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on behalf of herself and all others similarly situated

Electronically FILED by Superior Court of California, County of Los Angeles 12/29/2025 3:17 PM David W. Slayton, Executive Officer/Clerk of Court, By J. Nunez, Deputy Clerk

SUPERIOR COURT OF CALIFORNIA

COUNTY OF LOS ANGELES

NOEMI MEJIA, an individual, on behalf of herself and all others similarly situated,

Plaintiff,

vs.

PINEAPPLE CONSOLIDATED, INC., a corporation; PNPLXPRESS, INC., a corporation; VINCENT MEHDIZADEH, aka VINCENT ZADEH. an individual; MATTHEW FEINSTEIN, an individual; and DOES 1 through 10, inclusive,

Defendants.

Case No. 25STCV38366

CLASS ACTION COMPLAINT FOR:

(1) Unpaid Wages
(2) Defective Paychecks
(3) Meal Period Violations
(4) Rest Break Violations
(5) Unreimbursed Expenses
(6) Failure To Provide Accurate Wage Statements
(7) Failure To Pay All Wages Due Upon Separation
(8) Unlawful Or Unfair Business Practices
(9) Civil Penalties Under PAGA

DEMAND FOR JURY TRIAL

Plaintiff Noemi Mejia ("Plaintiff" or "Mejia") brings this action on behalf of herself and others similarly situated, and on information and belief alleges as follows:

PARTIES, JURISDICTION, AND VENUE

1. Plaintiff is an individual and a resident of California.

2. Defendant Pineapple Consolidated, Inc. is a California corporation. Defendant PNPLXPRESS, Inc. is a California corporation. In this complaint, Pineapple Consolidated, Inc. and its affiliate PNPLXPRESS, Inc. will be collectively referred to as the "Company" or "Pineapple Express."

3. Defendant Vincent Mehdizadeh, aka Vincent Zadeh ("Zadeh"), is an individual who resides and/or works in California. Defendant Matthew Feinstein ("Feinstein") is an individual who resides and/or works in California. At all material times, Zadeh and Feinstein had pervasive involvement in the operations of the Company as officers, directors, and/or managing agents.

4. Plaintiff worked for the Company as an employee. By way of this Complaint, Plaintiff seeks unpaid wages, statutory penalties, and other monetary relief that render this matter an "unlimited" civil case within the meaning of California law. Plaintiff has exhausted her administrative remedies under the Private Attorneys General Act of 2004 ("PAGA"), and this complaint also seeks relief under PAGA.

5. The true names and capacities of the Doe Defendants (Does 1 through 10, inclusive) are unknown to Plaintiff at this time and Plaintiff is informed and believes that they are in some way liable for the illegal conduct, injury, and damages alleged herein. The Doe Defendants are believed to be co-employers, responsible executives, or otherwise liable for the conduct complained of herein, whether because of alter-ego status, agency principles, aider and abettor (or co-conspirator) status, statutorily-imposed responsibility (*e.g.*, Labor Code section 558.1), or otherwise.

6. The Court has personal jurisdiction over the Company because it is a citizen of this State, does business in this State, and otherwise has minimum contacts with this State. The Court has personal jurisdiction over Zadeh and Feinstein because they are residents of

California and have sufficient minimum contacts with this State. The Court has personal jurisdiction over Plaintiff because she is a residence of California and has sufficient minimum contacts with this state. Venue is proper in Los Angeles County inasmuch as the Company's operations are located, in whole or in part, in Los Angeles County, one or more current or former employees of the Class described herein are residents of Los Angeles County, and the alleged unlawful conduct occurred, in whole or in part, in this County.

BACKGROUND

7. Pineapple Consolidated, Inc. is a management company that, through its key members, effectively operated and continue to operate one or more cannabis-related businesses in California, including under the branding of "Pineapple Express." Under the direction of Pineapple Consolidated, Inc. and/or its key members, a location-specific or service-specific entity was and is formed for each of these Pineapple Express businesses.

8. For example, PNPLXPRESS, Inc., is and/or was the entity for the Pineapple Express retail store on Vine Street in Los Angeles. Similarly, PNPLXPRESS II, Inc., is listed as a "RETAIL MANAGEMENT" business located in Los Angeles. All of these Pineapple Express business entities are controlled by and beholden to Pineapple Consolidated, Inc. and its key members.

9. Mejia worked for Pineapple Consolidated, Inc. and PNPLXPRESS, Inc. in California. Several of her paychecks bounced. She complained about these bounced paychecks internally and was ultimately advised that she was being let go. She still has not received pay for all of her work performed. At least one of her paychecks was written on the account of Pineapple Consolidated, Inc. At least one of her paychecks was written on the account of PXPLXPRESS, Inc.

10. Mejia alleges that she (along with the other Class members) was jointly employed by Pineapple Consolidated, Inc. and PNPLXPRESS, Inc., who, among other things, issued a joint employee handbook.

11. Under California, law, Meija was a non-exempt employee and entitled to all the protections afforded by the Labor Code.

12. Before she was terminated from the Company, Mejia raised internal complaints about non-payment of wages and the cessation of her Company healthcare benefits. Shortly thereafter, she was discharged.

CLASS ALLEGATIONS

13. Plaintiff brings this action pursuant to California Code of Civil Procedure section 382, on behalf of herself and the Class described below. The Class is comprised of and defined as:

> Class: All current and former non-exempt employees of the Company who have worked at any of its locations in California at any time from the period beginning four years before the filing of this action until the date of certification (hereafter, the "Class Period").

14. For purposes of this complaint, the term "non-exempt employees" means and includes: any non-exempt employee who worked at any one or more of the following locations during the applicable limitations period: (i) the Pineapple Express retail store on Vine Street in Los Angeles, (ii) the Company's corporate office in Brentwood (located on Wilshire), and (iii) any other cannabis-related business in California that was or is operated, in whole or in part, by Pineapple Consolidated, Inc., Zadeh, and/or Feinstein, including, without limitation, any Pineapple Express retail location that is opened after the date of this Complaint.

15. For purposes of this complaint, the term "non-exempt employees" means and includes: both (i) employees that the Company considered to be non-exempt and (ii) employees that the Company incorrectly classified as exempt. Employees that fall within this second category (ii) are workers who, under California law, are regarded as or qualify as non-exempt employees. Among other employees that fall within category (ii) are those employees who were promised or advised that they would be paid a salary but to whom the Company did not pay any salary during one or more pay periods. Employees who were not paid a salary during one or more pay periods lose any basis for treating them as exempt under any salaried exempt classification (e.g., under the administrative or executive

exemption). Likewise, employees who were not paid any commissions for one or more pay periods would lose any basis for treating them as exempt under the inside sales exemption.

16. There exists a well-defined community of interest among the Class, and the Class is readily ascertainable for the following reasons:

(a) The members of the Class are so numerous that joinder of all members in a single action would not be feasible or practical. Plaintiff alleges on information and belief that the members of the Class exceed one hundred (100) persons.

(b) Plaintiff's claims are typical of the claims of the rest of the Class, and Plaintiff will fairly and adequately represent the interests of the Class.

