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October 23, 2025

VIA PAGA ONLINE FILING

California Labor and Workforce
Development Agency
Attn: PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, California 94612

VIA U.S. CERTIFIED MAIL
RETURN RECEIPT

Carvana, LLC
c/o CT Corporation
2710 Gateway Oaks Dr.
Sacramento, CA 95833

Employer: Carvana, LLC ("Defendant" or "Company")

Employee: Ruben De Leon, ("Plaintiff" or "Claimant") on behalf of himself and on behalf of all current and former non-exempt employees of Defendants who are not covered by a collective bargaining agreement and suffered one or more violations as described herein.

Dear Secretary:

Pursuant to the Private Attorneys General Act of 2004, California Labor Code § 2698 *et seq.* ("PAGA"), representative employee, this letter shall serve as Plaintiff's written notice to the Labor and Workforce Development Agency ("LWDA") and Defendant of the alleged California Labor Code ("Labor Code") violations Plaintiffs claims that Defendant committed against them and all other aggrieved employees in California. Plaintiff desires to file a civil action to enforce his rights under the Labor Code and seek compensation accordingly.

In or around October 2025, Plaintiff was employed by Defendant as a non-exempt Lot Associate in Tracy, California. During this period, Plaintiff was not paid for all hours worked, including the time spent traveling on the mandatory employer-provided shuttle between the designated parking area and the check-in location at the back of the property, during which Plaintiff was under the employer's control and required to follow its directives.

During his employment, and within the one-year period of the date of this letter, the Company denied Plaintiff and other aggrieved employees in California specific rights afforded to them under the Labor Code and the applicable Wage Order.

For example, the Company failed to provide Plaintiff and the aggrieved employees with legally compliant meal breaks or pay them meal break premiums, failed to pay Claimant and other aggrieved employees all minimum, regular, and overtime wages owed, failed to maintain accurate records and issue accurate itemized wage statements, failed to reimburse them for necessary business expenses, and failed to timely pay all wages due during and upon separation of employment.

The Company did not provide Claimant and other aggrieved employees with 30-minute, off-duty meal periods. Due to their workload and the demands of their job, Claimant and other aggrieved employees often required to work through their meal periods. to take 30-minute off-duty, uninterrupted meal breaks and rest breaks because they were not relieved of all duties and were required to stay on-duty in case they were needed by production.

The nature of Claimant and other aggrieved employees' duties did not prevent them from being relieved of all job duties for a timely 30-minute off-duty meal period. Claimant and other aggrieved employees did not enter into a valid on-duty meal period agreement. Though Claimant and other aggrieved employees did not receive full, off-duty meal periods in compliance with California law, the Company did not pay meal period premiums to Claimant and other aggrieved employees as required under Labor Code section 226.7.

For the same reasons, the Company failed to provide Claimant and other aggrieved employees with 10-minute rest periods for every four hours or major fraction thereof worked. Despite not providing legally compliant rest periods, the Company did not pay Claimant and other aggrieved employees all rest period premiums owed.

The Company failed to maintain accurate records for Claimant and other aggrieved employees because the Company required Claimant and other aggrieved employees to record the same hours each day irrespective to what they actually worked.

As a direct result of the Company's failure to maintain proper records, Claimant and other aggrieved employees were not paid all minimum, regular, and overtime wages. Although Claimant and other aggrieved employees routinely worked in excess of eight hours per day, the Company incorrectly recorded and/or altered their hours to reflect less hours worked and thus failed to pay them for any overtime hours worked. The Company also did not pay Claimant and other aggrieved employees for all hours permitted and suffered to work because Claimant and other aggrieved employees are required to work during their meal or lunch breaks and after hours.

Rather than paying Claimant and the aggrieved employees for the hours actually worked, the Company paid the same gross amount for everyone, disregarding its duty to maintain accurate records, provide accurate wage statements, pay all wages owed, and pay all meal and rest period premiums owed.

The Company failed to reimburse Claimant and other aggrieved employees for all necessary business expenses that were incurred in the discharge of their job duties. For example, Claimant was required to use his personal cellphone to communicate with the Company and other coworkers. Claimant did not receive any reimbursement for his cellphone charges, as required by California law.

As described above, the Company failed to maintain accurate records reflecting all of Claimant's and other aggrieved employees' time worked and wages owed, in violation of California law. In addition, the wage statements issued by the Company did not include the correct total regular and overtime hours worked, the correct amount of gross and net wages earned, all deductions, and all applicable hourly rates and the corresponding number of hours worked at each hourly rate, as required under Labor Code section 226.

As a direct result of the aforementioned Labor Code violations, the Company did not pay Claimant and aggrieved employees all wages due and payable during and upon separation of employment, including minimum, regular, and overtime wages for all overtime hours worked and meal and rest period premium wages, as required pursuant to Labor Code sections 201, 202 and 204.

