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Attorneys for Plaintiff LUIS M. MARTINEZ,
on behalf of himself and current and former aggrieved employees

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

LUIS M. MARTINEZ, on behalf of himself and
current and former aggrieved employees

Plaintiff,

vs.

ACE CLEARWATER ENTERPRISES, INC.;
and DOES 1 to 100, inclusive,

Defendants.

Case No.: **PLACEHOLDER : 38513640**

PAGA ACTION

**PLAINTIFF LUIS M. MARTINEZ'S
COMPLAINT FOR:**

- CIVIL PENALTIES PURSUANT
TO THE PRIVATE ATTORNEYS
GENERAL ACT OF 2004
("PAGA"), LABOR CODE
SECTIONS 2698, ET SEQ.**

COMES NOW Plaintiff LUIS M. MARTINEZ ("Plaintiff"), who alleges and complains
against Defendants ACE CLEARWATER ENTERPRISES, INC.; and DOES 1 to 100, inclusive
(collectively "Defendants") as follows:

I. INTRODUCTION

1. This is a Private Attorneys General Act of 2004, Labor Code §§ 2698, *et seq.*
("PAGA") representative action brought by Plaintiff on behalf of the State of California, himself
and other current and former aggrieved employees of Defendants who worked as hourly non-exempt
employees in California during the relevant time period seeking civil penalties associated with

1 Defendants' violation of the Labor Code based on Defendants' failure to pay wages for all hours
2 worked at minimum wage and all overtime hours worked at the overtime rate of pay; failure to pay
3 overtime wages at the proper overtime rate of pay; failure to authorize or permit all legally required
4 and/or compliant meal periods or pay meal period premium wages; failure to authorize or permit
5 all legally required and/or compliant rest periods or pay rest period premium wages; failure to pay
6 wages for accrued paid sick time at the regular rate of pay; statutory penalties for failure to timely
7 pay earned wages during employment; statutory penalties for failure to provide accurate wage
8 statements; statutory waiting time penalties in the form of continuation wages for failure to timely
9 pay employees all wages due upon separation of employment. Plaintiff experienced these violations
10 personally, as well as is informed and believes other aggrieved employees did as well. Plaintiff seeks
11 on a representative basis, following notice to the Labor and Workforce Development Agency, civil
12 penalties, reasonable attorneys' fees pursuant to Labor Code section 2699(g)(1) and costs brought
13 on behalf of Plaintiff, the State of California, and others aggrieved.

14 **II. JURISDICTION AND VENUE**

15 2. This Court has jurisdiction over the claims of Plaintiff and all other current and
16 former aggrieved California-based hourly non-exempt employees because Plaintiff's lawsuit seeks
17 civil penalties on behalf of herself, all other current and former aggrieved California-based hourly
18 non-exempt employees, and the State of California in excess of thirty-five thousand dollars
19 (\$35,000); Defendants employed Plaintiff and all other current and former aggrieved California-
20 based hourly non-exempt employees; and the injuries to Plaintiff and all other current and former
21 aggrieved California-based hourly non-exempt employees occurred in locations throughout
22 California, including but not limited to Los Angeles County, at 19815 Magellan Drive, Torrance,
23 CA 90502.

24 **III. PARTIES**

25 1. Plaintiff brings this action as a representative of the Labor and Workforce
26 Development Agency on behalf of himself and other current and former employees subject to
27 violations of the Labor Code. The named Plaintiff and the persons on whose behalf this action is
28 filed include current, former and/or future employees of Defendants who work, worked, or will work

1 for Defendants as direct employees as well as temporary employees employed through temp
2 agencies as hourly non-exempt employees in California. At all times mentioned herein, the currently
3 named Plaintiff is and was domiciled and a resident and citizen of California and was employed by
4 Defendants in an hourly position at Defendants' location in Los Angeles from in or around February
5 05, 2024, until on or about August 13, 2025.