(c) Common issues of fact or law predominate in this action over any purported individual issues. Specifically, the following common issues of fact or law predominate and make this class action superior to individual actions:

(i) Whether Plaintiff and the rest of the Class are entitled to recover unpaid wages, damages, penalties, injunctive relief or other equitable relief on the grounds that the Company has failed to pay any wages to Class members during one or more pay periods;

(ii) Whether the Company's policy or practice of issuing paychecks or other payments for wages due that were bounced or dishonored caused Plaintiff and members of the Class to suffer unpaid wages and gives rise to penalties under California law, including, without limitation, penalties under Labor Code section 203.1;

(iii) Whether Plaintiff and the rest of the Class are entitled to receive unpaid wages, damages, penalties, injunctive relief or other equitable relief on the grounds that the Company utilized uniform policies and/or practices that violated California laws and regulations and caused Plaintiff and the rest of the Class to suffer the same or similar injuries;

(iv) Whether the Company's policy or practice of failing to pay compensation for off-the-clock work caused Plaintiff and members of the Class to suffer lost wages under California law;

(v) Whether the Company failed to provide Plaintiff and Class members with legally-compliant meal periods as required by California law;

(vi) Whether the Company failed to provide Plaintiff and Class members with the requisite meal period premiums for meal period violations as required by California law;

(vii) Whether the Company failed to provide Plaintiff and Class members with legally-compliant rest periods as required by California law;

(viii) Whether the Company failed to provide Plaintiff and Class members with the requisite rest period premiums for rest period violations as required by California law;

(ix) Whether the Company failed to reimburse Plaintiff and Class members for the work-related expenses they incurred as required by California law;

(x) Whether the Company failed to issue legally-compliant wage statements to Plaintiff and Class members;

(xi) Whether the Company failed to pay all wages due Plaintiff and separated Class members as required by California law; and

(xii) Whether the Company's practices have constituted unlawful or unfair practices under Business and Professions Code sections 17200 *et seq*.

(d) Plaintiff reserves the right under all applicable law, including Rule 3.765(b) of the California Rules of Court, to further divide the Class into subclasses or seek certification on particular issues.

17. The issues which may be jointly tried in this action, when compared to any purported individual issues, are so numerous and/or substantial that the maintenance of a class action would be advantageous to the judicial process and the litigants. A class action is superior to other means for a fair and efficient adjudication of this controversy.

ALLEGED WAGE-AND-HOUR VIOLATIONS

18. During the Class Period, Pineapple Express maintained policies and practices governing the working conditions of, and payment of wages to, Plaintiff and the rest of the Class. As alleged below, these policies and practices violated California's labor laws and

constituted unlawful or unfair business practices under Business and Professions Code sections 17200 *et seq*.

19. Specifically, during the Class Period, Pineapple Express committed various violations of California's Labor Code and the applicable Wage Order, including the following (which continue to persist):

(a) Failure To Pay Wages. During the Class Period, the Company failed to pay any wages to employees for one or more pay periods. Employees were simply stiffed out of any wages.

(b) Bad Paychecks (Dishonored Payments). During the Class Period, the Company issued employees paychecks or other payment instruments that were non-cashable or otherwise defective, thus violating Labor Code section 203.1.

(c) Off-The-Clock Work. During the Class Period, the Company did not accurately record the working time of employees, and employees worked off-the-clock for the Company, performing compensable tasks, without compensation.

(d) Meal Period & Rest Break Violations. During the Class Period, the Company failed to provide legally-compliant meal periods and rest breaks to Plaintiff and the rest of the Class. Among other things, the Company has not established or provided employees with a sufficient break system, causing repeated meal period and rest break violations.

(e) Failure To Reimburse For Expenses. The Company has failed to reimburse Plaintiff and the rest of the Class for work-related expenses they incurred including, without limitation, for the work-related usage of their personal cellular phones to perform work-related duties and communications and/or to carry out the directions of the Company.

(f) Inaccurate Wage Statements. During the Class Period, the Company failed to provide accurate wage statements to Plaintiff and the rest of the Class. The Company failed to issue accurate wage statements to Plaintiff and the rest of the Class as a consequence of, among other things, inadequate time-keeping and off-the-clock work, rendering their wage statements inaccurate as to the their total hours worked (violating Labor Code § 226(a)(2)), their gross wages earned (violating Labor Code § 226(a)(1)), their net wages earned (violating Labor Code § 226(a)(5)), and their applicable rates of pay and hours worked at those rates (violating Labor Code § 226(a)(9)). In addition, as a result of the Company's failure to compensate Plaintiff and other Class members for their work performed across one or more pay periods, the Company failed to issue wage statements at all, or in a timely manner, in violation of Labor Code §§ 226(a).

(g) Failure To Pay All Wages Due Upon Separation From Employment. The Company failed to pay, in the final paychecks (or direct deposits) issued to them, all wages due to separated employees in the Class. Specifically, the Company failed to pay all wages due separated Class members as a consequence of: (i) simply refusing to pay employees for their wages for one or more pay periods, (ii) dishonored or non-cashable paychecks issued during employment, (iii) off-the-clock work, (iv) the failure to pay at all, or at the proper rate, meal and rest period premiums, and (v) compensable activities performed or compensable time spent during unpaid meal periods. These deficiencies were not remediated in their final paychecks, and the deficiencies in final pay were "willful" within the meaning of Labor Code section 203.

20. Each cause of action in this complaint is alleged against the Company.

21. In addition, numerous causes of action are alleged against Zadeh and Feinstein under Labor Code section 558.1. Zadeh and Feinstein exercised operational control over the wages, hours, and working conditions of employees. With Feinstein serving in a pervasive HR capacity and Zadeh acting in a pervasive economics-driven capacity, and with both of them acting on behalf of the Company, Feinstein and Zadeh caused the Labor Code violations herein asserted. (*Espinoza v. Hepta Run, Inc.* (2022) 74 Cal.App.5th 44, 57-59; *Atempta v. Pedrazzani* (2018) 27 Cal.App.5th 809, 816-824.) Plaintiff alleges that the actions, inactions, and/or decisions of Feinstein and Zadeh lead to the violations herein asserted, and that they caused the violations that are the subject of the first cause of action, the third cause of action, the fourth-seventh cause of action, and the ninth cause of action.

FIRST CAUSE OF ACTION

Unpaid Wages

(Against The Company, Zadeh, Feinstein, And Does 1 Through 10, Inclusive)

22. Plaintiff re-alleges and incorporates by reference herein the allegations set forth in Paragraphs 1 through 21 inclusive.

23. At all relevant times, Plaintiff and Class members were non-exempt employees of Pineapple Express entitled to the full protections of the Labor Code and of the Wage Orders.

24. Labor Code section 1198 makes it unlawful for an employer to employ any person under conditions of employment that violate the Wage Orders.

25. Section 2(K) of the IWC Wage Orders define "hours worked" as the "time during which an employee is subject to the control of the employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so."

26. Labor Code sections 1194 and 1197, and Section 4 of the IWC Wage Orders, require employers to pay their non-exempt employees at least the California minimum wage for each hour worked.

27. Labor Code sections 510 and 1194, and Section 3 of the IWC Wage Orders, require employers to pay overtime wages to their non-exempt employees at no less than one and one-half times their regular rates of pay for all hours worked in excess of eight hours in one workday, all hours worked in excess of forty hours in one workweek, and for the first eight hours worked on a seventh consecutive workday.

28. Labor Code sections 510 and 1194, and Section 3 of the IWC Wage Orders, also require employers to pay overtime wages to their non-exempt employees at no less than two times their regular rates of pay (*i.e.*, double-time) for all hours worked in excess of twelve hours in one workday, and for all hours worked in excess of eight hours on a seventh consecutive workday.

29. Labor Code sections 204 and 218 require employers to pay the earned wages of their employees, including straight-time wages, on a timely and periodic basis.

30. At all relevant times, the Company failed to pay Plaintiff and other Class members at least the California minimum wage for each hour worked, failed to pay them straight-time pay for all hours worked, and failed to pay them all the overtime (including double-time) wages due to them, by maintaining policies and/or practices that caused widespread wage-and-hour violations, including the non-payment of required wages.

