

VIA ON-LINE SUBMISSION ONLY TO:

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Private Attorneys General Act
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**Re: Labor Code § 2698, *et seq.* Penalties – PAGA Notice Letter to the LWDA
*Brown, Jr. v. Imperfect Foods, Inc., et al.***

Gentlepersons:

This office represents Plaintiff Phillip James Brown, Jr. (“Plaintiff”) and other similarly situated aggrieved non-exempt employees (collectively “Aggrieved Employees”) for violations of California Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, and 2699, *et seq.*; provisions of the Industrial Welfare Commission (IWC) Wage Order(s); and California Business & Professions Code § 17200 *et seq.*

The purpose of this letter is to comply with the Private Attorneys General Act of 2004, pursuant to California Labor Code § 2698 *et seq.* (“the Act”). Plaintiff would like to bring a representative action, pursuant to the Act, on behalf of himself and all other similarly situated Aggrieved Employees, and the State of California, against Defendants, Imperfect Foods, Inc.;



Imperfect Foods; Misfits Market; and DOES 1 through 50 inclusive (all defendants being referred to herein collectively as “Defendants”).

Additionally, this correspondence will serve to satisfy the notice requirements under the Act, along with a copy of Plaintiff’s Class Action Complaint, which is attached to this Notice letter. The Complaint is being concurrently filed in Santa Clara County Superior Court and will be assigned a local case number. The Complaint allegations and claims are incorporated into this Notice Letter.

We also set forth herein the facts and theories and the California Labor Code violations which Defendants engaged in with respect to Plaintiff and all of their Aggrieved Employees in California. The attached Class Action Complaint provides the details of Plaintiff’s class-wide claims and claims under the Act, and the applicable California law governing them. It, along with this Notice Letter, addresses in detail numerous violations that subject Defendants to civil and statutory penalties under the Act.

Relevant Facts

Aggrieved Employees were employed by Defendants as non-exempt employees within the state of California within the statutory time period who suffer or suffered from the same wage and hour violations outlined below. Defendants had a common policy and/or practice of failing to pay Aggrieved Employees minimum wages for all hours worked.

Additionally, Aggrieved Employees were not paid for the time that they worked while clocked out for meal periods, as they were often required to clock out for meal periods and continue working to keep up with work demands and overcome understaffing

Defendants also failed to pay Plaintiff and Aggrieved Employees proper overtime wages. Plaintiff and Aggrieved Employees consistently worked in excess of eight (8) hours a day, and/or forty (40) hours a week. However, Plaintiff and Aggrieved Employees were not paid overtime wages for hours worked in excess of 8 hours a day. Moreover, the uncompensated time, including time spent working during meal breaks, was worked by Aggrieved Employees in excess of 8 hours a day and/or 40 hours a week, further entitling Aggrieved Employees to overtime wages which they were consistently denied, all in violation of the Labor Code and applicable Wage Orders.

Defendants had a common policy and/or practice of denying Plaintiff and Aggrieved Employees proper meal periods. Specifically, Plaintiff and Aggrieved Employees were required to work through their meal periods which they were consistently denied or had their meal periods interrupted by work demands. Similarly, Plaintiff and Aggrieved Employees were required to work in excess of ten (10) hours a day, without ever receiving a second meal compliant period, all in violation of Labor Code and applicable Wage Orders.

Defendants have consistently failed to provide Plaintiff and Aggrieved Employees with paid rest breaks of not less than 10 minutes for every work period of 4 or more consecutive hours, as



required by Labor Code. Specifically, Plaintiff and Aggrieved Employees were required to work through their rest breaks which they were continuously denied. What rest breaks were taken were on-duty due to Defendants' policy and practice of interrupting rest breaks with work demands.

Defendants consistently failed to issue accurate itemized wage statements as required by Labor Code § 226(a). Specifically, Aggrieved Employees' wage statements did not include: the total hours worked in violation of Labor Code § 226(a)(2) and failed to accurately set forth all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each such rate in violation of Labor Code § 226(a)(9). The wage statements provided to Aggrieved Employees were confusing and required Aggrieved Employees to refer to outside sources to verify whether their pay was correct, potentially resulting in a miscalculation by the Aggrieved Employees. Moreover, the wage statements given to Aggrieved Employees failed to accurately account for unpaid wages, overtime, and premium pay for deficiently provided meal periods and rest breaks as discussed above.

Moreover, Defendants failed to pay Plaintiff and Aggrieved Employees all wages owed at the time of their termination or within seventy-two (72) hours of their resignation as required by Labor Code §§ 201-203. Defendants also consistently failed to pay Aggrieved Employees all wages due on a semi-monthly basis.

PAGA Claim Details, Legal Bases for Violations and Penalties:

As addressed above and in further detail in the attached Class Action Complaint, Plaintiff and the Aggrieved Employees complain of the following violations committed by Defendants:

Failure to Pay Minimum Wages

Defendants violated the law by failing to pay Aggrieved Employees minimum wages for all hours worked. California Labor Code § 1197, entitled "Pay of Less Than Minimum Wage" states, "[t]he minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful." The applicable minimum wages fixed by the commission for work during the relevant period is found in the Wage Orders.

In California, employees must be paid at least the then applicable state minimum wage for all hours worked, including under Labor Code § 1197, IWC Wage Order MW-2014, and paragraphs 2(K), 2(S), and 4(A)-4(C) of the applicable IWC Wage Orders. Paragraph 2(H) of the applicable IWC Wage Orders defines "Hours Worked" as "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." Additionally, pursuant to Labor Code § 204, other applicable laws and regulations, and public policy, an employer must timely pay its employees for all hours worked. Defendants failed to do so.

California Labor Code § 1197, entitled "Pay of Less Than Minimum Wage" states: "The minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful." The



minimum wage provisions of California Labor Code are enforceable by private civil action pursuant to Labor Code § 1194(a) which states: “Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney’s fees and costs of suit.”

As described in California Labor Code §§ 1185 and 1194.2, any action for wages incorporates the applicable Wage Order of the California Industrial Welfare Commission. Also, California Labor Code §§ 1194, 1197, 1197.1 and those Industrial Welfare Commission Wage Orders entitle non-exempt employees to an amount equal to or greater than the minimum wage for all hours worked. All hours must be paid at the statutory or agreed rate, or at the minimum rate in the absence of a contractually agreed upon one. The underpayment of wages to Aggrieved Employees is and has been a direct consequence of Defendants’ unlawful compensation policies and practices, which applied uniformly to the Aggrieved Employees working at locations and work sites throughout California.

Defendants thus failed to pay Employees minimum wages they were owed, including by their consistent policy of failing to pay Employees for all hours worked. Specifically, Aggrieved Employees were not paid for the time that they worked, including as alleged above in connection with working during meal breaks. Therefore, Plaintiff and Aggrieved Employees were required to work hours without wages, and Defendants did not pay Plaintiff and Aggrieved Employees at the applicable minimum wage for all hours worked. Defendants have the ability to pay minimum wages for all time worked and have willfully refused to pay such wages with the intent to secure for Defendants a discount upon this indebtedness with the intent to annoy, harass, oppress, hinder, delay, or defraud Plaintiff and Aggrieved Employees.

In light of the forgoing, the Aggrieved Employees seek to recover wages and penalties. Aggrieved Employees are entitled to recover the unpaid minimum wages (including double minimum wages), liquidated damages in an amount equal to the minimum wages unlawfully unpaid, interest thereon and reasonable attorney’s fees and costs of suit pursuant to California Labor Code § 1194(a). Plaintiff and the other Aggrieved Employees further request recovery of all unpaid wages, according to proof, interest, statutory costs, as well as the assessment of any statutory and civil penalties against Defendants, in a sum as provided by the California Labor Code and/or other applicable statutes, including pursuant to Labor Code § 558, and Wage Order provisions. To the extent minimum wage compensation is determined to be owed to the Aggrieved Employees who have terminated their employment, Defendants’ conduct also violates Labor Code §§ 201 and/or 202, and therefore these individuals are also be entitled to waiting time penalties under California Labor Code § 203, which penalties are sought herein on behalf of these Aggrieved Employees. Defendants’ failure to timely pay all wages owed also violated Labor Code § 204 and resulted in violations of Labor Code § 226 because they resulted in the issuance of inaccurate wage statements. Defendants’ conduct as alleged herein was willful, intentional and not in good faith. Further, Plaintiff and other Aggrieved Employees are entitled to seek and recover statutory costs.