6 2. Plaintiff is informed and believes and thereon alleges that Defendant ACE
7 CLEARWATER ENTERPRISES, INC. is authorized to do business within the State of California
8 and is doing business in the State of California and/or that Defendants DOES 1-50 are, and at all
9 times relevant hereto were persons acting on behalf of Defendant ACE CLEARWATER
10 ENTERPRISES, INC. in the establishment of, or ratification of, the aforementioned illegal wage
11 and hour practices or policies. Defendant ACE CLEARWATER ENTERPRISES, INC. operates in
12 Los Angeles County and employed Plaintiff and aggrieved employees in Los Angeles County,
13 including but not limited to, at 19815 Magellan Drive, Torrance, CA 90502.

14 3. Plaintiff is informed and believes and thereon alleges that Defendants DOES 1
15 through 50 are corporations, or are other business entities or organizations of a nature unknown to
16 Plaintiff that employed Plaintiff and aggrieved California non-exempt employees, permitted
17 Plaintiff and aggrieved employees to work, and exercised control over the wages, hours and working
18 conditions of employment of Plaintiff and aggrieved employees.

19 4. Plaintiff is informed and believes and thereon alleges that Defendants DOES 51
20 through 100 are individuals unknown to Plaintiff. Each of the individual defendants is sued
21 individually and in his or her capacity as an agent, shareholder, owner, representative, manager,
22 supervisor, independent contractor and/or employee of each defendant who violated or caused to be
23 violated the minimum wage and overtime provisions of the Labor Code and/or any provision of the
24 Industrial Welfare Commission's wage orders regulating hours and days of work.

25 5. Plaintiff is unaware of the true names of Defendants DOES 1 through 100. Plaintiff
26 sues said defendants by said fictitious names, and will amend this complaint when the true names
27 and capacities are ascertained or when such facts pertaining to liability are ascertained, or as
28 permitted by law or by the Court. Plaintiff is informed and believes that each of the fictitiously

1 named defendants is in some manner responsible for the events and allegations set forth in this
2 complaint.

3 6. Plaintiff makes the allegations in this complaint without any admission that, as to
4 any particular allegation, Plaintiff bears the burden of pleading, proving, or persuading and Plaintiff
5 reserves all of Plaintiff's right to plead in the alternative.

6 **FIRST CAUSE OF ACTION**

7 **CIVIL PENALTIES PURSUANT TO THE PRIVATE ATTORNEYS GENERAL ACT OF**
8 **2004, LABOR CODE SECTIONS 2698, ET SEQ.**

9 **(Against all Defendants by Plaintiff on behalf of Themselves, the State of California, and**
10 **Other Current and Former Aggrieved Employees)**

11 7. Plaintiff incorporates all paragraphs above as though fully set forth herein.

12 8. During Plaintiff's employment and continuing through the present, Plaintiff alleges
13 Defendants violated Labor Code sections 201, 202, 203, 204, 223, 226, 226.7, 510, 512, 1194, 1197,
14 2802, and the applicable Wage Orders.

15 9. Specifically, Defendants have committed the following violations of California
16 Labor Code:

17 10. **Failure to pay wages for all hours worked at the legal minimum wage:**
18 Defendants employed many of their employees, including Plaintiff, as hourly non-exempt
19 employees. In California, an employer is required to pay hourly employees for all "hours worked,"
20 which includes all time that an employee is under control of the employer and all time the employee
21 is suffered and permitted to work. This includes the time an employee spends, either directly or
22 indirectly, performing services which inure to the benefit of the employer.

23 11. Labor Code sections 1194 and 1197 require an employer to compensate employees
24 for all "hours worked" at least at a minimum wage rate of pay as established by the IWC and the
25 Wage Orders.

26 12. In this case, Plaintiff and other current and former aggrieved California-based hourly
27 non-exempt employees worked more minutes per shift than Defendants credited them with having
28 worked. Specifically, Defendants failed to pay Plaintiff and other current and former aggrieved

1 California-based hourly non-exempt employees all wages at the applicable minimum wage for all
2 hours worked due to Defendants' policies, practices, and/or procedures including, but not limited
3 to:

4 (a) Requiring Plaintiff and other current and former aggrieved California-based hourly
5 non-exempt employees to remain on-duty when traveling to an upstairs designated break area away
6 from their workstations during their off-the-clock meal breaks, without being paid for that time.