Due to the foregoing Labor Code violations, the Company denied Claimant and other aggrieved employees certain rights afforded to them under the California Labor Code and IWC Wage Orders. Claimant makes these claims against the Company on behalf of himself and all other aggrieved current and former employees of the Company in California.

FAILURE TO PAY MINIMUM, REGULAR, AND OVERTIME WAGES

(Labor Code sections 223, 225.5, 510, 558, 1194, 1194.2, 1197, 1197.1, 1198 and the "Hours and Days of Work" section of the Applicable Wage Order)

Labor Code section 1197 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." Labor Code section 1197.1 provides that, "Any employer or other person acting either individually or as an officer, agent, or employee of another person, who pays or causes to be paid to any employee a wage less than the minimum fixed by an applicable state or local law or by an order of the commission shall be subject to a civil penalty, restitution of wages, liquidated damages payable to the employee, and any applicable penalties imposed pursuant to Section 203..." Section 1198 states, "[t]he maximum hours of work and the standard conditions of labor fixed by the commission shall be the maximum hours of work and the standard conditions of labor for employees. The employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful."

Section 1198 states, "[t]he maximum hours of work and the standard conditions of labor fixed by the commission shall be the maximum hours of work and the standard conditions of labor for employees. The employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful."

Pursuant to Labor Code Sections 510, 1194 and Subsection 3(D) of Wage Order 12-2001, California law requires an employer to pay an employee one and one-half (1½) times such employee's regular rate of pay for work in excess of eight hours in a day. *See* Wage Order 12-2001(3)(d) (specifically providing for "One and one-half (1½) times the extra player's rate of pay for the ninth (9th) and tenth (10th) work hours of employment and not less than double the extra player's rate of pay for all hours worked thereafter").

Labor Code section 510 states, "[e]ight hours of labor constitutes a day's work. Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee. Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee." The "Hours and Days of Work" section of the Applicable Wage Order mandates the same requirements.

Labor Code section 1194(a) states, "…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." Liquidated damages in an amount equal to the minimum wages unlawfully unpaid and interest thereon are provided for under Labor Code section 1194.2.

Labor Code section 223 states, "Where any statute or contract requires an employer to maintain the designated wage scale, it shall be unlawful to secretly pay a lower wage while purporting to pay the wage designated by statute or by contract." Labor Code section 225.5 provides that, "…every person who unlawfully withholds wages due any employee in violation of Section …223 shall be subject to a civil penalty" of $100 for each initial violation and $200 plus 25% of the amount unlawfully withheld for a subsequent violation.

Defendants employed Plaintiff as a non-exempt Lot Associate. Defendants paid Plaintiff a base hourly rate of $20.00 per hour but failed to pay Plaintiff for all hours worked, including overtime and double-time hours, and failed to pay at least the minimum wage for all hours worked in violation of the above-referenced Labor Code provisions and the applicable Wage Order.

FAILURE TO PROVIDE COMPLIANT MEAL PERIODS AND AUTHORIZE AND PERMIT REST PERIODS

(Labor Code sections 226.7, 512, 558, 1198 and the "Meal Periods" and "Rest Periods" sections of the Applicable Wage Order)

Labor Code section 226.7(b) states, "[a]n employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission…" Labor Code section 226.7(c) states, "[i]f an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law… the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided."

Labor Code section 512(a) states, "[a]n employer may not employ an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than 30 minutes" and "[a]n employer may not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes."

The "Meal Periods" section of the Applicable Wage Order states, "[n]o employer shall employ any person for a work period of more than five (5) hours without a meal period of not less than 30 minutes, except that when a work period of not more than six (6) hours will complete the day's work the meal period may be waived by mutual consent of the employer and the employee. Unless the employee is relieved of all duty during a 30 minute meal period, the meal period shall be considered an "on duty" meal period and counted as time worked. An "on duty" meal period shall be permitted only when the nature of the work prevents an employee from being relieved of all duty and when by written agreement between the parties an on-the- job paid meal period is agreed to. The written agreement shall state that the employee may, in writing, revoke the agreement at any time." The Applicable Wage Order further states, "[i]f an employer fails to provide an employee a meal period in accordance with the applicable provisions of this order, 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 is not provided."

The "Rest Periods" section of the Applicable Wage Order states, "[e]very employer shall authorize and permit employees to take rest periods, which insofar as practicable shall be in the middle of each work period. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof." Furthermore, "[i]f an employer fails to provide an employee a rest period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the rest period is not provided."

Labor Code section 1198 states, "[t]he maximum hours of work and the standard conditions of labor fixed by the commission shall be the maximum hours of work and the standard conditions of labor for employees. The employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful."