31. Among other things, the Company failed to pay employees any wages at all for one or more pay periods. The Company simply did not pay them wages (whether salary, hourly, pay, or otherwise), leading to a massive non-payment of required wages.

32. The Company also issued deficient or non-cashable forms of payment to employees for their wages. The Company issued paychecks to Plaintiff and other Class members that were rejected for insufficient funds and/or otherwise dishonored, which again resulted in employees not being paid their wages.

33. The Company did not accurately record the time worked of employees, had employees work off-the-clock, and failed to pay employees for their time worked. Plaintiff and other Class members worked off-the-clock without compensation, including by engaging in work-related communications on their personal cell phones outside of work hours (such as, for example, through text messages, group Google chats, and WhatsApp messages that concerned work-related tasks, duties, and/or topics).

34. In addition, Class members, Plaintiff included, did not receive bona fide meal periods but instead were controlled during and/or worked during meal periods, which time was not accounted for and compensated by the Company.

35. Pursuant to Labor Code section 1194, Plaintiff and Class members are entitled to recover the unpaid balance of the full amount of California minimum wage and overtime wages owed, including interest thereon, reasonable attorney’s fees, and costs of suit. Furthermore, under Labor Code section 1194.2, Plaintiff and Class members are entitled to recover liquidated damages in an amount equal to the California minimum wages unlawfully unpaid and interest thereon. On information and belief, Plaintiff also alleges that the Company intentionally failed to pay the minimum wages due Plaintiff and Class members,

and, therefore, Plaintiff and Class members are entitled to penalties pursuant to Labor Code section 1197.1. Plaintiff and Class members are entitled to recover all damages, penalties and other remedies available for a violation of Labor Code section 1197 and the General Minimum Wage Order.

SECOND CAUSE OF ACTION

Defective Paychecks In Violation Of Labor Code § 203.1

(Against The Company, And Does 1 Through 10, Inclusive)

36. Plaintiff re-alleges and incorporates by reference herein the allegations set forth in Paragraphs 1 through 35 inclusive.

37. At all relevant times, Plaintiff and Class members were non-exempt employees of Pineapple Express entitled to the full protections of the Labor Code and of the Wage Orders.

38. During the Class Period, the Company issued payment of wages to employees that were denied by one or more financial institutions due to insufficient funds or denied because of other circumstances within the coverage of Labor Code section 203.1.

39. As a result of the defective pay instruments, Class members did not receive their wages due, in contravention of Labor Code section 204 and section 203.1.

40. As a result of the defective pay instruments, Class members are entitled to the statutory penalties, including up to 30-days of wages and fringe benefits, for the Company's violation of Labor Code section 203.1, in addition to attorney's fees and costs.

THIRD CAUSE OF ACTION

Meal Period Violations

(Against The Company, Zadeh, Feinstein, And Does 1 Through 10, Inclusive)

41. Plaintiff re-alleges and incorporates by reference paragraphs 1 through 40 inclusive as though fully set forth herein.

42. Under California law, all non-exempt employees who work more than five (5) hours in a day are entitled to take a full 30-minute duty-free meal period. Any meal period must be started no later than after five (5) hours of work. (Labor Code, § 512, subd. (a);

IWC Wage Orders § 11.)

43. Under California law, all non-exempt employees who work more than ten (10) hours in a day are entitled to take a second duty-free meal period of thirty (30) minutes. Any second meal period must be started no later than after ten (10) hours of work. (Labor Code, § 512, subd. (a); IWC Wage Orders, § 11.)

44. Under California law, employers are forbidden from requiring employees to work during a meal period mandated pursuant to California statutory law or mandated by the IWC Wage Orders. (Labor Code, § 226.7(a).)

45. Under California law, employers must provide an employee with an additional hour of pay for each workday that an employee is not provided with a meal period "in accordance with" California statutory law or the IWC Wage Orders. (Labor Code, § 226.7(c).)

46. Plaintiff and the rest of the Class were non-exempt employees who worked more than (5) hours in a shift for the Company and were entitled to meal periods that conformed with California law.

47. At all relevant times, Plaintiff and other Class members did not waive their legally-mandated meal periods.

48. At all relevant times, the Company failed to provide Plaintiff and other Class members a timely uninterrupted meal period of at least thirty (30) minutes when Plaintiff and other Class members worked more than five (5) hours.

49. At all relevant times, the Company failed to provide Plaintiff and other Class members a second timely uninterrupted meal period of at least thirty (30) minutes when Plaintiff and other Class members worked more than ten (10) hours.

50. At all relevant times, the Company failed to pay Plaintiff and/or other Class members all the required meal period premium pay to which they were entitled as a result of all the meal period violations.

51. The Company has not established or provided employees with a sufficient break system or break infrastructure, causing employees to routinely take delayed or

shortened meal periods or forgo them altogether. Moreover, employees had their meal periods interrupted by work or work-related communications. Accordingly, their meal periods, if any were taken, were something other than completely duty-free. The Company did not adequately build meal period compliance into its daily operations.

52. The Company did not pay Plaintiff or Class members the one hour of pay for the first and second meal period violations to which they were entitled.

53. The Company non-provision of compliant meal periods, and the Company's non-payment of the requisite meal period premiums, violated and is actionable under Labor Code section 512, subdivision (a), and Labor Code sections 226.7, subdivisions (b) & (c).

54. As a result of the Company's violation of California's meal period rules, Plaintiff and the rest of the Class are entitled to, among other things, one (1) hour of pay at the employee's regular rate of pay for each workday in which a meal period violation occurred.

FOURTH CAUSE OF ACTION

Rest Break Violations

(Against The Company, Zadeh, Feinstein, And Does 1 Through 10, Inclusive)

55. Plaintiff re-alleges and incorporates by reference paragraphs 1 through 54 inclusive as though fully set forth herein.

56. Under California law, employers must authorize and permit all non-exempt employees to take a "net" 10-minute rest period for every four (4) hours worked, or major fraction thereof. (IWC Wage Orders, § 12(A).) More specifically, employers must authorize and permit non-exempt employees to take one 10-minute rest break for shifts from three and one-half (3 ½) hours to six (6) hours in length, two 10-minute rest breaks for shifts of more than six (6) hours up to ten (10) hours in length, three 10-minute rest breaks for shifts of more than ten (10) hours up to fourteen (14) hours in length, and so on. (*Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1029.) In terms of the timing of rest breaks, employers must authorize and permit the taking of rest breaks "in the middle of each work period." (IWC Wage Orders, § 12(A).)

57. Employers must provide employees with "suitable resting facilities" (Wage Orders, §13(B)) that are "away from the work station" (DLSE Enforcement Manual, § 45.3.3). An employee's rest period starts from the moment the employee can reach an area of rest away from the work station and be free from employer control. (*Vaquero v. Stoneledge Furniture*, *LLC* (2017) 9 Cal.App.5th 98, 112 [a rest period "begins when the employee reaches an area away from the work station that is appropriate for rest"]; *Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th 257, 273 ["California law requires employers to relieve their employee of all work-related duties and employer control during 10-minute rest periods"].)

58. Under California law, it is illegal for an employer to require an employee to work during a rest period that is mandated by California statutory law or an IWC Wage Order. (Labor Code, § 226.7(b).)

59. Under California law, employers must provide an employee with an additional one (1) hour of pay for each workday that an employee is not provided with a rest period "in accordance with" California statutory law or IWC Wage Orders. (Labor Code, § 226.7(c).)

