” are meant to reference the California Labor Code.

California as non-exempt or hourly-paid employees at any time within the applicable statutory period collectively referred to as, “Aggrieved Employees”).

Mr. Chiprez and Aggrieved Employees, or some of them, suffered the Labor Code violations described below.

Mr. Chiprez’s Employment with KIP

KIP is an insulation and building envelope solutions company. KIP owns and operates an industry business, and establishment within the State of California. Therefore, and based on all the facts and circumstances incident to KIP’s business in California, KIP is subject to the Labor Code, the Industrial Wage Commission’s (IWC) Wage Orders, and the California Business and Professions Code.

Mr. Chiprez is a resident of Turlock, California who worked for KIP in Modesto (Sacramento County), California, as an hourly-paid, non-exempt employee from approximately February 3, 2025 to September 5, 2025. Mr. Chiprez worked as a maintenance technician. Mr. Chiprez’s primary job function was facility maintenance, projects, and machinery operations.

During Mr. Chiprez’s employment with KIP, KIP paid Mr. Chiprez an hourly wage and classified Mr. Chiprez as non-exempt from overtime. KIP typically scheduled Mr. Chiprez to work at least 5 days in a workweek and at least 10 hours per day but Mr. Chiprez also worked more than 10 hours in a workday and more than 40 hours in a workweek.

In performing Mr. Chiprez's duties, Mr. Chiprez was regularly required to perform work “off the clock” and without compensation, including but not limited to waiting at the employer site to clock in for facial recognition software functions, carrying a walkie-talkie, which required him to respond on breaks or be reprimanded, and answering calls and texts while off-duty for work-related requests for updates and questions about how to operate machinery. Due to understaffing and high workloads, Mr. Chiprez was also frequently deprived of an opportunity to take legally compliant meal and rest breaks because the few meal and rest breaks Mr. Chiprez took were often cut short or interrupted.

KIP did not provide Mr. Chiprez and Aggrieved Employees with the meal and rest break premiums as required by the Labor Code, and Mr. Chiprez does not recall ever receiving any meal and rest break premiums. Additionally, Mr. Chiprez necessarily incurred business-related expenses, including but not limited to gas and mileage, and personal cell phone for work-related communications, but KIP did not reimburse such business expenses. These are just non-exhaustive examples of the facts and theories Mr. Chiprez asserts, which are later described in more detail.

Throughout Mr. Chiprez's employment, KIP did not (1) pay for all hours worked (including minimum, straight time, and overtime wages); (2) provide Mr. Chiprez with legally compliant meal periods; (3) authorize and permit Mr. Chiprez to take rest periods; (4) timely pay all final wages to Mr. Chiprez when KIP terminated Mr. Chiprez's employment; (5) furnish accurate wage statements to Mr. Chiprez; and (6) indemnify Mr. Chiprez for business expenditures. As will be further discussed, Mr. Chiprez's experience working for KIP was typical and illustrative.

Failure to Pay for All Hours Worked, Including Minimum, Straight, and Overtime Wages

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of the employer and including the time the employee is suffered or permitted to work, whether required to do so.

In addition, Labor Code section 510 provides that employees in California shall not be employed for more than 8 hours on any workday or 40 hours in a workweek unless they receive additional compensation plus their regular wages in amounts specified by law.

Labor Code sections 1194 and 1198 also provide that employees in California shall not be employed more than 8 hours in any workday or 40 hours in a workweek unless they receive the additional compensation as required by law. Further, Section 1198 declares unlawful the employment of an employee for hours longer than those fixed by the IWC.

Throughout the statutory period, KIP did not pay Mr. Chiprez and Aggrieved Employees, or some of them, for all hours worked, including minimum, straight time, and overtime wages. At times, KIP required Mr. Chiprez and Aggrieved Employees, or some of them, to work "off-the-clock," uncompensated by, for example, requiring Mr. Chiprez and Aggrieved Employees to perform work during uncompensated meal and rest breaks, and requiring Mr. Chiprez and Aggrieved Employees to perform work before clocking in or after clocking out. As one example, KIP required Mr. Chiprez to carry a walkie-talkie, which required him to respond on breaks or be reprimanded in lieu of taking a meal break. As another example, during breaks, he was required to provide work-related instructions to other employees, and provide updates on assignments, return to work while off-the-clock to assist with maintenance issues. Some of this unpaid work should have been paid at the overtime rate. California Labor Code section 510 requires that employers compensate employees 1.5 times their regular rate of pay when employees work over 8 hours per day, 40 hours per week, or when employees work up to 8 hours on any seventh day of a workweek. KIP failed to properly calculate Mr. Chiprez's regular rate of pay when paying overtime, by failing to include all compensation in Mr. Chiprez's overtime calculations, including hours worked off-the-clock. In failing to pay for all hours worked, KIP also did not maintain accurate records of the hours Mr. Chiprez and the Aggrieved Employees, or some of them, worked.