Under the PAGA, and following exhaustion of the notice period, Plaintiff is seeking all civil and statutory penalties available and applicable under Labor Code §§ 510, 558, 1194.2, 1197.1, 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(k)(1).

Failure to Pay Wages and Overtime in Violation of Labor Code § 510

Defendants violated the law by failing to pay Plaintiff and Aggrieved Employees earned wages and overtime. Specifically, Plaintiff and Aggrieved Employees consistently worked in excess of eight (8) hours a day, and/or forty (40) hours a week. However, Plaintiff and Aggrieved Employees were not paid overtime wages for hours worked in excess of 8 hours a day.

Moreover, the uncompensated time discussed above, including as alleged above in connection with working during meal breaks, caused Plaintiff and Aggrieved Employees to work in excess of 8 hours a day and/or 40 hours a week, further entitling Plaintiff and Aggrieved Employees to overtime wages which they were consistently denied, all in violation of Labor Code § 510 and applicable Wage Orders.

Defendants have violated Labor Code § 1194 and Labor Code § 510 (and paragraphs 2(K), 2(S), 3(A) and 4(A)-4(B) of the relevant orders of the Industrial Welfare Commission) by failing to pay Employees: (a) time and one-half their regular hourly rates for hours worked in excess of eight hours in a workday or in excess of forty hours in any workweek or for the first eight hours worked on the seventh day of work in any one workweek; or (b) twice their regular rate of pay for hours worked in excess of twelve hours in any one day or for hours worked in excess of eight hours on any seventh day of work in a workweek. Defendants had a consistent policy of not paying Employees wages for all hours worked, including by requiring Aggrieved Employees to work through their meal periods. This unpaid off the clock work resulted in Aggrieved Employees working past eight hours on a shift or more than forty hours in a week, which required that they be paid at the correct overtime rate of 1.5 times their regular rate.

In light of the forgoing, Aggrieved Employees seek to recover wages and penalties pursuant to the California Labor Code, including Labor Code §§ 204, 510, 558, 1174, 1194, 1198, 1199, and the relevant paragraphs of the IWC Wage Orders, including paragraphs 2(K), 2(S), 3(A), 4, and 20. Defendants are liable to Aggrieved Employees for the full amount of all their unpaid wages and overtime compensation, with interest, plus their reasonable attorneys' fees and costs, as well as the assessment of any statutory penalties against Defendants, and each of them, and any additional sums as provided by the Labor Code and/or other statutes and Wage Order provisions. Under the PAGA, and following exhaustion of the notice period, Plaintiff is seeking all civil and statutory penalties available and applicable under Labor Code §§ 510, 558, 1194.2, 1197.1, 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(k)(1).

Meal-Period Liability Under Labor Code §§ 226.7 and 512 and Penalties

Defendants have regularly required Aggrieved Employees to work shifts in excess of five hours without providing them with uninterrupted meal periods of not less than thirty minutes as



required under Labor Code §§ 226.7, 512, and paragraph 11 of the applicable Wage Orders. Specifically, Aggrieved Employees were forced to incur shortened meal periods, were provided with meal periods late and well after the fifth hour of work, could not be relieved to take their meal periods, or were required to remain on-duty at all times and were unable to take off-duty meal periods or were otherwise not provided with the opportunity to take required meal periods.

On the occasions when Aggrieved Employees were provided with a meal period, it was often untimely or interrupted by having to respond to work demands or remain under Defendants' control, in violation of the Labor Code and applicable Wage Orders. On shifts over ten hours, second meal periods were not provided. Defendants also failed to pay Aggrieved Employees "premium pay," i.e. one hour of wages at each Aggrieved Employee's effective regular rate of pay, for each meal period that Defendants failed to provide or deficiently provided. Therefore, pursuant to Labor Code § 226.7 and paragraphs 11 and 20 of the applicable IWC Wage Order, Aggrieved Employees are entitled to damages in an amount equal to one hour of wages at their regular rate of compensation for each meal period not provided or deficiently provided, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions.

Under the PAGA, and following exhaustion of the notice period, Plaintiff is seeking all civil and statutory penalties and wages as available and applicable under Labor Code §§ 226.7, 512, 558, including sections 558(a)(1)-(3), 1199, 2699(f)(2) and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(k)(1).

Rest-Break Liability Under Labor Code § 226.7 and Penalties

Defendants have consistently failed to provide Aggrieved Employees with paid rest breaks of not less than ten minutes for every work period of four or more consecutive hours, as required under Labor Code § 226.7. Specifically, Defendants provided rest periods untimely or for shortened durations, and Defendants' policies and procedures required Aggrieved Employees to remain under Defendants' control during breaks.

Defendants also failed to pay Aggrieved Employees premium pay for each day on which requisite rest breaks were not provided or were deficiently provided, or miscalculated any premiums paid. Therefore, pursuant to Labor Code § 226.7 and paragraphs 12 and 20 of the applicable IWC Wage Order, Aggrieved Employees are entitled to damages in an amount equal to one hour of wages at their regular rate of compensation for each rest period not provided or deficiently provided, as well as the assessment of any statutory penalties against the Defendants, and each of them, in a sum as provided by the Labor Code, including Labor Code § 558 and other applicable statutes and Wage Order provisions.

Under the PAGA, and following exhaustion of the notice period, Plaintiff is seeking all civil and statutory penalties and wages as available and applicable under Labor Code §§ 226.7, 512, 558, including sections 558(a)(1)-(3), 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(k)(1).



Failure to Issue Accurate and Itemized Wage Statements in Violation of Labor Code § 226

California Labor Code § 226(a) requires an employer to furnish each employee with an accurate, itemized wage statements in writing. These statements must be appended to the detachable part of the check, draft, voucher, or whatever else serves to pay the employee's wages; or, if wages are paid by cash or personal check, these statements may be given to the employee separately from the payment of wages; in either case the employer must give the employee these statements twice a month or each time wages are paid. As a direct and proximate cause of Defendants' violation of Labor Code § 226(a), Aggrieved Employees suffered injuries, including among other things confusion over whether they received all wages owed them, the difficulty and expense involved in reconstructing pay records, and forcing them to make mathematical computations to analyze whether the wages paid in fact compensated them correctly for all hours worked.

Defendants failed to provide Aggrieved Employees with accurate itemized wage statements in writing, as required by the Labor Code. Specifically, the wage statements given to Aggrieved Employees, by Defendants, failed to accurately account for wages, overtime, and premium pay for deficiently provided meal periods and rest breaks. Aggrieved Employees' wage statements did not include: the total hours worked in violation of Labor Code § 226(a)(2) and failed to accurately set forth all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each such rate in violation of Labor Code § 226(a)(9). The wage statements provided to Aggrieved Employees were confusing and required Aggrieved Employees to engage in discovery and refer to outside sources to verify whether their pay was correct and potentially resulting in a miscalculation by the Aggrieved Employees.

In light of these violations, and pursuant to Labor Code §§ 226(a) and 226(e) and paragraphs 4(b), 7, and 20 of the applicable IWC Wage Orders, Aggrieved Employees are 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) for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000). They are also entitled to an award of costs and reasonable attorneys' fees.