60. At all relevant times, Plaintiff and the rest of the Class worked 3.5 hours or more in a shift for the Company and were entitled to rest breaks that conformed with California law.

61. At all relevant times, Plaintiff and the rest of the Class did not waive their legally-mandated rest breaks.

62. At all relevant times, the Company failed to provide Plaintiff and the rest of Class members with timely uninterrupted rest periods of at least ten (10) minutes for every four (4) hours worked, or major fraction thereof. The Company failed to provide Plaintiff and the Class members with first, second, and third rest breaks that complied with California law.

63. At all relevant times, the Company failed to pay Plaintiff or other members of the Class all the required rest period premium pay for all the rest period violations.

64. Plaintiff and Class members were routinely denied legally-compliant rest

periods.

65. The Company has not established or provided employees with a sufficient break system or break infrastructure, causing employees to routinely take delayed or shortened rest periods or forgo them altogether. The Company did not adequately build rest break compliance into its daily operations.

66. The Company did not pay Plaintiff or other Class members the one hour of pay for rest period violations to which they were entitled.

67. The Company's non-provision of compliant rest periods, and the Company's non-payment of the requisite rest period premiums, violated and is actionable under Labor Code sections 226.7 subdivisions (b) & (c).

68. As a result of the Company's violation of California's rest period rules, Plaintiff and the rest of the Class are entitled to, among other things, one (1) hour of pay at the employee's regular rate of pay for each workday in which a rest period violation occurred.

FIFTH CAUSE OF ACTION

Unreimbursed Expenses

(Against The Company, Zadeh, Feinstein, And Does 1 Through 10, Inclusive)

69. Plaintiff re-alleges and incorporates by preference paragraphs 1 through 68 inclusive as though fully set forth herein.

70. At all relevant times, Labor Code section 2802 required and continues to require employers to fully reimburse employees for expenses incurred in the discharge of their work-related duties or while carrying out the directions of their employer. At all material times, the Company failed to reimburse Plaintiff and Class members for all their reimbursable expenses.

71. Among other things, Plaintiff and other Class members were required by the Company to utilize their personal cell-phones for work-related communications or tasks and were not properly reimbursed or issued allowance pay for their cell-phone usage, in violation of Labor Code section 2802(a)-(c). (*Cochran v. Schwan's Home Service, Inc.* (2014) 228

Cal.App.4th 1137 [reimbursement owed under Labor Code section 2802 for required use of personal cell-phones].)

72. In addition to other appropriate relief, Plaintiff and other Class members are entitled to full reimbursement of all expenses owed, plus interest, attorney's fees and costs, as provided for in Labor Code section 2802.

SIXTH CAUSE OF ACTION

Failure To Provide Accurate Wage Statements

(Against The Company, Zadeh, Feinstein, And Does 1 Through 10, Inclusive)

73. Plaintiff re-alleges and incorporates by reference paragraphs 1 through 72 as though fully set forth herein.

74. Labor Code section 226(a) requires that employers furnish to their employees semi-monthly or at the time of each payment of wages, an accurate itemized statement in writing showing such matters as the name of the legal entity that is the employer, the gross wages earned, the total hours worked, the net wages earned and all applicable hourly rates and the corresponding hours worked at those rates during the pay period.

75. At all relevant times, Labor Code section 226(a) applied to the Company's employment of Plaintiff and the rest of the Class.

76. At all relevant times, the Company knowingly and intentionally failed to provide Plaintiff and the rest of the Class with accurate itemized wage statements as required by Labor Code section 226.

77. As a result of the Company's alleged failure to pay wages during one or more pay periods, the Company failed to issue wage statements at all, or in the time required by Labor Code section 226(a).

78. As a result of the Company's alleged issuance of defective pay instruments, the Company either failed to issue accurate corresponding wage statements in violation of Labor Code section 226(a) at all or in the time required by law, or the corresponding wage statements inaccurately represented the "net wages" because no such wages were paid at all.

79. As a result of the (i) Company's inaccurate timekeeping and the off-the-clock work, (ii) the Company's failure to pay at all, or at the proper rate, meal and rest period premiums owed, and (iii) compensable activities performed or compensable time spent during unpaid meal periods, the Company failed to provide Plaintiff and other Class members with accurate wage statements that accurately reflected their total hours worked (violating Labor Code § 226(a)(2)), their gross wages earned (violating Labor Code § 226(a)(1)), their net wages earned (violating Labor Code § 226(a)(5)), and their applicable rates of pay and hours worked at those rates (violating Labor Code § 226(a)(9)).

80. Furthermore, the Company violated Labor Code section 226 by failing to keep on file for at least three (3) years at the place of employment or at a central location within the State of California copies of accurate itemized wage statements as required by Labor Code section 226.

81. Plaintiff and the rest of the Class have suffered the requisite injury as result of the Company's violations of Labor Code section 226, violations which precluded Plaintiff and Class members from being able to "promptly and easily" determine from the wage statements alone one or more the statutorily-required items of information.

82. Pursuant to Labor Code section 226 subdivision (e), Plaintiff and the rest of the Class are entitled to recover statutory penalties from the Company for the wage statement violations, as well as attorney's fees and costs.

SEVENTH CAUSE OF ACTION

Failure To Pay All Wages Due Upon Separation

(Against The Company, Zadeh, Feinstein, And Does 1 Through 10, Inclusive)

83. Plaintiff re-alleges and incorporates by reference paragraphs 1 through 82 inclusive as though fully set forth herein.

84. At all relevant times, Labor Code sections 201 and 202 applied to the Company and imposed time requirements on tendering to a discharged or quitting employee their final wages. At all relevant times, Labor Code section 201 provided that, if an employer discharged an employee, the employee's wages earned and unpaid at the time of discharge

are due and payable immediately. At all relevant times, Labor Code section 202 provided that, if an employee quits without giving 72 hours advance notice, all of his or her wages are due within 72 hours of quitting; if an employee quits and provides 72 hours or more of advance notice, all of his or her wages are due at the time of quitting.

85. The Company willfully failed to pay separated employees in the Class all their wages due in violation of Labor Code sections 201 and 202.

86. Among other things, as a result of the Company's alleged failure to pay any wages during one or more pay periods, the failure to properly record time worked and pay for off-the-clock work, the failure to pay at all, or at the proper rate, meal and rest period premiums, and the compensable activities performed or compensable time spent during unpaid meal periods, the Company did not provide separated employees (Mejia included) with final pay that contained all wages due to them under California law. This deficiency in final pay was willful within the meaning of Labor Code section 203.

87. At all relevant times, Labor Code section 203 provided that, if employers (such as the Company) willfully fail to pay any wages of an employee who is discharged or quits in the time required by Labor Code section 201 or 202, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced, but the wages shall not continue for more than thirty (30) days. Accordingly, separated employees in the Class are entitled to receive statutory penalties up to a maximum of thirty (30) days, as well as attorney's fees and costs, under Labor Code section 203.

EIGHTH CAUSE OF ACTION

Unfair Or Unlawful Business Practices

(Against The Company, And Does 1 Through 10, Inclusive)[1]

88. Plaintiff re-alleges and incorporates by reference paragraphs 1 through 87

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[1] If discovery reveals that Zadeh and/or Feinstein had Class members work for them personally, or that Zadeh and/or Feinstein misappropriated corporate funds that otherwise would have been used to pay for unpaid wages, this cause of action will be amended to be alleged against Zadeh and/or Feinstein as well.

inclusive as though fully set forth herein.