As a result, KIP is liable to Mr. Chiprez and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code sections 210, 1197.1, and 2699, subdivision (f)(2) for failing to pay for all hours worked, including minimum, straight time, and overtime wages.

Failure to Provide Meal Breaks

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal break no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid 1 hour of additional wages for each workday they were not provided with all required meal breaks. Despite these legal requirements, KIP at times wrongfully failed to provide Mr. Chiprez and Aggrieved Employees, or some of them, with their legally mandated 30-minute, uninterrupted, and duty-free meal break in a manner required by law (and also including but not limited to failing at times to provide Mr. Chiprez and Aggrieved Employees, or some of them, the opportunity to leave the work premises to take meal breaks). For example, Mr. Chiprez was frequently deprived of an opportunity to take legally compliant meal breaks, including because the very few meal breaks Mr. Chiprez could take were often cut short or interrupted. KIP required Mr. Chiprez and others to carry a walkie-talkie, which required him to respond on breaks or be reprimanded in lieu of taking a meal period, including but not limited to providing work-related instructions to other employees, and providing updates on assignments.

KIP also continued to assert control over Mr. Chiprez and Aggrieved Employees, or some of them, by, among other things, requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory meal breaks, or by denying Mr. Chiprez and Aggrieved Employees, or some of them, permission to take a meal break under the conditions required by law, and without properly compensating Mr. Chiprez and Aggrieved Employees, or some of them, for meal breaks that were not provided as required by law. KIP also did not inform Mr. Chiprez of Mr. Chiprez's right to, nor permitted Mr. Chiprez to take, all of Mr. Chiprez's second meal breaks when Mr. Chiprez worked at least 10 hours of work in a workday and otherwise unlawfully pressured Mr. Chiprez to waive such breaks. Accordingly, KIP at times failed to provide meal breaks to Mr. Chiprez and Aggrieved Employees, or some of them, in compliance with California law.

Mr. Chiprez and the Aggrieved Employees, or some of them, are thus entitled to be paid 1 hour of additional wages for each workday they were not provided with all required meal breaks. KIP, however, at times failed to pay Mr. Chiprez and Aggrieved Employees, or some of them, the additional wages to which they were entitled for meal breaks that were not provided. Mr. Chiprez does not recall ever receiving any meal and rest break premiums.

Thus, KIP is liable to Mr. Chiprez and Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code sections 210 and 2699, subdivision (f)(2) for failing to provide meal breaks and pay meal period premium wages.

Failure to Authorize and Permit Rest Breaks

Per California law, employers are required to authorize and permit breaks of 10 uninterrupted minutes for each 4 hours of work or major fraction of 4 hours (*i.e.*, more than 2 hours). Thus, for example, if an employee's work time is 6 hours and 10 minutes, the employee is entitled to 2 rest breaks. Each failure to authorize rest breaks as required is itself a violation of California's rest break laws.

Throughout the statutory period, KIP at times has wrongfully failed to authorize and permit Mr. Chiprez and Aggrieved Employees, or some of them, to take legally compliant rest breaks in a manner required by law (and also including but not limited to failing, at times, to authorize and permit Mr. Chiprez and Aggrieved Employees, or some of them, the opportunity to leave the work premises to take rest breaks). KIP at times required Mr. Chiprez and Aggrieved Employees, or some of them, to work in excess of 4 consecutive hours a day without KIP's authorizing and permitting Mr. Chiprez to take a 10-minute, uninterrupted, duty-free rest period for every 4 hours of work (or major fraction of 4 hours), or without compensating Mr. Chiprez and Aggrieved Employees, or some of them, for rest breaks that were not authorized or permitted.

Instead, KIP at times continued to assert control over Mr. Chiprez and Aggrieved Employees, or some of them, by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory rest breaks, or at times by denying Mr. Chiprez and Aggrieved Employees, or some of them, permission to take a rest break. For example, at times, it was impossible for Mr. Chiprez and others to take rest breaks due to carrying a walkie-talkie, which required him to respond on breaks or be reprimanded. KIP required Mr. Chiprez and others to provide work-related instructions to other employees, and provide updates on assignments during rest breaks, including but not limited to return to work assist with maintenance issues.

Accordingly, KIP at times failed to authorize and permit Mr. Chiprez and Aggrieved Employees, or some of them, to take rest breaks in compliance with California law. Mr. Chiprez and Aggrieved Employees, or some of them, are thus entitled to be paid 1 hour of additional wages for each workday they were not authorized and permitted to take all required rest breaks. KIP, however, at times failed to pay Mr. Chiprez and Aggrieved Employees, or some of them, the additional wages to which they were entitled for rest breaks that they were not authorized and permitted to take.