Under the PAGA, and following exhaustion of the notice period, Plaintiff asserts PAGA claims for failure to provide Aggrieved Employees with accurate, itemized wage statements and failure to maintain employment records for Plaintiff and Aggrieved Employees under Labor Code §§ 226, 1174, and 1198.5, and Sections 7(A), 7(B), and 7(C) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties and wages available and applicable under Labor Code §§ 226(e), 226.3, 558, 1174.5, 1199, and 2699(f)(2), and paragraph 20 of the applicable IWC Wage Order, and also for attorneys' fees and costs pursuant to Labor Code § 2699(k)(1). More specifically, by providing inaccurate wage statements and failing to maintain records as required under Labor Code § 226(a), Defendants committed ongoing violations giving rise to civil penalties under Labor Code § 226.3, which in addition to other penalties provided by law, subjects Defendants to "a penalty in the amount of two hundred fifty dollars (\$250) per employee per violation in an initial citation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, ..."



Failure to Issue Semimonthly Payments in Violation of Labor Code § 204

In failing to pay Aggrieved Employees wages, overtime, premium pay, etc., and failing to provide them with checks and wage statements, Defendants failed to timely pay Aggrieved Employees wages on a semimonthly basis as required under Labor Code § 204. Defendants failed to maintain records showing accurate hours worked daily and the wages paid to Aggrieved Employees, as well as the meal and rest periods taken by Aggrieved Employees, as required by Labor Code § 1174 and the applicable IWC wage orders.

Defendants also required Aggrieved Employees to work hours off the clock for which they were not compensated, including during interrupted or otherwise on-duty meal periods. Defendants also failed to pay all overtime premium wages owed for work conducted on a work shift and a workday. Therefore, when Aggrieved Employees received wage statements and pay checks, they did not compensate all hours worked on a timely basis, resulting in Defendants' systematic failure to pay all wages owed to Aggrieved Employees twice monthly in accordance with the requirements of Labor Code § 204. Additionally, by not providing wage statements as required under section 204, Defendants systematically violated Labor Code § 204 and § 226.

Given the above described off the clock work, Plaintiff was not paid at the correct overtime rate for all hours he worked after eight hours into a shift or over forty in a work week and was not paid all double time owed either. Defendants' uniformly applied payroll policies and practices thus resulted in further systematic and ongoing violations of the requirements of Labor Code § 204.

In light of the foregoing, Plaintiff and Aggrieved Employees seek to recover wages and penalties, interest, fees and costs pursuant to Labor Code §§ 201.3, 210, 218.5, 558, and 1194. In failing to pay Aggrieved Employees minimum wages and overtime, and off the clock work, by not providing proper meal and rest periods, failing to provide accurate itemized wage statements, and failing to pay Employees wages upon termination or timely upon resignation, all discussed above, Defendants failed to timely pay Aggrieved Employees wages on a semimonthly basis as required under Labor Code § 204. Defendants also failed to maintain records showing accurate hours worked daily and the wages paid to Aggrieved Employees, as required by Labor Code § 1174 and paragraph 7 of the applicable IWC Wage Orders, entitling Aggrieved Employees to recover penalties pursuant to paragraph 20 of the applicable IWC Wage Orders.

Under the PAGA, and following exhaustion of the notice period, Plaintiff asserts PAGA claims for failure to timely pay all wages owed, including at least semi-monthly and upon separation or termination, under Labor Code §§ 203, 204, 2926, 2927, and 2699.5 seeking all civil penalties available and applicable under Labor Code §§ 204, 210, 558, 1197, 1198, 1199 and 2699(f)(2), and paragraph 20 of the applicable IWC Wage Orders, and also for attorneys' fees and costs pursuant to Labor Code § 2699(k)(1).

Failure to Keep Records In Accordance With Labor Code § 1174



Labor Code § 1174 requires employers to keep records showing payroll data and the hours worked daily by and the wages paid to employees. By failing to pay Aggrieved Employees proper wages, overtime, double time, premium pay, etc., and by not properly recording meal period start and end times, all discussed herein, Defendants failed to maintain proper employment records in accordance with Section 1174. In light of the forgoing, Plaintiff and Aggrieved Employees seek to recover penalties pursuant to Labor Code §§ 1174.5 and 2699, *et seq.* Defendants have also failed to comply with paragraph 7 of the applicable California IWC Wage Orders by failing to maintain time records showing when the employee begins and ends each work period, meal periods, wages earned pursuant to Labor Code § 226.7, and total daily hours worked by itemizing in wage statements all deductions from payment of wages and accurately reporting total hours worked by the Aggrieved Employees, and they are entitled to recover penalties pursuant to paragraph 20 of the applicable IWC Wage Orders.

Under the PAGA, and following exhaustion of the notice period, Plaintiff asserts PAGA claims for failure to provide Plaintiff and the Aggrieved Employees with accurate, itemized wage statements and failure to maintain employment records for Plaintiff and Aggrieved Employees under Labor Code §§ 226, 1174, 1198, and 1198.5, and Sections 7(A), 7(B), and 7(C) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties and wages available and applicable under Labor Code §§ 558, 1174.5, 1199, and 2699(f)(2), 2699.5, and paragraph 20 of the applicable IWC Wage Order, and also for attorneys' fees and costs pursuant to Labor Code § 2699(k)(1).

Waiting Time Penalties Pursuant to Labor Code § 203

Some Aggrieved Employees, including Plaintiff, no longer work for Defendants; they either resigned or were terminated from Defendants' employ. Based on the forgoing, Defendants have had a consistent policy of failing to pay all wages earned by and owed to Aggrieved Employees at the time of their termination or within seventy-two hours of their resignation, as required by California under Labor Code § 203. In light of the forgoing, Plaintiff and Aggrieved Employees seek to recover wages and penalties pursuant to Labor Code § 558 and further specifically seek penalties and wages under Labor Code § 203, which provides that an employee's wages shall continue until paid for up to thirty (30) days from the date they were due.

Under the PAGA, and following exhaustion of the notice period, Plaintiff asserts PAGA claims for failure to timely pay all wages owed, including at least semi-monthly and upon separation or termination, under Labor Code §§ 201, 201, 203, 204, 1197.5, 2926, and 2927 seeking all civil penalties available and applicable under Labor Code §§ 201, 202, 203, 210, 558, 1197, 1198, 1199, 2699(f)(2), 2699.5, and paragraph 20 of the applicable IWC Wage Orders, and also for attorneys' fees and costs pursuant to Labor Code § 2699(k)(1).

Unfair Competition Under Business and Professions Code § 17200, *et seq.*

Consequently, Defendants' conduct has been and continues to be unfair, unlawful, and harmful to Plaintiff and Aggrieved Employees and the general public in violation of Business & Professions Code § 17200 *et seq.*



Plaintiff's PAGA Claim under Labor Code § 2698 et seq. and Recovery Bases:

After complying with the notice procedures of Labor Code § 2699.3 and the running of the notice period after the filing of the attached Class Action Complaint, Plaintiff will file an amended Complaint asserting, as a representative action on behalf of the California Attorney General and the other similarly Aggrieved Employees, a PAGA claim for violations of the above addressed underlying claims and seeking penalties as specified by the applicable corresponding provisions.