89. At all relevant times, the Company's practices, as alleged above, have been unfair, unlawful, and harmful to Plaintiff, others similarly situated, and the general public. Pineapple Express's above-alleged practices constitute violations of Business and Professions Code sections 17200 *et seq*. A practice that violates any state law or regulation may constitute the basis of an unlawful business practice prohibited by Business and Professions Code sections 17200 *et seq*.

90. Among other things, the following practices of Pineapple Express constitute unfair or unlawful business practices:

a. The failure to pay all wages due as alleged above;

b. The failure to pay wages through negotiable or proper instruments;

b. The failure to provide legally-compliant meal periods, and pay proper premiums for non-compliant meal periods as alleged above;

c. The failure to provide legally-compliant rest periods, and pay proper rest-period premiums for non-compliant rest periods as alleged above;

d. The failure to reimburse Plaintiff and Class members for their work-related expenses as alleged above;

e. The failure to provide accurate wage statements as alleged above;

f. The failure to pay all the wages due separated employees as alleged above; and

g. The failure to keep and maintain accurate records as required by law, including, inter alia, Labor Code section 1174(d).

91. In addition, because the Company failed to provide any wages to Class members for one or more pay periods, the Company necessarily did not provide or make available to employees the paid sick leave benefits that California law requires, violating Labor Code section 246 and 233. Moreover, the Company required employees (Mejia included) to sign illegal documentation that was prohibited by and violated Business & Professions Code sections 16600, 16600.1, 206.5(a), and 432.5.

92. Accordingly, pursuant to Business and Professions Code sections 17200 *et seq*., Plaintiff and the rest of the Class are entitled to restitution of wages and other property held by the Company and/or other relief requiring the Company (and any other responsible parties) to pay all wages and other sums due to them. Plaintiff and the rest of the Class lack an adequate remedy at law.

93. Plaintiff meets the standing requirements for seeking relief pursuant to Business and Professions Code section 17203, in that she has suffered injury in fact and has lost money as a result of the Company's actions, as more fully set forth in this pleading.

NINTH CAUSE OF ACTION

Civil Penalties Under PAGA

(Against The Company, Zadeh, Feinstein, And Does 1 Through 10, Inclusive)

94. Plaintiff re-alleges and incorporates by reference paragraphs 1 through 12 and 18 through 21 inclusive as though fully set forth herein.

95. Pursuant to Labor Code section 2699.3, Plaintiff, on behalf of herself and all other aggrieved employees, brings this action as a non-class representative action under PAGA for civil penalties based on violations of the California Labor Code and the applicable IWC Wage Order(s).

96. Plaintiff has timely and adequately exhausted her administrative remedies under PAGA. Plaintiff submitted her PAGA Notice (incorporated in full herein by reference and attached hereto **as Exhibit 1**) to the LWDA, mailed a copy of the same to the Company, Zadeh, and Feinstein, via certified mail, and waited the requisite time-period before filing this PAGA action in court.

97. Pursuant to Labor Code section 2699.5, Plaintiff asserts this representative action for civil penalties for the violations alleged in **Exhibit 1**, including, without limitation, for:

a. Uncompensated Work/Off-The-Clock Work;

b. Delay In Payment Of All Owed Wages;

c. Unreimbursed Expenses;

d. Meal Period Violations;

e. Rest Period Violations;

f. Inaccurate Wage Statements; and

g. Illegal agreements.

98. Through this PAGA cause of action, for each violation, Plaintiff seeks the default civil penalties PAGA provides, or the specified civil penalty for the violation that is recoverable under PAGA, as well as attorney's fees and costs.

Future Amendment

99. Plaintiff reserves the right to amend this pleading in the event that future discovery and investigation indication the presence of additional as yet unstated causes of action. Plaintiff reserves the right to amend this Complaint to name additional parties, to add additional parties to already pleaded cause of action, and to include additional causes of action/claims which are presently unknown but which are uncovered in the discovery process.

PRAYER

WHEREFORE, Plaintiff requests judgment as follows:

On The First Cause Of Action

1. For all recoverable damages and unpaid wages, including unpaid minimum wages, straight-time pay, overtime wages, and double-time wages;

2. For liquidated damages pursuant to Labor Code § 1194.2;

On The Second Cause Of Action

3. For statutory penalties under Labor Code § 203.1, up to the statutory maxium amount;

On The Third Cause Of Action

4. For premium pay for meal period violations under Labor Code § 226.7;

On The Fourth Cause Of Action

5. For premium pay for rest period violations under Labor Code § 226.7;

///

On The Fifth Cause Of Action

6. For the full reimbursement of expenses owed, including interest thereon, under Labor Code § 2802;

On The Sixth Cause Of Action

7. For statutory penalties under Labor Code § 226;

8. For actual damages incurred as a result of the Company issuing inaccurate wage statements, according to proof;

On The Seventh Cause of Action

9. For statutory penalties under Labor Code § 203, up to the statutory maxium amount;

On The Eighth Cause Of Action

10. For restitution of all unpaid wages, straight-time, overtime, double-time, minimum wages, premium pay, and other monies withheld from Plaintiff and the rest of the Class together with the disgorgement of any profits received as a result of the Company's unlawful or unfair business practices;

On The First Through Eighth Causes Of Action

11. For a certification of the action as a class action, and for entry of judgment in favor of the Class;

12. For attorney's fees and costs pursuant to Civil Code § 1021.5, all provisions of the Labor Code that authorize attorney's fees and costs (including, e.g., Labor Code §§ 226, 203, 218.5, 1194(a), 1194.3, 2802, 3287, and 3289), the "common fund" theory, the "substantial benefit" theory, the "catalyst" theory, and/or any other applicable theory or doctrine;

On The Ninth Cause Of Action

13. For all forms of civil penalties recoverable under PAGA;

14. For any available injunctive relief under PAGA;

15. For entry of judgment in favor of Plaintiff and other aggrieved employees;

16. For attorney's fees and costs pursuant to PAGA;

On All Causes Of Action

17. For prejudgment and post-judgment interest on all amounts owing, commencing from the date such amounts were due; and

18. For all such other relief as the Court deems just and proper.

Dated: December 29, 2025

SCHEPPACH BAUER PC

By: ______________________

JOHN M. SCHEPPACH
Attorneys for Plaintiff, NOEMI MEJIA, on behalf of herself and all others similarly situated

DEMAND FOR JURY TRIAL

Plaintiff demands a trial by jury on all claims and causes of action so triable.

Dated: December 29, 2025

SCHEPPACH BAUER PC

By: ______________________

JOHN M. SCHEPPACH
Attorneys for Plaintiff, NOEMI MEJIA, on behalf of herself and all others similarly situated

EXHIBIT 1

SCHEPPACH | BAUER PC

Scheppach Bauer PC
23181 Verdugo Drive, Suite 105-A
Laguna Hills, California 92653
Phone: (949) 209-8880
Facsimile: (949) 358-7884

John M. Scheppach
Email: jmscheppach@sbpc.law
Direct Dial: (949) 209-8895

PAGA NOTICE

October 23, 2025

VIA CERTIFIED MAIL TO:

Pineapple Consolidated, Inc.
Attn: Matthew Feinstein
Registered Agent For Service Of Process
12301 Wilshire Blvd, #620
Los Angeles, CA 90025

PNPLXPRESS, Inc.
Attn: Matthew Feinstein
Registered Agent For Service Of Process
12301 Wilshire Blvd, #302
Los Angeles, CA 90025

Vincent Zadeh
12301 Wilshire Blvd, #620
Los Angeles, CA 90025

VIA CERTIFIED MAIL TO:

Matthew Feinstein
12301 Wilshire Blvd, #620
Los Angeles, CA 90025

VIA ONLINE SUBMISSION TO:

State Of California,
Labor & Workforce Development Agency

Current website address

http://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html

Re: *Noemi Mejia, et al. v. Pineapple Consolidated, Inc., et al.*
PAGA Notice

Dear Employer, Responsible Parties, And The LWDA:

Noemi Mejia ("Mejia") on behalf of herself and all other aggrieved employees, and through her undersigned representative, hereby provides notice pursuant to the California Private Attorneys General Act of 2004, Labor Code sections 2698 – 2699.8 ("PAGA"), of alleged violations of the California Labor Code committed by Pineapple Consolidated, Inc., and PNPLXPRESS, Inc., and alleged to be caused by Vincent Mehdizadeh (aka Vincent Zadeh) and Matthew Feinstein. Pursuant to the requirements of PAGA, the Labor Code provisions allegedly violated, including the alleged facts and theories in support thereof, are set forth in the paragraphs below. All citations herein are to the California Labor Code as it is presently constituted. The Labor Code may be amended in one or more respects after the date of this PAGA Notice. This PAGA Notice invokes all available forms of tolling.