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

Failure to Pay All Earned Wages Twice Per Month

Based on KIP's failure at times to pay Mr. Chiprez and Aggrieved Employees, or some of them, for all wages as discussed above, KIP also violated Labor Code section 204.

Section 204 requires employers to pay employees all earned wages twice per month. Throughout the applicable statute of limitations period, employees were entitled to be paid twice a month at their regular rates, including all meal and rest break premium wages owed and wages owed for overtime hours worked. However, at times, KIP failed and refused to pay Mr. Chiprez all wages due, and failed to pay those wages twice a month, in that Mr. Chiprez was not paid all wages for all meal periods not provided by KIP, all wages for all rest periods not authorized and permitted by KIP, and all wages for all hours worked. As a result, KIP owes Mr. Chiprez the legally required wages for unpaid wages, and Mr. Chiprez and Aggrieved Employees, or some of them, suffered damages in those amounts.

Moreover, KIP is/are liable to Mr. Chiprez and Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code section 210 for failing to pay all earned wages twice per month.

Failure to Maintain Accurate Records of Hours Worked and Meal Breaks

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

KIP, however, at times failed to maintain accurate records of hours worked and all meal breaks taken or missed by Mr. Chiprez and Aggrieved Employees, or some of them.

KIP's failure to provide and maintain records required by the Labor Code and the applicable IWC Wage Orders deprived Mr. Chiprez and Aggrieved Employees, or some of them, the ability to know, understand and question the accuracy and frequency of meal breaks, and the accuracy of their hours worked stated in KIP's records. Therefore, Mr. Chiprez and Aggrieved Employees, or some of them, had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to KIP. As a direct result, Mr. Chiprez and Aggrieved

Employees, or some of them, have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorneys' fees in seeking to compel KIP to fully perform their obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of KIP's knowing failure, at times, to comply with the Labor Code and applicable IWC Wage Orders, Mr. Chiprez and Aggrieved Employees, or some of them, have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

Failure to Timely Pay All Wages at Termination

Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves their employment, their wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours' previous notice of their intention to quit, in which case the employee is entitled to their wages at the time of quitting. Direct deposits of wages to an employee's bank, saving and loan, or credit union account that were previously authorized by the employee are immediately terminated when an employee quits or is discharged, and the payment of wages upon termination of employment in the manner described above shall apply unless the employee has voluntarily authorized that deposit and provided that the employer complies with the provisions of Labor Code section 213, subdivision (d) relating to the payment of wages upon termination or quitting of employment.

Within the applicable statute of limitations, the employment of Mr. Chiprez and many other Aggrieved Employees ended, *i.e.*, was terminated by quitting or being discharged, and the employment of others will be terminated. However, during the relevant time period, KIP at times failed, and continue at times to fail, to pay Mr. Chiprez and terminated Aggrieved Employees, or some of them, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within 72 hours of their leaving KIP's employment. These include wages for unpaid work time (including minimum, straight time, and overtime wages), missed meal break premium wages, and missed rest break premium wages. KIP also violated, and continue to violate, Labor Code section 213, subdivision (d) by paying final wages (if any are paid at all) via direct deposit without the employee's voluntary authorization. Mr. Chiprez recalls that Mr. Chiprez did not receive final wages at the time of discharge, nor within 72 hours of leaving KIP's employment,

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

Accordingly, Mr. Chiprez and Aggrieved Employees, or some of them, are entitled to recover from KIP their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to 30 days maximum pursuant to Labor Code section 203.

Moreover, KIP is liable to Mr. Chiprez and Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code section 2699, subdivision (f)(2) for failing to timely pay all wages at termination, and for unlawfully making any such payment (if any) via direct deposit without the employee's voluntary authorization.

Failure to Furnish Accurate Wage Statements

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

The statute further 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." (Cal. Lab. Code, § 226, subd. (e)(1).)

Throughout the statutory period, KIP at times failed, and continues at times to fail, to timely furnish Mr. Chiprez and Aggrieved Employees, or some of them, with accurate, itemized wage statements showing all applicable hourly rates, and all gross and net wages earned (including correct hours worked, correct wages for meal breaks that were not provided in accordance with California law, and correct wages for rest breaks that were not authorized and permitted to take in accordance with California law).

Because KIP at times violated Labor Code section 226, Mr. Chiprez and Aggrieved Employees, or some of them, suffered injury and damage to their statutorily protected rights. Accordingly, Mr. Chiprez and similarly Aggrieved Employees, or some of them, are entitled to recover from KIP the greater of their actual damages caused by KIP's failure to comply with Labor Code section 226, subdivision (a), or an aggregate penalty not exceeding \$4,000 per employee. Moreover, KIP is liable to Mr. Chiprez and Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code section 226.3 for failing to timely furnish accurate itemized wage statements.