Plaintiff and the Aggrieved Employees seek penalties under Labor Code §§ 2698 and 2699 for Defendants' violation of Labor Code provisions included under Labor Code § 2699.5, including the penalty provisions, without limitation, based, *inter alia*, on the following California Labor Code sections: §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1198, 1199, 2698, and 2699, *et seq.*, including as follows:

(a) Wage Claims: For failure to provide Plaintiff and the Aggrieved Employees all earned regular pay and minimum wages for regular hours worked and for failure to pay overtime premium wages for overtime hours worked under Labor Code §§ 510, 1194(a), 1197, and 1198, and paragraphs 2(K), 3(A), 4(A), 4(B) and 20 of the applicable IWC Wage Order(s) seeking all civil and statutory penalties available and applicable under Labor Code §§ 510, 558, 1194.2, 1197.1, 1198, 1199, 2699(f)(2), and 2699.5, and also for attorneys' fees and costs pursuant to Labor Code § 2699(k)(1);

(b) Meal and Rest Period Claims: For failure to provide Plaintiff and the Aggrieved Employees off-duty, timely, and unpaid meal periods and failure to authorize and permit them to take off-duty, timely, and paid rest periods, or pay one hour of regular pay in lieu thereof, under Labor Code §§ 512, 1198, and 226.7, and Sections 11, 12(A), and 12(B) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties available and applicable, including under paragraph 20 of the applicable IWC Wage Orders, and wages under Labor Code §§ 226.7, 512, 558, including sections 558(a)(1)-(3), 1199 and 2699(f)(2), and also for attorneys' fees and costs pursuant to Labor Code § 2699(k)(1);

(c) Inaccurate Wage Statements and Failure to Maintain Records: For failure to provide Plaintiff and the Aggrieved Employees with wage statements or with accurate, itemized wage statements and failure to maintain employment records for Plaintiff and Aggrieved Employees under Labor Code §§ 226, 1174, and 1198.5, and Sections 7(A), 7(B), and 7(C) of the applicable IWC Wage Order(s) seeking all civil and statutory penalties and wages available and applicable under Labor Code §§ 226(e), 226.3, 558, 1174.5, 1199, and 2699(f)(2), and paragraph 20 of the applicable IWC Wage Order, and also for attorneys' fees and costs pursuant to Labor Code § 2699(k)(1). More specifically, by providing inaccurate wage statements and failing to maintain records as required under Labor Code § 226(a), Defendants committed ongoing violations giving rise to civil penalties under Labor Code § 226.3, which in addition to other penalties provided by law, subjects Defendants to "a penalty in the amount of two hundred



fifty dollars (\$250) per employee per violation in an initial citation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, ...”;

(d) Failure to Timely Pay Wages: For failure to timely pay all wages owed, including at least semi-monthly and upon separation or termination, under Labor Code §§ 201, 201, 203, 204, 1197.5, 2926, and 2927 seeking all civil penalties available and applicable under Labor Code §§ 201, 202, 203, 210, 558, 1197, 1198, 1199 and 2699(f)(2), and paragraph 20 of the applicable IWC Wage Orders, and also for attorneys’ fees and costs pursuant to Labor Code § 2699(k)(1);

(e) All Alleged Violations of the IWC Wage Orders: For any above addressed violation of the applicable provisions of the IWC Wage Orders constituting violations of Labor Code § 1198 and Labor Code § 2699.5, and seeking penalties available and applicable under Labor Code § 2699(f)(2) and paragraph 20 of the applicable IWC Wage Orders, and for attorneys’ fees and costs pursuant to Labor Code § 2699(k)(1).

We have been constrained to initially move forward with the filing of this Complaint, alleging the causes of action discussed herein, without the PAGA claim. Thus, any action by the LWDA would not resolve the entirety of the case, and the interest of judicial economy will be served by allowing the case to proceed as a cohesive whole.

This letter and the attached Complaint therefore provide the requisite notice under the Act to the LWDA and Defendants by setting forth the specific provisions of the Labor Code and related provisions Plaintiff alleges have been violated, including the facts and relevant theories alleged against Imperfect Foods, Inc., Imperfect Foods, Misfits Market, and any other named Defendants and joint employers. To prevent the violations described in the Complaint and herein from occurring, and to remedy past violations, Plaintiff respectfully requests that the LWDA conduct an investigation into Defendants’ employment practices in accordance with the Act.

Wherefore we request that you advise us, by certified mail within sixty days of the postmark on this letter, whether you intend to proceed with these claims or whether Plaintiff and the Aggrieved Employees should include them in an amended Labor Code § 2698 *et seq.* claim under the Act in an amended Complaint.

Regards,

D.LAW, INC

Mason Doidge
Roman Shkodnik

Cc: Imperfect Foods, Inc., Imperfect Foods, and Misfits Market by Certified Mail

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on behalf of himself and others similarly situated

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SANTA CLARA**

PHILLIP JAMES BROWN, JR., on behalf of
himself and others similarly situated,

Plaintiff,

vs.

IMPERFECT FOODS, INC., a Delaware
Corporation; IMPERFECT FOODS, an entity
of unknown form; MISFITS MARKET, an
entity of unknown form; and DOES 1 through
50, inclusive,

Defendants.

Case No.

CLASS ACTION

Assigned for All Purposes To:

Hon.

Dept.:

CLASS ACTION COMPLAINT FOR:

1. Failure to Pay Minimum Wages;
2. Failure to Pay Wages and Overtime Under Labor Code § 510;
3. Meal-Period Liability Under Labor Code § 226.7;
4. Rest-Break Liability Under Labor Code § 226.7;
5. Violation of Labor Code § 226(a);
6. Failure to Keep Required Payroll Records Under Labor Code §§ 1174 and 1174.5
7. Penalties Pursuant to Labor Code § 203; and
8. Violation of Business & Professions Code § 17200 *et seq.*

DEMAND FOR JURY TRIAL

1 Plaintiff PHILLIP JAMES BROWN JR., (hereinafter “Plaintiff”) on behalf of himself and
2 all others similarly situated (collectively, “Employees”; individually, “Employee”) complains of
3 Defendants, and each of them, as follows:

4 INTRODUCTION

5 1. Plaintiff brings this action on behalf of himself and all current and former
6 Employees within the State of California who, at any time four (4) years prior to the filing of this
7 lawsuit, are or were employed as non-exempt, hourly employees by Defendants IMPERFECT
8 FOODS, INC., a Delaware Corporation; IMPERFECT FOODS, an entity of unknown form;
9 MISFITS MARKET, an entity of unknown form; and DOES 1 through 50 (all defendants being
10 collectively referred to herein as “Defendants”). Plaintiff alleges that Defendants, and each of
11 them, violated various provisions of the California Labor Code, relevant orders of the Industrial
12 Welfare Commission (IWC) and California Business & Professions Code, and seeks redress
13 therefore.

14 2. Plaintiff is a resident of California and during the time period relevant to this
15 Complaint was employed by Defendants as a non-exempt hourly employee within the State of
16 California at Defendants’ facilities and offices in California. Plaintiff and the other Class Members
17 worked for Defendants in Santa Clara County and in other nonexempt positions throughout
18 California and consistently worked at Defendants’ behest without being paid all wages due. More
19 specifically, Plaintiff and the other similarly situated Class Members were employed by
20 Defendants and worked at Defendants’ offices and other facilities where the conduct giving rise to
21 the allegations in this Class Action Complaint occurred. Upon information and belief, Plaintiff
22 was employed by Defendants and (1) shared similar job duties and responsibilities, (2) was
23 subjected to the same policies and practices, and (3) endured similar violations at the hands of
24 Defendants as the other Employee Class Members who served in similar and related positions.

25 3. Defendants failed to pay Plaintiff and Employee Class Members the overtime
26 wages they were owed. Defendants failed to pay Plaintiff and the Class Members for all hours
27 worked and provided them with inaccurate wage statements that prevented Plaintiff and the Class
28 from learning of these unlawful pay practices. Defendants also failed to provide Plaintiff and the

1 Class with lawful meal and rest periods, as employees were not provided with the opportunity to
2 take timely, uninterrupted, and duty-free meal and rest periods as required by the Labor Code.

3 **THE PARTIES**

4 **A. The Plaintiff**

5 4. Plaintiff PHILLIP JAMES BROWN JR. has resided in California and during the
6 time period relevant to this Complaint was employed by Defendants as a non-exempt hourly
7 employee within the State of California.

8 **B. The Defendants**

9 5. Defendant IMPERFECT FOODS, INC. is a Delaware limited liability company
10 with its principle executive offices in Hanover, Maryland and has been listed as the employer on
11 Plaintiff's paystubs during the relevant time period. IMPERFECT FOODS, INC. lists a mailing
12 address in Hanover, Maryland with the California Secretary of State and employs Plaintiff and the
13 Class Members at Defendants' offices and facilities in San Jose, California, and throughout
14 California and conducts business throughout California.