7 13. Therefore, Defendants suffered, permitted, and required Plaintiff and other current
8 and former aggrieved California-based hourly non-exempt employees to be subject to Defendants'
9 control without paying wages for that time. This resulted in Plaintiff and other current and former
10 aggrieved California-based hourly non-exempt employees working time for which they were not
11 compensated any wages, in violation of Labor Code sections 1194 and 1197 and the applicable
12 Wage Order.

13 14. Employee is further informed and believes, and based thereon alleges, that
14 Employer's conduct above that gave rise to such violations was malicious, fraudulent, or oppressive.
15 Employer would further be liable for civil penalties pursuant to Labor Code section
16 2699(f)(2)(B)(ii).

17 15. **Failure to pay wages for overtime hours worked at the overtime rate of pay**
18 **and/or failure to pay overtime wages at the proper rate of pay:** Defendants employed many of
19 their employees, including Plaintiff, as hourly non-exempt employees. In California, an employer
20 is required to pay hourly employees for all "hours worked," which includes all time that an employee
21 is under control of the employer and all time the employee is suffered and permitted to work. This
22 includes the time an employee spends, either directly or indirectly, performing services that inure to
23 the benefit of the employer.'

24 16. Labor Code sections 510 and 1194 require an employer to compensate employees a
25 higher rate of pay for hours worked in excess of eight (8) hours in a workday, in excess of forty (40)
26 hours in a workweek, and on any seventh consecutive day of work in a workweek:

27 Any work in excess of eight (8) hours in one workday, any work in excess of forty (40) hours
28 in any one (1) workweek, and the first eight (8) hours worked on the seventh day of work in
any one (1) workweek, shall be compensated at the rate of no less than one-and-one-half
(1.5) times the regular rate of pay for an employee. Any work in excess of twelve (12) hours

1 in one (1) day shall be compensated at the rate of no less than twice the regular rate of pay
2 for an employee. In addition, any work in excess of eight (8) 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.

3 Labor Code section 510.

4 17. In this case, Defendants failed to pay Plaintiff and other current and former aggrieved
5 California-based hourly non-exempt employees overtime wages for all overtime hours worked due
6 to Defendants' policies, practices, and/or procedures including, but not limited to:

7 (a) Requiring Plaintiff and other current and former aggrieved California-based hourly
8 non-exempt employees to remain on-duty when traveling to an upstairs designated break area away
9 from their workstations during their off-the-clock meal breaks, without being paid for that time.

10 18. Employee is further informed and believes, and based thereon alleges, that
11 Employer's conduct above that gave rise to such violations was malicious, fraudulent, or oppressive.
12 Employer would further be liable for civil penalties pursuant to Labor Code section
13 2699(f)(2)(B)(ii).

14 19. Furthermore, overtime is based upon an employee's regular rate of pay. "The regular
15 rate at which an employee is employed shall be deemed to include all remuneration for employment
16 paid to, or on behalf, of the employee." See Division of Labor Standards Enforcement –
17 Enforcement Policies and Interpretations Manual, Section 49.1.2.

18 20. In this case, Plaintiff alleges that when he and other current and former aggrieved
19 California-based hourly non-exempt employees earned overtime wages, Defendants failed to pay
20 them overtime wages at the proper overtime rate of pay due to Defendants' failure to include all
21 remuneration when calculating the overtime rate of pay. Specifically, Defendants maintained a
22 policy, practice, and/or procedure of failing to include all remuneration such as bonuses, for
23 example, when calculating Plaintiff's and other current and former aggrieved California-based
24 hourly non-exempt employees' regular rate of pay for the purpose of paying overtime.

25 21. The foregoing policies, practices, and/or procedures resulted in time during each
26 workday that Plaintiff and other current and former aggrieved California-based hourly non-exempt
27 employees were under the control of Defendants but were not compensated. To the extent that the
28 foregoing uncompensated time occurred when Plaintiff and other current and former aggrieved

1 California-based hourly non-exempt employees worked more than eight (8) hours in a workday,
2 more than forty (40) hours in a workweek, and/or seven (7) days in a workweek, Defendants failed
3 to pay them at their overtime rate of pay for overtime hours worked, in violation of Labor Code
4 sections 510, 1194 and 1198, and the applicable Wage Order.