Recordkeeping Requirement Violations

Labor Code section 1174 requires employers to keep "accurate and complete" payroll records showing, among other things, the hours worked daily by employees. For all applicable IWC Wage Orders, section 7 similarly requires employers to keep accurate time records reflecting the times during which all owed meal breaks were provided each day.

Based on information and belief, KIPs at times failed, and continue at times to fail, to keep accurate and complete payroll records as required by law, including but not limited to the following records: total daily hours worked, applicable rates of pay, time records showing when Mr. Chiprez and other Aggrieved Employees began and ended each work period, time records of meal breaks, and accurate itemized wage statements.

Based on information and belief, KIP at times failed and continues at times to fail to keep accurate and complete records showing total hours worked by Mr. Chiprez and Aggrieved Employees, or some of them, by virtue of KIP's time rounding and/or auto deduction policies and practices and/or other off-the-clock work policies and practices. KIP failed at times and continue at times to fail to keep accurate and complete records showing total hours worked by virtue of KIP's failure to relieve Mr. Chiprez and Aggrieved Employees, or some of them, of all duties and KIP's control for unpaid meal periods, resulting in unpaid hours worked.

Based on information and belief, KIP further failed at times, and continue at times to fail, to record the true start and end times of Mr. Chiprez's and Aggrieved Employees' meal periods, or some of them.

Based on further information and belief, KIP further failed at times and continue at times to fail, to record the true start and end times of Mr. Chiprez's and Aggrieved Employees' work shifts, or some of them.

Additionally, KIP at times failed, and continue at times to fail, to keep accurate records and issue accurate wage statements by not documenting accrued sick time for Mr. Chiprez and Aggrieved Employees, or some of them. KIP's failure to keep "accurate and complete" payroll records for Mr. Chiprez and Aggrieved Employees, or some of them, violates Labor Code sections 1174, 1198, 1199, and all applicable IWC Wage Orders, section 7. These violations subject KIP to civil penalties under Labor Code sections 558.1, 226.6, 1174.5 and 2699. Each violation of each Labor Code section and Wage Order provision, for each Aggrieved Employee (or some of them), results in a separate civil penalty.²

Failure to Indemnify Necessary Expenditures

Labor Code section 2802, subdivision (a) provides that employers shall indemnify their employees for all necessary business expenditures or losses that have been incurred by the employees in direct discharge of their duties. Throughout the applicable statute of limitations period, KIP at times wrongfully required Mr. Chiprez and Aggrieved Employees, or some of them, to pay expenses they incurred in direct discharge of their duties for KIP, including but not limited to gas, mileage for work-related site travels, and personal cell phone expenses for work-related communications. Mr. Chiprez and Aggrieved Employees, or some of them, at times paid out-of-pocket for necessary employment-related expenses. Mr. Chiprez and Aggrieved Employees, or some of them, incurred substantial expenses as a direct result of performing their job duties for KIP but KIP failed to indemnify Mr. Chiprez and Aggrieved Employees, or some of them, for these employment-related expenses.

As a result, KIP is liable to Mr. Chiprez and Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code section 2802 and 2699, subdivision (f)(2) for failing to indemnify Mr. Chiprez and Aggrieved Employees, or some of them, for necessary business expenditures.

Action for PAGA Civil Penalties

In light of the above, Mr. Chiprez alleges that KIP violated the following provisions of the Labor Code with respect to the Aggrieved Employees, or some of them:

1. Labor Code sections 204, 510, 1194, 1197, and 1198 by failing at times to pay for all hours worked, including minimum wages, straight time wages, and overtime wages;
2. Labor Code section 226.7 and applicable IWC Wage Orders by failing at times to provide meal breaks;

² See Labor Code § 2699, subdivision (f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

3. Labor Code section 226.7 and applicable IWC Wage Orders by failing at times to authorize and permit rest breaks;
4. Labor Code section 204 by failing at times to pay all earned wages twice per month;
5. Labor Code section 1174.5 and applicable IWC Wage Orders by failing at times to maintain accurate records of hours worked and meal breaks taken or missed;
6. Labor Code sections 201 to 203 by willfully failing at times to pay all wages owed at termination;
7. Labor Code section 226 by failing at times to provide accurate itemized wage statements;
8. Labor Code section 1174 by failing at times to keep accurate and complete payroll records; and
9. Labor Code section 2802 by failing at times to indemnify for necessary expenditures;

Therefore, on behalf of potentially Aggrieved Employees, Mr. Chiprez seeks applicable penalties related to the violations alleged above per PAGA. These include, but are not limited to, penalties under Labor Code sections 210, 226.3, 1174.5, 1197.1, and 2699.

Mr. Chiprez has placed KIP on notice by mailing a certified copy of this correspondence, as indicated on the first page. Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,



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