This PAGA Notice is also alleged against DOES 1 through 10, inclusive, as additional responsible parties, which includes any predecessor, successor, or affiliate entity who was the joint employer of Mejia or who was otherwise responsible for the Labor Code violations herein asserted, and any owner, director, officer, or managing agent who caused one or more of the Labor Code violations herein asserted. If and when such additional responsible parties are ascertained and identified, this PAGA Notice may be amended to name such additional responsible parties, and any such amendment shall relate back to this PAGA Notice.

I. BACKGROUND

Pineapple Consolidated, Inc. is a management company that, through its key members, effectively operated and continue to operate one or more cannabis-related businesses in California including under the branding of "Pineapple Express." Under the direction of Pineapple Consolidated, Inc. and/or its key members, a location-specific or service-specific entity was and is formed for each of these Pineapple Express businesses.

For example, PNPLXPRESS, Inc., is and/or was the entity for the Pineapple Express retail store on Vine Street in Los Angeles. Similarly, PNPLXPRESS II, Inc., is listed as a "RETAIL MANAGEMENT" business located in Los Angeles. All of these Pineapple Express business entities are controlled by and beholden to Pineapple Consolidated, Inc. and its key members.

Matthew Feinstein is currently listed as the registered agent for service of process for Pineapple Consolidated, Inc., PNPLXPRESS, Inc., and PNPLXPRESS II, Inc. Mr. Feinstein is the co-founder of, and the Secretary and Chief Executive Officer of, Pineapple Consolidated, Inc. For a certain period of time, Mr. Feinstein served as the Chief Financial Officer of PNPLXPRESS, Inc., and the Chief Financial Officer and Secretary of PNPLXPRESS II, Inc.

Vincent Mehdizadeh (aka Vincent Zadeh) serves as the Chief Strategy Officer of Pineapple Consolidated, Inc. He is pervasively involved in the business operations of Pineapple Express locations and facilities.[1]

Mejia worked for Pineapple Consolidated, Inc. and PNPLXPRESS, Inc. in California. Several of her paychecks bounced. She complained about these bounced paychecks internally and was ultimately advised that she was being let go. She still has not received pay for all of her work performed. At least one of her paychecks was written on the account of Pineapple Consolidated, Inc. At least one of her paychecks was written on the account of PXPLXPRESS, Inc. Mejia alleges that she was jointly employed by Pineapple Consolidated, Inc. and PNPLXPRESS, Inc., who, among other things, issued a joint employee handbook to her.

Although she was hired as a salaried employee, Mejia did not meet the duties or salary basis test and therefore did not qualify as exempt under California law. Mejia did not predominantly perform the requisite duties in order to qualify for exempt status. Her marketing-related functions (such as maintaining a marketing calendar) did not rise to the level of exempt work, and she did not exercise the requisite degree of discretion and independent judgment. With respect to salary, she was not paid on a salary basis within the meaning of the law, and she was paid less than the minimum salary necessary for exempt status. Indeed, she (along with numerous other aggrieved employees) did not receive any pay whatsoever for several pay periods. Because

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[1] He will be referred to in this PAGA Notice as Vincent Zadeh.

she did not meet any applicable test for exempt status, she was a non-exempt employee under the law, entitled to all the protections afforded by the Labor Code.

Before she was terminated from the Company, Mejia raised internal complaints about non-payment of wages and the cessation of her Company healthcare benefits. Shortly thereafter, she was discharged.

In this PAGA Notice, Pineapple Consolidated, Inc. and its affiliate PNPLXPRESS, Inc. will be collectively referred to as the "Company."

II. <u>ALLEGED LABOR CODE VIOLATIONS</u>

-PAGA GROUP-

The wage-and-hour violations asserted in this PAGA Notice and are alleged on behalf of Mejia and all current and former non-exempt employees who were employed by the Company in California at any time during the applicable limitations period ("aggrieved employees"). These aggrieved employees include, without limitation, Mejia.

These aggrieved employees include any non-exempt employee who worked at any one or more of the following locations during the applicable limitations period: (i) the Pineapple Express retail store on Vine Street in Los Angeles, (ii) the Company's corporate office in Brentwood (located on Wilshire), and (iii) any other cannabis-related business in California that was or is operated, in whole or in part, by Pineapple Consolidated, Inc., including, without limitation, any Pineapple Express retail location that is opened after the date of this PAGA Notice.

As used in this PAGA Notice, the term "non-exempt" employee includes both (i) employees that the Company considered to be non-exempt and (ii) employees that the Company incorrectly classified as exempt. Employees that fall within this second category (ii) are workers who, under California law, are regarded as or qualify as non-exempt employees. Among other employees that fall within category (ii) are those employees who were promised or advised that they would be paid a salary but to whom the Company did not pay any salary during one or more pay periods. Employees who were not paid a salary during one or more pay periods lose any basis for treating them as exempt under any salaried exempt classification (e.g., under the administrative or executive exemption). Likewise, employees who were not paid any commissions for one or more pay periods would lose any basis for treating them as exempt under the inside sales exemption.

A. <u>Uncompensated Work/Off-The-Clock Work</u>

During the limitations period, Mejia and other aggrieved employees were not paid for all hours worked. The Company did not accurately record the time worked by, and fully pay the wages owed to, Mejia and other employees.

Mejia and other aggrieved employees worked without wages. During several pay periods, the Company simply did not pay them wages (whether salary, hourly pay, or otherwise) and, to this day, they still have not received their wages due.[2]

The Company issued paychecks to Mejia and other employees that were rejected for insufficient funds and/or otherwise dishonored, which resulted in employees not being paid their wages. Employees performed work and compensable tasks for the Company for which they were not compensated.

Mejia and other aggrieved employees also worked off-the-clock without compensation, including by engaging in work-related communications on their personal cell phones outside of work hours (such as, for example, through text messages, group Google chats, and WhatsApp messages that concerned work-related tasks, duties, and/or topics).

In addition, aggrieved employees, Mejia included, did not receive bona fide meal periods but instead were controlled during and/or worked during meal periods, which time was not accounted for and compensated by the Company.

The Company's failure to fully compensate Mejia and other aggrieved employees for all their work with valid forms of payment caused them to not be paid the applicable California minimum wage for compensable work (in violation of, and actionable under, Labor Code §§ 204, 1194, 1194.2, 1197, 1197.1 & 1199), to not be paid their regular hourly rate or pay for all hours worked during employment (in violation of, and actionable under, Labor Code §§ 204 & 218), and to not receive proper overtime and/or double-time compensation (in violation of, and actionable under, Labor Code §§ 204, 510 & 1198).[3] The Company's failure to pay Mejia and the other aggrieved employees the overtime, double-time, and/or minimum wages they were due also violates regulatory law. (IWC Wage Orders, § 3 [overtime and double-time requirements], and § 4 [minimum wage requirements].)