5 22. **Failure to pay wages to hourly non-exempt employees for workdays that**
6 **Defendants failed to provide legally required and compliant meal periods and/or failure to**
7 **pay period premium wages:** Plaintiff and other current and former aggrieved California-based
8 hourly non-exempt employees regularly worked shifts of more than five (5) hours in length and
9 shifts of more than ten (10) hours in length.

10 23. California law requires an employer to authorize or permit an employee an
11 uninterrupted meal period of no less than thirty (30) minutes in which the employee is relieved of
12 all duties and the employer relinquishes control over the employee's activities prior to the
13 employee's sixth hour of work. Labor Code sections 226.7, 512, and 1198; Wage Order 1 at §11;
14 *Brinker Rest. Corp. v. Super Ct. (Hohnbaum)* (2012) 53 Cal.4th 1004. An employer may not employ
15 an employee for a work period of more than ten (10) hours per day without providing the employee
16 with a second such meal period of not less than thirty (30) minutes prior to the start of the eleventh
17 hour of work. *Id.* If the employee is not relieved of all duty during a meal period, the meal period
18 shall be considered an "on duty" meal period and counted as time worked. A paid "on duty" meal
19 period is only permitted when: (1) the nature of the work prevents an employee from being relieved
20 of all duty; and (2) the parties have a written agreement agreeing to on-duty meal periods.

21 24. If an employer fails to provide an employee a meal period in accordance with the
22 law, the employer must pay the employee one (1) hour of pay at the employee's regular rate of pay
23 for each workday that a legally required and compliant meal period was not provided. Labor Code
24 sections 226.7 and 1198; Wage Order 1 at §11.

25 25. In this case, Defendants failed to authorize or permit legally required and compliant
26 meal periods to Plaintiff and other current and former aggrieved California-based hourly non-
27 exempt employees due to Defendants' policies, practices, and/or procedures, including but not
28 limited to:

1 (a) Requiring Plaintiff and other current and former aggrieved California-based hourly
2 non-exempt employees to remain on-duty when traveling to an upstairs designated break area away
3 from their workstations during their off-the-clock meal breaks, without being paid for that time.
4 Defendants did not elongate or otherwise extend Plaintiff's and other current and former aggrieved
5 California-based hourly non-exempt employees' meal break times to account for travel time
6 resulting in meal breaks less than thirty (30) minutes.

7 (b) Failing to provide Plaintiff and other current and former aggrieved California-based
8 hourly non-exempt employees a second uninterrupted duty-free meal break of no less than thirty
9 (30) minutes for each workday that Plaintiff and other current and former aggrieved California-
10 based hourly non-exempt employees work shifts over ten (10) hours.

11 26. Additionally, Plaintiff alleges that Defendants maintained a policy, practice, and/or
12 procedure of failing to compensate Plaintiff and other current and former aggrieved California-based
13 hourly non-exempt employees one (1) hour of pay at their regular rate of pay for each workday that
14 Plaintiff and other current and former aggrieved California-based hourly non-exempt employees did
15 not receive legally required and compliant meal periods, in violation of Labor Code section 226.7.

16 27. Finally, on occasions when Defendants paid Plaintiff and other current and former
17 aggrieved California-based hourly non-exempt employees a "premium" wage for late, missed, short,
18 on-premise, on-duty, and/or interrupted meal periods, Defendants failed to pay the one (1) additional
19 hour of pay at Plaintiff's and other current and former aggrieved California-based hourly non-
20 exempt employees' regular rate of compensation. Specifically, Defendants maintained a policy,
21 practice, and/or procedure of failing to include all remuneration such as bonuses, for example, when
22 calculating Plaintiff's and other current and former aggrieved California-based hourly non-exempt
23 employees' regular rate of pay for the purpose of paying meal period premium wages.

24 28. Defendants' foregoing policies, practices, and/or procedures resulted in Plaintiff and
25 other current and former aggrieved California-based hourly non-exempt employees not receiving
26 wages to compensate them for workdays during which Defendants did not provide them with meal
27 periods in compliance with California law.

28 29. Employee is further informed and believes, and based thereon alleges, that

1 Employer's conduct above that gave rise to such violations was malicious, fraudulent, or oppressive.
2 Employer would further be liable for civil penalties pursuant to Labor Code section
3 2699(f)(2)(B)(ii).