15 6. Defendant IMPERFECT FOODS is an entity of unknown form and has been listed
16 as the employer on Plaintiff's paystubs during the relevant time period. IMPERFECT FOODS
17 does not list a mailing address with the California Secretary of State but upon information and
18 belief employs Plaintiff and the Class Members at Defendants' offices and facilities in San Jose,
19 California, and throughout California and conducts business throughout California.

20 7. Defendant MISFITS MARKET is an entity of unknown form and has been listed as
21 the employer on Plaintiff's personnel file and employment documents during the relevant time
22 period. MISFITS MARKET does not list a mailing address with the California Secretary of State
23 but upon information and belief employs Plaintiff and the Class Members at Defendants' offices
24 and facilities in San Jose, California, and throughout California and conducts business throughout
25 California.

26 8. The true names and capacities, whether individual, corporate, associate, or
27 whatever else, of the Defendants sued herein as Does 1 through 50, inclusive, are currently
28 unknown to Plaintiff, who therefore sues these Defendants by such fictitious names under Code of

1 Civil Procedure § 474. Plaintiff is informed and believes and thereon alleges that Defendants
2 designated herein as Does 1 through 50, inclusive, and each of them, are legally responsible in
3 some manner for the unlawful acts referred to herein. Plaintiff will seek leave of court to amend
4 this Complaint to reflect the true names and capacities of the Defendants designated herein as
5 Does 1 through 50 when their identities become known.

6 9. Plaintiff is informed and believes and thereon alleges that each Defendant acted in
7 all respects pertinent to this action as the agent of the other Defendants, that Defendants carried
8 out a joint scheme, business plan, or policy in all respects pertinent hereto, and that the acts of
9 each Defendant are legally attributable to the other Defendants. Furthermore, Defendants acted in
10 all respects as the employers or joint employers of Employees. Defendants, and each of them,
11 exercised control over the wages, hours or working conditions of Employees, or suffered or
12 permitted Employees to work, or engaged, thereby creating a common law employment
13 relationship, with Employees. Therefore, Defendants, and each of them, employed or jointly
14 employed Employees.

15 **JURISDICTION AND VENUE**

16 10. This Court has jurisdiction over this Action pursuant to California Code of Civil
17 Procedure § 410.10 and California Business & Professions Code § 17203. This Action is brought
18 as a Class Action on behalf of similarly situated Employees of Defendants pursuant to California
19 Code of Civil Procedure § 382. Venue as to Defendants is also proper in this judicial district
20 pursuant to California Code of Civil Procedure § 395 *et seq.* Upon information and belief, the
21 obligations and liabilities giving rise to this lawsuit occurred at least in part in Santa Clara County
22 and Defendants maintain and operate company offices and facilities in Santa Clara County, and
23 employ Plaintiff and other Class Members in Santa Clara County and throughout California.

24 **FACTUAL BACKGROUND**

25 11. The Employees who comprise the Class and Collective, including Plaintiff, are
26 nonexempt employees pursuant to the applicable Wage Order of the IWC. Defendants hire
27 Employees who work in nonexempt positions at the direction of Defendants in the State of
28 California. Plaintiff and the Class Members were either not paid by Defendants for all hours

1 worked or were not paid at the appropriate minimum, regular and overtime rates. Specifically,
2 Plaintiff and Employees were not paid for the time that they worked while clocked out for meal
3 periods, as they were often required to clock out for meal periods and continue working to keep up
4 with work demands and overcome understaffing. Plaintiff also contends that Defendants failed to
5 pay Plaintiff and the Class Members all wages due and owing, failed to provide meal and rest
6 breaks, and failed to furnish accurate wage statements, all in violation of various provisions of the
7 California Labor Code and applicable Wage Orders.

8 12. During the course of Plaintiff and the Class Members' employment with
9 Defendants, they were not paid all wages they were owed, including for all work performed and
10 for all overtime hours worked and were forced to work during their meal and rest breaks.

11 13. As a matter of uniform Company policy, Plaintiff and the Class Members were
12 required to work during their meal and rest breaks which were not compensated by Defendants in
13 violation of the California Labor Code. Plaintiff and the Class Members were also not paid
14 regular wages and overtime for the time they were required to comply with other requirements
15 imposed upon them, which they had to complete while working through their meal and rest
16 breaks and without compensation. As a result, Plaintiff and the Class Members worked shifts
17 over eight (8) hours in a day and over forty (40) hours in a work week, but they were not paid at
18 the appropriate overtime rate for all such hours. As a result, Plaintiff and the Class Members
19 worked substantial overtime hours during their employment with Defendants for which they were
20 not compensated, in violation of the California Labor Code, applicable IWC Wage Orders.

21 14. As a result of the above described daily work demands and pressures to work
22 through breaks and the other wage violations they endured at Defendants' hands, Plaintiff and the
23 Class Members were not properly paid for all wages earned and for all wages owed to them by
24 Defendants, including when working more than eight (8) hours in any given day and/or more than
25 forty (40) hours in any given week. As a result of Defendants' unlawful policies and practices,
26 Plaintiff and Class Members incurred overtime hours worked for which they were not adequately
27 and completely compensated. To the extent applicable, Defendants also failed to pay Plaintiff and
28 the Class Members at an overtime rate of 1.5 times the regular rate for the first eight hours of the

1 seventh consecutive work day in a week and overtime payments at the rate of 2 times the regular
2 rate for hours worked over eight (8) on the seventh consecutive work day, as required under the
3 Labor Code, applicable IWC Wage Orders.

4 15. Therefore, from at least four (4) years prior to the filing of this lawsuit and
5 continuing to the present, Defendants had a consistent policy or practice of failing to pay
6 Employees for all hours worked and failing to pay minimum wage for all time worked as required
7 by California Law.

8 16. Additionally from at least four (4) years prior to the filing of this lawsuit and
9 continuing to the present, Defendants had a consistent policy or practice of failing to pay
10 Employees overtime compensation at premium overtime rates for all hours worked in excess of
11 eight (8), ten (10), and twelve (12) hours a day, and/or forty (40) hours a week, and double-time
12 rates for all hours worked in excess of twelve (12) hours a day, in violation of Labor Code § 510
13 and the corresponding sections of IWC Wage Orders.

14 17. Additionally from at least four (4) years prior to the filing of this lawsuit and
15 continuing to the present, Defendants have regularly required Employees to work shifts in excess
16 of five (5) hours without providing them with uninterrupted meal periods of not less than thirty
17 (30) minutes and shifts in excess of ten (10) hours without providing them with second meal
18 periods of not less than thirty minutes; nor did Defendants pay Employees “premium pay,” i.e. one
19 hour of wages at each Employee’s effective regular rate of pay, for each meal period that
20 Defendants failed to provide or deficiently provided.

21 18. From at least four (4) years prior to the filing of this lawsuit and continuing to the
22 present, Defendants have consistently failed to provide Employees with paid rest breaks of not less
23 than ten (10) minutes for every work period of four (4) or more consecutive hours; nor did
24 Defendants pay Employees premium pay for each day on which requisite rest breaks were not
25 provided or were deficiently provided at one hour of wages at each Employee’s effective regular
26 rate of pay for each rest period that Defendants failed to provide or deficiently provided.

27 19. Additionally, from at least four (4) years prior to the filing of this lawsuit, and
28 continuing to the present, Defendants have consistently failed to provide Employees with timely,

1 accurate, and itemized wage statements as required by California wage-and-hour laws.
2 Specifically, the wage statements given to Employees by Defendants failed to accurately account
3 for wages, overtime, and premium pay for deficient meal periods and rest breaks all of which
4 Defendants knew or reasonably should have known were owed to Employees, as alleged
5 hereinabove. The wage statements provided to Employees were confusing and required
6 Employees to engage in discovery and refer to outside sources to verify whether their pay was
7 correct, potentially resulting in a miscalculation by the Employees.