As a result of inadequate time-keeping and off-the-clock work, the Company failed to provide aggrieved employees with wage statements that accurately reflected their total hours worked (violating Labor Code § 226(a)(2)), their gross wages earned (violating Labor Code § 226(a)(1)), their net wages earned (violating Labor Code § 226(a)(5)), and their applicable rates of pay and hours worked at those rates (violating Labor Code § 226(a)(9)). As a result of the Company's failure to compensate Mejia and other aggrieved employees for their work performed across one or more pay periods, the Company failed to issue wage statements at all, or in a timely manner, in violation of Labor Code §§ 226(a) and 226.3. The Company's non-compliance with California's wage statement requirements violated and is actionable under Labor Code §§ 226(a) and 226.3.

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[2] As discussed in Part III, infra, the Company's failures and misconduct are alleged to be attributable to Zadeh and Feinstein.

[3] The "salary" of a salaried nonexempt employee, assuming it is paid, can only be attributed to regular non-overtime hours. (Labor Code, § 515(d)(2).)

The Company was required to keep, in a centralized location, three years' worth of accurate records showing the hours worked by, and wages paid to, its employees; however, the Company failed to do so in violation of Labor Code § 1174(d). The inadequate time-keeping and off-the-clock work rendered the Company's records inaccurate.

Because the Company issued paychecks to employees for their reoccurring wages during the normal course of employment that were rejected due to insufficient funds and/or otherwise dishonored, the Company violated Labor Code § 203.1

As a result of the Company's failure to provide valid forms of payment to employees for their wages, the Company still owes wages to employees, including separated employees. The Company did not provide separated employees (Mejia included) with final pay that contained all wages due to them under California law. This deficiency in final pay was willful within the meaning of Labor Code § 203. The Company's non-provision of timely and sufficient final pay to separated employees violated, and is actionable under, Labor Code §§ 201, 202, 203, 208, 203.1, 226(a), and 226.3.

B. <u>Delay In Payment Of All Wages Owed</u>

The Company did not timely and fully pay all wages owed to aggrieved employees each pay period, in violation of Labor Code section 204. The Company's periodic wage payments did not include all hours worked, and they were rejected due to insufficient funds or were otherwise dishonored, and payments (if they were made at all) were outside the time parameters of Labor Code section 204. The delayed payment of wages violated Labor Code sections 204 and 203.1.

C. <u>Unreimbursed Expenses</u>

Labor Code section 2802 requires employers to reimburse employees for expenses incurred in the discharge of their work-related duties or while carrying out the directions of their employer. Aggrieved employees incurred expenses for which they were not reimbursed, including (without limitation) those set forth below, in violation of Labor Code section 2802.

Among other things, the Company required Mejia and other aggrieved employees to utilize their personal cell-phones or other personal devices for work-related purposes, including, without limitation, to engage in and review work-related communications and to perform work-related tasks. Employees did not receive reimbursement, or adequate reimbursement, for these expenses.

The Company's failure to properly pay the expenses of Mejia and the other aggrieved employees violates and is actionable under Labor Code § 2802(a)-(c). (*Cochran v. Schwan's Home Service, Inc*. (2014) 228 Cal.App.4th 1137.)

D. <u>Meal Period Violations</u>

At all material times, the Company maintained policies and/or practices that prevented aggrieved employees from receiving legally-compliant first and second meal periods. The

Company's policies and/or practices have caused employees to not be provided with the legally-compliant meal periods to which they were and are entitled.

Under California law, all non-exempt employees who work more than five (5) hours in a shift are entitled to take an uncontrolled, duty-free meal period of at least thirty (30) minutes. Meal periods must start after no more than five (5) hours of work. (Labor Code, § 512(a); IWC Wage Orders, § 11.) Under California law, all non-exempt employees who work more than ten (10) hours in a shift are entitled to take a second uncontrolled, duty-free meal period of at least thirty (30) minutes. Second meal periods must start after no more than ten (10) hours of work. (Labor Code, § 512(a); IWC Wage Orders, § 11.) Employers are forbidden from requiring employees to work during a meal period that is mandated by California statutory law or by an IWC Wage Order. (Labor Code, § 226.7(b).) Under California law, employers must provide an employee with an additional hour of pay for each workday that an employee is not provided with a meal period "in accordance with" California statutory law or IWC Wage Orders. (Labor Code, § 226.7(c).)

At all material times, the Company did not establish or provide employees with a sufficient break system or break infrastructure, causing employees to routinely take interrupted meal periods, delayed or shortened meal periods, or to forgo meal periods altogether. The Company did not adequately build meal period compliance into its daily operations.

Mejia and other aggrieved employees routinely worked the requisite hours to be entitled to a first meal period under California law. The Company was required to provide a first meal period to aggrieved employees in accordance with law, and the Company failed to do so. Specifically, and without limitation, the Company failed to provide aggrieved employees with first meal periods that were timely, duty and control-free, and/or a full 30 minutes. Likewise, and for the same reasons, the Company has also routinely failed to provide aggrieved with legally-compliant second meal periods on shifts they worked more than ten (10) hours. The Company failed to provide aggrieved employees with second meal periods that were timely, duty and control-free, and/or a full 30 minutes.

No valid waiver exists to excuse the meal period violations. The Company did not properly pay aggrieved employees the required premium wages owed for the first and second meal period violations. The Company's non-provision of compliant meal periods, and the Company's non-payment of the required meal period premiums, violated and is actionable under Labor Code § 512(a), and Labor Code §§ 226.7(b) & (c).

As meal period premiums are wages subject to Labor Code section 226(a), the Company's failure to pay at all and list on its wage statements, and/or the Company's failure to properly pay and list on its wage statements, the meal period premiums to which aggrieved employees were entitled caused the Company's wage statements to inaccurately list the gross and net wages earned, in violation of Labor Code section 226(a)(1) and (a)(5). Moreover, when meal periods were interrupted and/or controlled, their corresponding wage statements for the pay period did not accurately reflect their total hours worked or their gross or net wages earned, in violation of Labor Code section 226(a)(2), (a)(1) and (a)(5). The Company's non-compliance with California's wage statement requirements violated and is actionable under Labor Code §§ 226(a) and 226.3.

As meal period premiums are wages subject to Labor Code sections 201-203, the Company also failed to include in the final pay of separated aggrieved employees (Mejia included) all the meal period premiums to which they were entitled. These deficiencies in final pay were willful within the meaning of Labor Code section 203, and are actionable under Labor Code sections 201, 202, 203, 208, and 256.

E. <u>Rest Period Violations</u>

At all material times, the Company maintained policies and/or practices that prevented aggrieved employees from receiving legally-compliant rest periods. The Company's policies and/or practices have caused employees to not be provided with the legally-compliant rest periods to which they were and are entitled.

Under California law, all non-exempt employees must be authorized and permitted to take a "net" 10-minute rest break for every four (4) hours worked, or major fraction thereof. (IWC Wage Orders, § 12(A).) Non-exempt employees must be authorized and permitted to take one 10-minute rest break for shifts from three and one-half (3 ½) hours to six (6) hours in length, two 10-minute rest breaks for shifts of more than six (6) hours up to ten (10) hours in length, three 10-minute rest breaks for shifts of more than ten (10) hours up to fourteen (14) hours in length, and so on. (*Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1029.)