4 30. **Failure to pay wages to hourly non-exempt employees for workdays that**
5 **Defendants failed to provide legally required and compliant rest periods and/or failure to pay**
6 **rest period premium:** Plaintiff and other current and former aggrieved California-based hourly
7 non-exempt employees regularly worked shifts of more than three-and-a-half (3.5) hours.

8 31. California law requires every employer to authorize and permit an employee a rest
9 period of ten (10) net minutes for every four (4) hours worked or major fraction thereof. Labor Code
10 section 226.7; Wage Order 1 at §12. Under California law, "[e]mployees are entitled to 10 minutes'
11 rest for shifts from three and one-half to six hours in length, 20 minutes for shifts of more than six
12 hours up to 10 hours, 30 minutes for shifts of more than 10 hours up to 14 hours, and so on." *Brinker*
13 *Restaurant Corp. v. Sup. Ct. (Hohnbaum)* (2012) 53 Cal.4th 1004, 1029; Labor Code section 226.7;
14 Wage Order 1 at §12. Rest periods, insofar as practicable, shall be in the middle of each work period.
15 Wage Order 1 at §12. Additionally, the rest period requirement "'obligates employers to permit –
16 and authorizes employees to take – off-duty rest periods.'" *Augustus v. ABM Security Services, Inc.*
17 (2016) 2 Cal.5th 257, 269. That is, during rest periods employers must relieve employees of all
18 duties and relinquish control over how employees spend their time. *Id.*

19 32. If the employer fails to authorize or permit a required rest period, the employer must
20 pay the employee one (1) hour of pay at the employee's regular rate of pay for each workday the
21 employer did not authorize or permit a legally required rest period. Labor Code section 226.7; Wage
22 Order 1 at § 12.

23 33. In this case, Defendants failed to authorize or permit all legally required and
24 compliant rest periods to Plaintiff and other current and former aggrieved California-based hourly
25 non-exempt employees due to Defendants' policies, practices, and/or procedures including, but not
26 limited to:

27 (a) Requiring Plaintiff and other current and former aggrieved California-based hourly
28 non-exempt employees to remain on defendant's premises during their rest breaks.

1 34. Additionally, Plaintiff alleges that Defendants maintained a policy, practice, and/or
2 procedure of failing to compensate Plaintiff and other current and former aggrieved California-based
3 hourly non-exempt employees with one (1) hour of pay at their regular rate of pay for each workday
4 they did not receive legally required and compliant rest periods, in violation of Labor Code section
5 226.7.

6 35. Finally, on occasions when Defendants did pay Plaintiff and other current and former
7 aggrieved California-based hourly non-exempt employees a “premium” wage for late, missed, short,
8 on-premise, on-duty, and/or interrupted rest periods, Defendants failed to pay the one (1) additional
9 hour of pay at Plaintiff’s and other current and former aggrieved California-based hourly non-
10 exempt employees’ regular rate of compensation. Specifically, Defendants maintained a policy,
11 practice, and/or procedure of failing to include all remuneration such bonuses, for example, when
12 calculating Plaintiff’s and other current and former aggrieved California-based hourly non-exempt
13 employees’ regular rate of pay for the purpose of paying rest period premiums.

14 36. Defendants’ foregoing policies, practices, and/or procedures resulted in Plaintiff and
15 other current and former aggrieved California-based hourly non-exempt employees not receiving
16 wages to compensate them for workdays in which Defendants did not provide them with rest periods
17 in compliance with California law.

18 37. Employee is further informed and believes, and based thereon alleges, that
19 Employer’s conduct above that gave rise to such violations was malicious, fraudulent, or oppressive.
20 Employer would further be liable for civil penalties pursuant to Labor Code section
21 2699(f)(2)(B)(ii).

22 38. **Failure to provide sick pay wages:** Defendants had a policy and/or procedure where
23 Plaintiff and other current and former aggrieved California-based hourly non-exempt employees
24 accrued paid sick time.