8 20. Additionally, from at least four (4) years prior to the filing of this lawsuit, and
9 continuing to the present, Defendants have consistently failed to provide Employees with timely,
10 accurate, and itemized wage statements, in writing, as required by California wage-and-hour laws.

11 21. Additionally, from at least three (3) years prior to the filing of this lawsuit, and
12 continuing to the present, Defendants have consistently failed to keep accurate time and wage
13 records as required by California wage-and-hour laws.

14 22. Additionally, from at least four (4) years prior to filing this lawsuit and continuing
15 to the present, Defendants have had a consistent policy of failing to pay all wages fur and owed to
16 Employees at the time of their termination or within seventy-two (72) hours of their resignation, as
17 required by California wage-and-hour laws.

18 23. In light of the foregoing, Employees bring this action pursuant to, inter alia, Labor
19 Code §§ 201, 202, 203, 204, 226, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12,
20 1185, 1194, 1194.2 1197, and 1199.

21 24. Furthermore, pursuant to Business and Professions Code §§ 17200-17208,
22 Employees seek injunctive relief, restitution, and disgorgement of all benefits Defendants have
23 enjoyed from their violations of Labor Code.

24 **CLASS ALLEGATIONS**

25 25. Plaintiff brings this class action on behalf of himself and all others similarly
26 situated pursuant to Code of Civil Procedure § 382. Plaintiff seeks to represent a class defined as
27 follows: all individuals employed by Defendants within the State of California at any time within
28 four (4) years of the filing of this lawsuit.

26. Further, Plaintiff seeks to represent the following Subclasses composed of and defined as follows:

a. Subclass 1. Minimum Wages Subclass. All Class Members who were not compensated for all hours worked for Defendants at the applicable minimum wage.

b. Subclass 2. Wages and Overtime Subclass. All Class Members who were not compensated for all hours worked for Defendants at the required rates of pay, including for all hours worked in excess of eight in a day and/or forty in a week.

c. Subclass 3. Meal Period Subclass. All Class Members who were subject to Defendants' policy and/or practice of failing to provide unpaid 30-minute uninterrupted and duty-free meal periods or one hour of pay at the Employee's regular rate of pay in lieu thereof.

d. Subclass 4. Rest Break Subclass. All Class Members who were subject to Defendants' policy and/or practice of failing to authorize and permit Employees to take uninterrupted, duty-free, 10-minute rest periods for every four hours worked, or major fraction thereof, and failing to pay one hour of pay at the Employee's regular rate of pay in lieu thereof.

e. Subclass 5. Payroll Records Subclass. All Class Members who were subject to Defendants' policy and/or practice of failing to keep accurate time and wage records as required by California wage-and-hour laws.

f. Subclass 6. Wage Statement Subclass. All Class Members who, within the applicable limitations period, were not provided with accurate itemized wage statements.

g. Subclass 7. Termination Pay Subclass. All Class Members who, within the applicable limitations period, either voluntarily or involuntarily separated from their employment and were subject to Defendants' policy and/or practice of failing to timely pay wages upon termination.

h. Subclass 8. UCL Subclass. All Class Members who are owed restitution as a result of Defendants' business acts and practices, to the extent such acts and practices are found to be unlawful, deceptive, and/or unfair.

27. Plaintiff reserves the right under California Rule of Court 3.765 to amend or modify the class description with greater particularity or further division into subclasses or

1 limitation to particular issues.

2 28. This action has been brought and may properly be maintained as a class action
3 under the provisions of Code of Civil Procedure § 382 because there is a well-defined community
4 of interest in litigation and proposed class is easily ascertainable.

5 **A. Numerosity**

6 29. The potential members of the class as defined are so numerous that joinder of all
7 the members of the class is impracticable. While the precise number of Class Members has not
8 been determined at this time, Plaintiff is informed and believes that Defendants employ or, during
9 the time period relevant to this lawsuit, employed more than 100 individuals within the State of
10 California.

11 30. Accounting for employee turnover during the relevant time period increases this
12 number substantially. Plaintiff alleges that Defendants' employment records will provide
13 information as to the number and location of all Class Members.

14 **B. Commonality**

15 31. There are questions of law and fact common to the class that predominate over any
16 questions affecting only individual Class Members. These common questions of law and fact
17 include:

- 18 a. Whether Defendants failed to pay Employees minimum wages;
- 19 b. Whether Defendants failed to pay Employees wages for all hours worked;
- 20 c. Whether Defendants failed to pay Employees overtime as required under Labor
21 Code § 510;
- 22 d. Whether Defendants violated Labor Code §§ 226.7 and 512, and the applicable
23 IWC Wage Orders, by failing to provide Employees with requisite meal periods or
24 premium pay in lieu thereof;
- 25 e. Whether Defendants violated Labor Code § 226.7, and the applicable IWC Wage
26 Orders, by failing to provide Employees with requisite rest breaks or premium pay
27 in lieu thereof;
- 28 f. Whether Defendants violated Labor Code § 226(a);

- g. Whether Defendants violated Labor Code §§ 1174 and 1174.5;
- h. Whether Defendants violated Labor Code §§ 201, 202, and 203 by failing to pay wages and compensation due and owing at the time of termination of employment;
- i. Whether Defendants violated Business and Professions Code § 17200 *et seq.*; and
- j. Whether Employees are entitled to equitable relief pursuant to Business and Professions Code § 17200 *et seq.*

C. Typicality

32. The claims of the named plaintiff are typical of those of the other Employees. Employees all sustained injuries and damages arising out of and caused by Defendants' common course of conduct in violation of statutes, as well as regulations that have the force and effect of law, as alleged herein.

D. Adequacy of Representation

33. Plaintiff will fairly and adequately represent and protect the interest of Employees. Counsel who represents Employees are experienced and competent in litigating employment class actions.

E. Superiority of Class Action

34. A class action is superior to other available means for the fair and efficient adjudication of this controversy. Individual joinder of all Employees is not practicable, and questions of law and fact common to all Employees predominate over any questions affecting only individual Employees. Each Employee has been damaged and is entitled to recovery by reason of Defendants' illegal policies or practices of failing to compensate Employees properly.

35. Class action treatment will allow those persons similarly situated to litigate their claims in the manner that is most efficient and economical for the parties and the judicial system. Plaintiff is unaware of any difficulties in managing this case that should preclude class action.

FIRST CAUSE OF ACTION

FAILURE TO PAY MINIMUM WAGES

(Against All Defendants)

36. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in

1 full herein.

2 37. Defendants failed to pay Employees minimum wages for all hours worked.
3 Defendants had a consistent policy or practice of misstating Employees time records and failing
4 to pay Employees for all hours worked. Employees would work hours and not receive wages,
5 including as alleged above in connection with working during meal breaks. Defendants had a
6 consistent policy of failing to pay Employees for hours worked during alleged meal periods for
7 which Employees were consistently denied, as addressed herein. Moreover, Defendants did not
8 pay Plaintiff and Employees at the applicable minimum wage for all hours worked. Defendants'
9 uniform pattern of unlawful wage and hour practices manifested, without limitation, applicable to
10 the Class as a whole, as a result of implementing a uniform policy and practice that denied
11 accurate compensation to Plaintiff and the other members of the Class as to minimum wage pay.

12 38. California Labor Code § 1197, entitled "Pay of Less Than Minimum Wage"
13 states:

14 The minimum wage for employees fixed by the commission is the
15 minimum wage to be paid to employees, and the payment of a less
wage than the minimum so fixed is unlawful.

16 39. The applicable minimum wages fixed by the commission for work during the
17 relevant period is found in the Wage Orders. Pursuant to the Wage Orders, Employees are
18 therefore entitled to double the minimum wage during the relevant period.

19 40. The minimum wage provisions of California Labor Code are enforceable by private
20 civil action pursuant to California Labor Code § 1194(a) which states:

21 Notwithstanding any agreement to work for a lesser wage, any
22 employee receiving less than the legal minimum wage or the legal
23 overtime compensation applicable to the employee is entitled to
24 recover in a civil action the unpaid balance of the full amount of
this minimum wage or overtime compensation, including interest
thereon, reasonable attorney's fees and costs of suit.