The applicable IWC Wage Orders, including Wage Order 12-2001(11) provides: "If an employer fails to provide an employee a meal period in accordance with the applicable provisions of this order, 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 is not provided." Wage Order 12-2001(11)(C), (12)(B) (same re rest periods) (emphasis added); *see also* Labor Code § 226.7(c) ("If an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law, …, the employer shall pay the employee one additional hour of pay at the employee's ***regular rate of compensation*** for each work day that the meal or rest period is not provided." (Emphasis added)).

During the relevant pay periods, Defendant employed Plaintiff as a non-exemept Lot Associate. Due to the manner in which Defendants exercised control over Plaintiff and other aggrieved employees on set—including scheduling, supervision, and direction of work—Defendants failed to provide uninterrupted, off-duty meal periods of at least 30 minutes before the start of the sixth and eleventh hours of work and failed to authorize and permit compliant 10-minute rest breaks for every four hours or major fraction thereof worked.

As a result, Plaintiff and other aggrieved employees are entitled to one hour of premium pay for each workday in which a compliant meal period was not provided and one hour of premium pay for each workday in which a compliant rest period was not authorized or permitted. Defendants are also liable for civil penalties of $100 per pay period for the first violation within the statutory period and $200 per pay period for each subsequent violation. Plaintiff seeks to recover all available wages, penalties, and other remedies for these violations on behalf of himself and other aggrieved current and former employees to the full extent allowed by law.

FAILURE TO MAINTAIN ACCURATE RECORDS

(Labor Code sections 1174, 1174.5, and 1198, and the "Records" section of the Applicable IWC Wage Order)

Labor Code section 1174 states, "[e]very person employing labor in this state shall… [k]eep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, …, employees employed at the respective plants or establishments."

The "Records" section of the Applicable Wage Order states that every employer shall keep accurate information with respect to each one of its employees, including time records showing when the employee begins and ends each work period, meal periods, total daily hours worked, total wages paid each payroll period, and total hours worked in the payroll period and applicable rates of pay.

Labor Code section 1174.5 imposes a civil penalty of $500 for an employer's failure to maintain accurate and complete records. This civil penalty is in addition to the civil penalty of

$100 per pay period, per aggrieved employee that would be imposed pursuant to Labor Code section 2699 for a violation of Labor Code section 1174(d).

Defendants violated these requirements by failing to accurately record employee hours worked including, but not limited to, Defendants' failure to record the proper beginning and end of each work period, the meal periods, the total hours worked during the pay period, the applicable rates of pay, and the wages paid. The failure to maintain accurate records deprived Plaintiff of the ability to know, understand, and question the calculation, rate of pay, and hours used to calculate the wages paid to her by Defendants. Plaintiff will pursue all available remedies for the Defendants' violations on behalf of himself and other aggrieved current and former employees to the extent allowed by law.

FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

(Labor Code sections 226, 226.3, 246, 248.5, 1198, and the "Records" section of the Applicable IWC Wage Order)

Labor Code section 226(a) states in pertinent part that every employer shall provide an accurate, itemized wage statement in writing with respect to each of its employees showing: "(1) gross wages earned, (2) total hours worked by the employee, except for any employee whose compensation is solely based on a salary and who is exempt from payment of overtime under subdivision (a) of Section 515 or any applicable order of the Industrial Welfare Commission, … (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, … (7) the name of the employee and 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 (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."

Labor Code section 226(e) imposes a penalty of the greater of all actual damages or $50 for the initial pay period in which a violation occurs and $100 per employee for each violation in a subsequent pay period, not exceeding an aggregate penalty of $4,000, and Plaintiff is entitled to an award of costs and reasonable attorney's fees. Labor Code section 226.3 imposes an additional civil penalty on the employer of $250.00 per employee per violation of Labor Code section 226(a) in an initial citation and $1,000 per employee for each violation in a subsequent citation.

Plaintiff and other similarly aggrieved employees received wage statements that did not list all wages earned, including all overtime wages, the correct regular rate of pay for overtime, and the correct amount of meal and rest break period premium wages owed, as required by Labor Code Section 226. As the above infractions explain, Plaintiff and similarly employed persons were entitled to overtime and premium wages that were not correctly paid or reported and, therefore, are entitled to penalty payments pursuant to Labor Code Section 226.

Accordingly, Defendants are liable for penalties of $100 per pay period for the first wage statement violation within the statutory period, and $200 per pay period for each additional violation.