25 39. Labor Code section 246, subdivision (a), states in relevant part “[a]n employee
26 who...works in California for the same employer for 30 or more days within a year from the
27 commencement of employment is entitled to paid sick days.” Additionally, an employee accrues
28 paid sick days at the rate of no-less-than one (1) hour per every thirty (30) hours worked, beginning

1 at the commencement of employment. Labor Code section 246(b).

2 40. Here, Plaintiff and other current and former aggrieved California-based hourly non-
3 exempt employees were employed by Defendants for 30 or more days and were entitled to paid sick
4 days. Defendants, however, lacked a policy, practice, and/or procedure whereby Plaintiffs and other
5 current and former aggrieved California-based hourly non-exempt employees who were employed
6 by Defendants for 30 days or more could accrue paid sick days at the rate of no-less-than one (1)
7 hour per every thirty (30) hours worked, beginning at the commencement of employment as required
8 by Labor Code section 246(b).

9 41. In this case, Plaintiff alleges that when he and other current and former aggrieved
10 California-based hourly non-exempt employees elected to use paid sick time, Defendants failed to
11 pay them sick time wages at the proper sick time rate of pay due to Defendants' failure to include
12 all remuneration when calculating the sick time rate of pay. Specifically, Defendants maintained a
13 policy, practice, and/or procedure of failing to include all remuneration including but not limited to
14 bonuses, for example, when calculating Plaintiff and other current and former aggrieved California-
15 based hourly non-exempt employees' regular rate of pay for the purpose of paying sick time.

16 42. Defendants' foregoing policy, practice, and/or procedure resulted in Defendants
17 failing to provide Plaintiff and other current and former aggrieved California-based hourly non-
18 exempt employees' paid sick days, in violation of Labor Code section 246.

19 43. Plaintiff also believes these failures were malicious, fraudulent, or oppressive.
20 Employer would further be liable for civil penalties pursuant to Labor Code section
21 2699(f)(2)(B)(ii).

22 44. **Failure to timely pay earned wages during employment:** In California, wages
23 must be paid at least twice during each calendar month on days designated in advance by the
24 employer as regular paydays, subject to some exceptions. Labor Code section 204(a). Wages earned
25 between the 1st and 15th days, inclusive, of any calendar month must be paid between the 16th and
26 the 26th day of that month and wages earned between the 16th and the last day, inclusive, of any
27 calendar month must be paid between the 1st and 10th day of the following month. *Id.* Other payroll
28 periods such as those that are weekly, biweekly, or semimonthly, must be paid within seven (7)

1 calendar days following the close of the payroll period in which wages were earned. Labor Code
2 section 204(d).

3 45. As a derivative of Plaintiff's claims above, Plaintiff alleges that Defendants failed to
4 timely pay Plaintiff's and other current and former aggrieved California-based hourly non-exempt
5 employees' earned wages (including minimum wages, overtime wages, meal period premium wages
6 and/or rest period premium wages), in violation of Labor Code section 204. Defendants'
7 aforementioned policies, practices, and/or procedures resulted in their failure to pay Plaintiff's and
8 other current and former aggrieved California-based hourly non-exempt employees' their earned
9 wages within the applicable time frames outlined in Labor Code section 204.

10 46. Plaintiff also believes these failures were malicious, fraudulent, or oppressive.
11 Employer would further be liable for civil penalties pursuant to Labor Code section
12 2699(f)(2)(B)(ii).

13 47. **Secret payment of lower wages than designated by statute:** Labor Code section
14 223 provides that, where any statute or contract requires an employer to maintain the designated
15 wage scale, it shall be unlawful to secretly pay a lower wage while purporting to pay the wage
16 designated by statute or contract. By engaging in the unlawful conduct alleged herein, including by
17 failing to: pay overtime wages at the applicable legal overtime rate, meal break premiums and lawful
18 sick pay at the employees' regular rate of pay, as established by Labor Code sections 226.7, 246,
19 510, 1194 and sections 11 and 12 of the applicable IWC Wage Orders, as incorporated by Labor
20 Code section 1198, the Defendant secretly paid a lower wage than designated by statute while
21 purporting to pay the wages designated by statute, in violation of Labor Code section 223.

22 48. Plaintiff also believes these failures were malicious, fraudulent, or oppressive.
23 Employer would further be liable for civil penalties pursuant to Labor Code section
24 2699(f)(2)(B)(ii).