25 41. As described in California Labor Code §§ 1185 and 1194.2, any action for wages
26 incorporates the applicable Wage Order of the California Industrial Welfare Commission.

27 42. California Labor Code § 1194.2 also provides for the following remedies:

28 In any action under Section 1194 . . . to recover wages because of
the payment of a wage less than the minimum wages fixed by an
order of the commission, an employee shall be entitled to recover

liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon.

43. Defendants have the ability to pay minimum wages for all time worked and have willfully refused to pay such wages with the intent to secure for Defendants a discount upon this indebtedness with the intent to annoy, harass, oppress, hinder, delay, or defraud Employees.

44. Wherefore, Employees are entitled to recover the unpaid minimum wages (including double minimum wages), liquidated damages in an amount equal to the minimum wages unlawfully unpaid, interest thereon and reasonable attorney's fees and costs of suit pursuant to California Labor Code § 1194(a).

SECOND CAUSE OF ACTION

FAILURE TO PAY WAGES AND OVERTIME UNDER LABOR CODE § 510

(Against All Defendants)

45. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in full herein.

46. By their conduct, as set forth herein, Defendants violated California Labor Code § 510 (and the relevant orders of the Industrial Welfare Commission) by failing to pay Employees: (a) time and one-half their regular hourly rates for hours worked in excess of eight (8) hours in a workday or in excess of forty (40) hours in any workweek or for the first eight (8) hours worked on the seventh day of work in any one workweek; or (b) twice their regular rate of pay for hours worked in excess of twelve (12) hours in any one (1) day or for hours worked in excess of eight (8) hours on any seventh day of work in a workweek. Defendants had a consistent policy of not paying Employees wages for all hours worked including time spent working during meal breaks. Employees regularly worked over 8 hours on a given day or over 40 hours in a given week without receiving overtime compensation.

47. Defendants' failure to pay compensation in a timely fashion also constituted a violation of California Labor Code § 204, which requires that all wages shall be paid semimonthly. From four (4) years prior to the filing of this lawsuit to the present, in direct violation of that provision of the California Labor Code, Defendants have failed to pay all wages

1 and overtime compensation earned by Employees. Each such failure to make a timely payment of
2 compensation to Employees constitutes a separate violation of California Labor Code § 204.

3 48. Employees have been damaged by these violations of California Labor Code §§
4 204 and 510 (and the relevant orders of the Industrial Welfare Commission).

5 49. Consequently, pursuant to California Labor Code §§ 204, 510, and 1194 (and the
6 relevant orders of the Industrial Welfare Commission), Defendants are liable to Employees for
7 the full amount of all their unpaid wages and overtime compensation, with interest, plus their
8 reasonable attorneys' fees and costs.

9 **THIRD CAUSE OF ACTION**

10 **MEAL-PERIOD LIABILITY UNDER LABOR CODE § 226.7**

11 **(Against All Defendants)**

12 50. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in
13 full herein.

14 51. Employees regularly worked shifts greater than five (5) hours and greater than ten
15 (10) hours. Pursuant to Labor Code § 512 an employer may not employ someone for a shift of
16 more than five (5) hours without providing him or her with a meal period of not less than thirty
17 (30) minutes or for a shift of more than ten (10) hours without providing him or her with a second
18 meal period of not less than thirty (30) minutes.

19 52. Defendants failed to provide Employees with meal periods as required under the
20 Labor Code. Employees were consistently required to work through their meal periods which they
21 were consistently denied or had their meal periods interrupted by work demands. Employees were
22 also required to take meal periods after working well beyond the five (5) hour shifts. Furthermore,
23 Employees were regularly required to work for more than 10 hours in a given shift without
24 receiving a second uninterrupted thirty (30) minute meal period as required by law.

25 53. Moreover, Defendants failed to compensate Employees for each meal period not
26 provided or inadequately provided, as required under Labor Code § 226.7 and paragraphs 11 and
27 20 of the applicable IWC Wage Orders, which provide that, if an employer fails to provide an
28 employee a meal period in accordance with this section, the employer shall pay the employee one

1 hour of pay at the employee's regular rate of compensation for each workday that the meal period
2 is not provided. Defendants failed to compensate the Employees in the Class for each meal period
3 not provided or inadequately provided, as required under Labor Code § 226.7 and paragraphs 11
4 and 20 of the applicable IWC Wage Order.

5 54. Therefore, pursuant to Labor Code § 226.7, Employees are entitled to damages in
6 an amount equal to one (1) hour of wages at their effective hourly rates of pay for each meal
7 period not provided or deficiently provided, a sum to be proven at trial.

8 **FOURTH CAUSE OF ACTION**

9 **REST-BREAK LIABILITY UNDER LABOR CODE § 226.7**

10 **(Against All Defendants)**

11 55. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in
12 full herein.

13 56. Employees consistently worked consecutive four (4) hour shifts. Pursuant to the
14 Labor Code and the applicable IWC Wage Order, Employees were entitled to paid rest breaks of
15 not less than ten (10) minutes for each consecutive four (4) hour shift.

16 57. Defendants failed to provide Employees with timely rest breaks of not less than ten
17 (10) minutes for each consecutive four (4) hour shift.

18 58. Moreover, Defendants failed to compensate Employees for each rest period not
19 provided or inadequately provided, as required under Labor Code § 226.7 and the applicable IWC
20 Wage Orders, which provide that, if an employer fails to provide an employee a rest period in
21 accordance with this section, the employer shall pay the employee one hour of pay at the
22 employee's regular rate of compensation for each workday that the rest period is not provided.
23 Defendants failed to compensate the Employees in the Class for each rest period not provided or
24 inadequately provided, as required under Labor Code § 226.7 and the applicable IWC Wage
25 Order.

26 59. Therefore, pursuant to Labor Code § 226.7, Employees are entitled to damages in
27 an amount equal to one (1) hour of wages at their effective hourly rates of pay for each day
28 worked without the required rest breaks, a sum to be proven at trial.

FIFTH CAUSE OF ACTION
VIOLATION OF LABOR CODE § 226(a)
(Against All Defendants)

60. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in full herein.

61. California Labor Code § 226(a) requires an employer to furnish each of his or her employees with an accurate, itemized statement in writing showing the gross and net earnings, total hours worked, and the corresponding number of hours worked at each hourly rate; these statements must be appended to the detachable part of the check, draft, voucher, or whatever else serves to pay the employee's wages; or, if wages are paid by cash or personal check, these statements may be given to the employee separately from the payment of wages; in either case the employer must give the employee these statements twice a month or each time wages are paid.

62. Defendants failed to provide Employees with accurate itemized wage statements in writing, as required by the Labor Code. Specifically, the wage statements given to Employees, by Defendants, failed to accurately account for wages, overtime, and premium pay for deficient meal periods and rest breaks, all of which Defendants knew or reasonably should have known were owed to Employees, as alleged hereinabove. The wage statements given to Employees, by Defendants, failed to include the requirements enumerated above. Employees' wage statements did not include: the total hours worked in violation of Labor Code § 226(a)(2) and failed to accurately set forth all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each such rate in violation of Labor Code § 226(a)(9). The wage statements provided to Employees were confusing and required Employees to engage in discovery and refer to outside sources to verify whether their pay was correct, potentially resulting in a miscalculation by the Employees.

63. As a direct and proximate cause of Defendants' violation of Labor Code § 226(a), Employees suffered injuries, including among other things confusion over whether they received all wages owed them, the difficulty and expense involved in reconstructing pay records, and forcing them to make mathematical computations to analyze whether the wages paid in fact

1 compensated them correctly for all hours worked.

2 64. Pursuant to Labor Code §§ 226(a) and 226(e), Employees are entitled to recover
3 the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation
4 occurs and one hundred dollars (\$100) for each violation in a subsequent pay period, not
5 exceeding an aggregate penalty of four thousand dollars (\$4,000). They are also entitled to an
6 award of costs and reasonable attorneys' fees.