FAILURE TO TIMELY PAY ALL WAGES DUE

(Labor Code sections 201-204, 210, 1194, 1194.2, and 1198
And the "Minimum Wages" section of the Applicable IWC Wage Order)

Labor Code section 204(a) states in pertinent part, "[a]ll wages…earned by any person in any employment are due and payable twice during each calendar month, on days designated in advance by the employer as the regular paydays." Furthermore, Labor Code section 204(b)(1) states, "all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period." Labor Code section 210 provides that, "every person who fails to pay the wages of an employee as provided in Section…204…shall be subject to a civil penalty" of $100 for an initial violation and two hundred dollars $200 plus 25% of the amount unlawfully withheld for a subsequent violation." The "Minimum Wages" section of the applicable IWC Wage Order also states that "[e]very employer shall pay to each employee, on the established payday for the period involved, not less than the applicable minimum wage for all hours worked in the payroll period, whether the remuneration is measured by time, piece, commission, or otherwise."

Labor Code section 201 states, in pertinent part, "[i]f an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately." Labor Code section 202 states, in pertinent part, "If an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting."

Labor Code section 203(a) states, in pertinent part, "[i]f an employer willfully fails to pay, without abatement or reduction, in accordance with Sections 201, 201.3, 201.5, 201.9, 202, and 205.5, any wages of an employee who is discharged or who quits, 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 therefore is commenced; but the wages shall not continue for more than 30 days."

Labor Code section 1194(a) states, "…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." Liquidated damages in an amount equal to the minimum wages unlawfully unpaid and interest thereon are provided for under Labor Code section 1194.2.

Plaintiff and other aggrieved employees have ceased their employment by Defendant. For the reasons described above, upon the cessation of that employment relationship (and as prescribed by statute), Plaintiff and the others did not receive all wages owed upon the termination of each employment. Namely, said former employees (including Plaintiff) did not receive all wages due to Defendants' failure to pay the correct regular rate of pay for premium wages for non-compliant rest and meal periods and all overtime premium pay to which they were entitled. As aggrieved employees were hired and discharged multiple times for multiple shoots within the statutory period, Plaintiff and aggrieved employees were entitled to timely payment of all wages upon each discharge.

Plaintiff and those similarly situated, upon termination, did not receive all owed wages on the date of termination, or within 72 hours if they resigned. Therefore, Defendants have violated and continues to violate Labor Code Sections 201-202, because it has not paid the aforementioned wages and owes penalties pursuant to PAGA for each pay period in which Defendants failed to pay Plaintiff and other former employees their final wages in violation of Sections 201-202, and failed to pay the required waiting time penalties in violation of Section 203.

FAILURE TO REIMBURSE FOR BUSINESS EXPENSES
(Labor Code section 2802)

Labor Code section 2802 provides in pertinent part, "[a]n employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer."

Labor Code section 2802(b) states, "[a]ll awards made by a court or by the Division of Labor Standards Enforcement for reimbursement of necessary expenditures under this section shall carry interest at the same rate as judgments in civil actions. Interest shall accrue from the date on which the employee incurred the necessary expenditure or loss." Accordingly, Plaintiff will request that he receives interest on the applicable amount.

Furthermore, Labor Code section 2802(c) states, "[f]or purposes of this section, the term 'necessary expenditures or losses' shall include all reasonable costs, including, but not limited to, attorney's fees incurred by the employee enforcing the rights granted by this section." Consequently, Plaintiff will also request reimbursement of the attorney's fees incurred in pursuing this matter.

Defendants required that Plaintiff use her personal device in the course of his job duties (including communicating with Plaintiff) without providing reimbursement. Plaintiff will pursue all available remedies for the Defendants' violations on behalf of himself and other aggrieved current and former employees to the extent allowed by law.

ATTORNEY'S FEES, COSTS, INTEREST, LIQUIDATED DAMAGES AND PENALTIES
(Labor Code sections 210, 218.5, 218.6, 225.5, 226(e),
558, 1194, 1194.2, 1197.1, and 2699, et seq.)

Labor Code sections 210, 218.5, 218.6, 225.5, 226(e), 558, 1194, 1194.2, 1197.1, and 2699, et seq., among others, give employees the right to recover in a civil action the unpaid balance of the full amount of overtime compensation, reimbursements, damages, liquidated damages and penalties, including interest thereon, as well as reasonable attorney's fees and costs.

Pursuant to Labor Code section 2699, et seq., an aggrieved employee is entitled to collect 25% of the penalty assessment. Accordingly, Defendants are able for these penalties separate from and on top of any other damages recoverable. Plaintiff has already incurred actual damages, costs and attorney's fees and she will continue to incur costs as a result of Defendants' unlawful actions. Plaintiff will pursue all available remedies, including those provided by PAGA, for these violations on behalf of himself and other aggrieved employees.

CONCLUSION

The facts and claims contained herein are based on the information available at the time of this writing. Therefore, if through discovery and/or expert review, Plaintiff becomes aware of additional compensation owed to him or other losses incurred by him or by any other aggrieved employee of Defendants, he reserves the right to revise these facts and/or add any new claims by amending the claim letter or by adding applicable causes of action in his complaint.

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