In terms of rest break timing, the employer must authorize and permit the taking of rest breaks "in the middle of each work period." (IWC Wage Orders, § 12(A); see also *Rodriguez v. E.M.E., Inc.* (2016) 246 Cal.App.4th 1027, 1040 [analyzing the rest break timing rule].) In terms of rest break duration, California law requires employers to provide employees with a "net" rest time of 10 minutes. (IWC Wage Orders, § 12.) An employee's 10 minutes of rest begins the moment the employee can reach an appropriate area of rest and be free from employer control. (*Vaquero v. Stoneledge Furniture, LLC* (2017) 9 Cal.App.5th 98, 112 [a rest period "begins when the employee reaches an area away from the work station that is appropriate for rest"]; *Augustus v. ABM Security Services, Inc*. (2016) 2 Cal.5th 257, 273 [rest periods must be control-free].)

Under California law, it is illegal for an employer to require an employee to work during a rest period that is mandated by California statutory law or an IWC Wage Order. (Labor Code, § 226.7(b).) Under California law, employers must provide an employee with an additional hour of pay for each workday that an employee is not provided with a rest period "in accordance with" California statutory law or IWC Wage Orders. (Labor Code, § 226.7(c).)

Mejia and the other aggrieved employees worked the requisite hours to be entitled to first, second, and third rest periods under California law. The Company was required to authorize and permit them to take rest periods in accordance with California law, and the Company failed to do so.

At all material times, the Company did not establish or provide employees with a sufficient break system or break infrastructure, causing employees to routinely take interrupted rest periods, delayed or shortened rest periods (less than a net 10 minutes), or miss rest periods altogether. The Company did not adequately build rest break compliance into its daily operations.

The Company failed to provide legally-compliant first, second, and third rest breaks to aggrieved employees.

No valid waiver exists to excuse the rest period violations. The Company did not properly pay Mejia or the other aggrieved employees the required premium wages owed for the rest period violations. The Company's non-provision of compliant rest periods, and the Company's non-payment of rest period premiums, violated and is actionable under Labor Code sections 226.7(b) and (c). The Company's failure to provide legally-compliant rest periods also violated regulatory law. (IWC Wage Orders, § 12 [rest period requirements].)

As rest period premiums are wages subject to Labor Code § 226(a), the Company's failure to pay and list on its wage statements the rest period premiums to aggrieved employees were entitled caused the Company's wage statements to inaccurately list the gross and net wages earned, in violation of Labor Code § 226(a)(1) and (a)(5). The Company's non-compliance with wage statement requirements violated and is actionable under Labor Code §§ 226(a) and 226.3.

As rest period premiums are wages subject to Labor Code sections 201-203, the Company has also failed to include in the final pay of separated aggrieved employees (Mejia) all the rest period premiums to which they were entitled. These deficiencies in final pay were willful within the meaning of Labor Code section 203, and are actionable under Labor Code sections 201, 202, 203, 208, and 256.

Moreover, given that during one or more pay periods the Company did not pay any wages to aggrieved employees (Mejia included) for the work they performed, the Company failed to provide compensated rest period time, in violation of Labor Code § 226.7(c)-(d). (See Labor Code, § 226.7(d) [rest and recovery periods must be considered hours worked and compensated]; IWC Wage Orders, Rest Periods, § 12(A) [a rest period must be considered hours worked and compensated].)

F. <u>Inaccurate Wage Statements</u>

Labor Code section 226, subdivision (a), requires that employers (such as the Company) furnish to their employees, semi-monthly or at the time of each payment of wages, an accurate itemized statement in writing showing the "(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, …, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her 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, … , 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[.]"

The Company's wage statement did not comply with Labor Code section 226's requirements.

As discussed throughout this PAGA Notice, the Company violated Labor Code section 226 in numerous respects (e.g., the failure to accurately show the total hours actually worked in violation of Labor Code § 226(a)(2) and (9)). The above-mentioned violations were knowingly and intentionally committed, and resulted in injury to the employees.

G. Illegal Agreements

The Company required aggrieved employees to agree to terms or conditions of employment that are prohibited by California law.

For example, and among other documents, the Company required employees to sign-off on employee handbooks containing "Confidentiality and Non-Disclosure" provisions, which contain broad and illegal restrictive covenants that are prohibited by Business & Professions Code § 16600 and 16600.1(a), and which the Company knew were prohibited by Business & Professions Code § 16600 and 16600.1(a), thus violating Labor Code § 432.5.

In addition, with broad language treating "all information learned as part of his/her employment as confidential" information that could not be disclosed except in limited circumstances (e.g., when the disclose was "in the proper performance of the employee's responsibilities and duties to the Company"), the "Confidentiality and Non-Disclosure" provisions also capture and prohibit communications that are protected under Labor Code §§ 232(a)-(b) and 232.5(a)-(b), and thus the "Confidentiality and Non-Disclosure" provisions violate these Labor Code provisions.

Moreover, for separated aggrieved employees (Mejia included), the Company requires them to sign documentation in connection with the receipt of their final paycheck ("Final Paycheck Acknowledgment") that releases claims against the Company, including with words to the effect of "I agree there is no additional amount owed to me," in violation of Labor Code § 206.5(a).)

It is alleged that the Company, as well as Feinstein and Zadeh, knew that the Company documentation, including the documentation described above, was prohibited by law, and yet they required it anyways, violating Labor Code § 432.5.

III. INDIVIDUAL AS WELL AS CORPORATE LIABILITY

The Labor Code violations asserted in this PAGA Notice are alleged to be caused by Matthew Feinstein and Vincent Zadeh, who, together and individually, exercised operational control over the wages, hours, and/or working conditions of the employees at the Company and whose actions, inactions, and/or decisions lead to the violations herein asserted. With Feinstein serving in a pervasive HR capacity and Zadeh acting in a pervasive economics-driven capacity, and with both of them acting on behalf of the Company, Feinstein and Zadeh caused the Labor Code violations herein asserted. (*Espinoza v. Hepta Run, Inc*. (2022) 74 Cal.App.5th 44, 57-59; *Atempta v. Pedrazzani* (2018) 27 Cal.App.5th 809, 816-824.)

Accordingly, to the maximum extent allowed by law, all the Labor Code violations alleged in this PAGA Notice are asserted against each of them individually (see, e.g., Labor Code, § 558 and § 558.1) as well as against the Company (including both Pineapple Consolidated, Inc. and PNPLXPRESS, Inc.), jointly and severally.

IV. CIVIL PENALTIES SOUGHT

For all the above-specified Labor Code violations, Mejia, on behalf of herself and all other aggrieved employees, seeks all available civil penalties against the Company, Zadeh, and Feinstein, that the law allows, including the default civil penalties provided by PAGA, and any civil penalties specifically provided by statute for the alleged Labor Code violations which are recoverable under PAGA.

To the extent any other parent, affiliate, or entity under the control of or acting in concert with the Company, or to the extent any other executive of the Company, caused or contributed to the Labor Code violations, civil penalties are also sought as to such entities or responsible parties, including DOES 1 through 10, inclusive. Mejia, on behalf of herself and all other aggrieved employees, reserves the right to assert claims and theories for Labor Code violations and associated civil penalties that are uncovered in the discovery process but which are presently unknown.

To the extent any violations described herein give rise to civil penalties that can be obtained directly under the applicable statutes without invoking or seeking relief under PAGA, nothing herein is intended to preclude Mejia or other aggrieved employees from seeking those civil penalties directly under those statutes.

Very truly yours,

John M. Scheppach
Scheppach Bauer PC