7 65. With respect to violations of Labor Code § 226, Labor Code § 226.3 imposes a
8 civil penalty of two hundred and fifty dollars (\$250) for initial violations for each employee for
9 each pay period, and one thousand dollars (\$1000) for each subsequent violation for each
10 employee for each pay period.

11 66. Plaintiff is seeking penalties against Defendants under Labor Code § 226.3, and
12 any other applicable statute allowing recovery of penalties as alleged herein in an amount to be
13 shown according to proof.

14 **SIXTH CAUSE OF ACTION**

15 **FAILURE TO KEEP REQUIRED PAYROLL RECORDS UNDER LABOR CODE § 1174**

16 **AND 1174.5**

17 **(Against All Defendants)**

18 67. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in
19 full herein.

20 68. California Labor Code § 1174 requires that all employers shall keep accurate time
21 and wage records for all employees. California Labor Code § 1174.5 further requires that any
22 employee suffering injury due to a willful violation of the aforementioned obligations may seek
23 damages, including civil penalties, from the employer.

24 69. During the course of Plaintiff's and Employees' employment, Defendants
25 consistently failed to maintain accurate time and wage records for Plaintiff and Employees as
26 required by California Labor Code § 1174 by failing to pay Plaintiff and Employees proper wages,
27 overtime, and premium pay as discussed above.

28 70. Accordingly, Defendants are liable for civil penalties pursuant to the California

1 Labor Code § 1174.5. for the three (3) years prior to the filing of this Complaint.

2 **SEVENTH CAUSE OF ACTION**

3 **VIOLATION OF LABOR CODE § 203**

4 **(Against All Defendants)**

5 71. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in
6 full herein.

7 72. Numerous Employees, including Plaintiff, are no longer employed by Defendants;
8 they either quit Defendants' employ or were fired therefrom.

9 73. Defendants failed to pay these Employees all wages due and certain at the time of
10 termination or within seventy-two (72) hours of resignation.

11 74. The wages withheld from these Employees by Defendants remained due and owing
12 for more than thirty (30) days from the date of separation of employment.

13 75. Defendants' failure to pay wages, as alleged above, was willful in that Defendants
14 knew wages to be due but failed to pay them; this violation entitles these Employees to penalties
15 under Labor Code § 203, which provides that an employee's wages shall continue until paid for up
16 to thirty (30) days from the date they were due.

17 **EIGHTH CAUSE OF ACTION**

18 **VIOLATION OF BUSINESS & PROFESSIONS CODE § 17200 *ET SEQ.***

19 **(Against All Defendants)**

20 76. Plaintiff re-alleges and incorporates all preceding paragraphs, as though set forth in
21 full herein.

22 77. Plaintiff, on behalf of himself, Employees, and the general public, brings this claim
23 pursuant to Business & Professions Code § 17200 *et seq.* The conduct of Defendants as alleged in
24 this Complaint has been and continues to be unfair, unlawful, and harmful to Employees and the
25 general public. Plaintiff seeks to enforce important rights affecting the public interest within the
26 meaning of Code of Civil Procedure § 1021.5.

27 78. Plaintiff is a "person" within the meaning of Business & Professions Code
28 § 17204, has suffered injury, and therefore has standing to bring this cause of action for injunctive

1 relief, restitution, and other appropriate equitable relief.

2 79. Business & Professions Code § 17200 *et seq.* prohibits unlawful and unfair
3 business practices.

4 80. Wage-and-hour laws express fundamental public policies. Paying employees their
5 wages and overtime, providing them with meal and rest periods, etc., are fundamental public
6 policies of California. Labor Code § 90.5(a) articulates the public policies of this State vigorously
7 to enforce minimum labor standards, to ensure that employees are not required or permitted to
8 work under substandard and unlawful conditions, and to protect law-abiding employers and their
9 employees from competitors who lower costs to themselves by failing to comply with minimum
10 labor standards.

11 81. Defendants have violated statutes and public policies. Through the conduct alleged
12 in this Complaint, Defendants have acted contrary to these public policies, have violated specific
13 provisions of the Labor Code, and have engaged in other unlawful and unfair business practices in
14 violation of Business & Professions Code § 17200 *et seq.* Defendants' conduct has deprived
15 Plaintiff, and all persons similarly situated, and all interested persons, of the rights, benefits, and
16 privileges guaranteed to all employees under the law.

17 82. Defendants' conduct, as alleged hereinabove, constitutes unfair competition in
18 violation of the Business & Professions Code § 17200 *et seq.*

19 83. Defendants, by engaging in the conduct herein alleged, by failing to pay wages and
20 overtime, failing to provide meal and rest periods, etc., either knew or in the exercise of reasonable
21 care should have known that their conduct was unlawful; therefore their conduct violates the
22 Business & Professions Code § 17200 *et seq.*

23 84. As a proximate result of the above-mentioned acts of Defendants, Employees have
24 been damaged, in a sum to be proven at trial.

25 85. Unless restrained by this Court, Defendants will continue to engage in such
26 unlawful conduct as alleged above. Pursuant to the Business & Professions Code, this Court
27 should make such orders or judgments, including the appointment of a receiver, as may be
28 necessary to prevent the use by Defendants or their agents or employees of any unlawful or

1 deceptive practice prohibited by the Business & Professions Code, including but not limited to the
2 disgorgement of such profits as may be necessary to restore Employees to the money Defendants
3 have unlawfully failed to pay.

4 **RELIEF REQUESTED**

5 WHEREFORE, Plaintiff prays for the following relief:

- 6 1. For an order certifying this action as a class action;
- 7 2. For compensatory damages in the amount of the unpaid minimum wages for work
8 performed by Employees and unpaid overtime compensation from at least four (4) years prior to
9 the filing of this action, as may be proven;
- 10 3. For liquidated damages in the amount equal to the unpaid minimum wage and
11 interest thereon, from at least four (4) years prior to the filing of this action, according to proof;
- 12 4. For compensatory damages in the amount of the hourly wage made by Employees
13 for each missed or deficient meal period where no premium pay was paid therefor from four (4)
14 years prior to the filing of this action, as may be proven;
- 15 5. For compensatory damages in the amount of the hourly wage made by Employees
16 for each day requisite rest breaks were not provided or were deficiently provided and where no
17 premium pay was paid therefor from at least four (4) years prior to the filing of this action, as may
18 be proven;
- 19 6. For penalties pursuant to Labor Code § 226(e) for Employees, as may be proven;
- 20 7. For penalties pursuant to Labor Code § 226.3, as may be proven;
- 21 8. For penalties pursuant to Labor Code § 203 for all Employees who quit or were
22 fired in an amount equal to their daily wage times thirty (30) days, as may be proven;
- 23 9. For penalties pursuant to Labor Code § 1174.5, as may be proven;
- 24 10. For restitution for unfair competition pursuant to Business & Professions Code
25 § 17200 *et seq.*, including disgorgement or profits, as may be proven;
- 26 11. For an order enjoining Defendants and their agents, servants, and employees, and
27 all persons acting under, in concert with, or for them, from acting in derogation of any rights or
28 duties adumbrated in this Complaint;

12. For all general, special, and incidental damages as may be proven;
13. For an award of pre-judgment and post-judgment interest;
14. For an award providing for the payment of the costs of this suit;
15. For an award of attorneys' fees; and
16. For such other and further relief as this Court may deem proper and just.

DATED: October 28, 2025

D.LAW, INC.

By



Roman Shkodnik
Mason Doidge
Attorneys for Plaintiff
PHILLIP JAMES BROWN JR.
and the putative class

DEMAND FOR JURY TRIAL

Plaintiff hereby demands trial of his claims by jury to the extent authorized by law.

DATED: October 28, 2025

D.LAW, INC.

By



Roman Shkodnik
Mason Doidge
Attorneys for Plaintiff
PHILLIP JAMES BROWN JR.
and the putative class