25 49. **Failure to provide complete and accurate wage statements:** Labor Code section
26 226, subdivision (a). Labor Code section 226(a) provides, *inter alia*, that, upon paying an employee
27 his or her wages, the employer must "furnish each of his or her employees ... an itemized statement
28 in writing showing (1) gross wages earned, (2) total hours worked by the employee, except for any

1 employee whose compensation is solely based on a salary and who is exempt from payment of
2 overtime under subdivision (a) of Section 515 or any applicable order of the Industrial Welfare
3 Commission, (3) the number of piece-rate units earned and any applicable piece rate if the employee
4 is paid on a piece-rate basis, (4) all deductions, provided, that all deductions made on written orders
5 of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive
6 dates of the pay period for which the employee is paid, (7) the name of the employee and his or her
7 social security number, (8) the name and address of the legal entity that is the employer, and (9) all
8 applicable hourly rates in effect during the pay period and the corresponding number of hours
9 worked at each hourly rate by the employee.”

10 50. As a derivative of Plaintiff’s allegations above, Defendants’ failure to pay Plaintiff
11 and other current and former aggrieved California-based hourly non-exempt employees all wages
12 earned (including minimum wages, overtime wages, meal period premium wages, and/or rest period
13 premium wages) rendered Plaintiff’s and other current and former aggrieved California-based
14 hourly non-exempt employees’ wage statements inaccurate, in violation of Labor Code section
15 226(a)(1, 2, 5 & 9).

16 51. Plaintiff believes these failures were willful and intentional.

17 52. Plaintiff also believes these failures were malicious, fraudulent, or oppressive.
18 Employer would further be liable for civil penalties pursuant to Labor Code section
19 2699(f)(2)(B)(ii).

20 53. **Failure to pay employees all wages due at time of termination/resignation:** An
21 employer is required to pay all unpaid wages timely after an employee’s employment ends. The
22 wages are due immediately upon termination (Labor Code section 201) or within seventy-two (72)
23 hours of resignation (Labor Code section 202).

24 54. As a derivative of Plaintiff’s allegations above, because Defendants failed to pay
25 Plaintiff and other current and former aggrieved California-based hourly non-exempt employees all
26 their earned wages (including minimum wages, overtime wages, meal period premium wages,
27 and/or rest period premium wages), Defendants failed to pay those employees timely after each
28 employee’s termination and/or resignation, in violation of Labor Code sections 201, 202, and 203.

1 55. Plaintiff believes these failures were willful and intentional.

2 56. Plaintiff also believes these failures were malicious, fraudulent, or oppressive.
3 Employer would further be liable for civil penalties pursuant to Labor Code section
4 2699(f)(2)(B)(ii).

5 57. Labor Code sections 2699, subdivisions (a) and (g) authorize an aggrieved employee,
6 on behalf of himself or herself and other current or former employees, to bring a civil action to
7 recover civil penalties against all Defendants pursuant to the procedures specified in Labor Code
8 section 2699.3.

9 58. Plaintiff has complied with the procedures for bringing suit specified in Labor Code
10 section 2699.3. On October 10, 2025, Plaintiff filed a PAGA Claim Notice with the LWDA and
11 provided notice to Defendants by certified mail which provided notice of the specific provisions of
12 the Labor Code alleged to have been violated, including the facts and theories to support the
13 violations alleged.

14 59. Pursuant to Labor Code section 2699.3, the LWDA must give written notice by
15 certified mail to the parties that it intends to investigate the alleged violations of the Labor Code
16 within 60 days of the date of the complainant's written notice. The LWDA failed to provide the
17 parties notice within 60 days of the date of Plaintiff's PAGA Claim Notice that the LWDA intends
18 to investigate Plaintiff's claims.

19 60. Pursuant to Labor Code sections 2699(a) and (f), Plaintiff is entitled to recover civil
20 penalties for Defendants' violations of Labor Code sections 201, 202, 203, 204, 223, 226(a), 226.7,
21 510, 512, and 1194. During Plaintiff's employment and continuing through the present, preceding
22 Plaintiff sending the initial PAGA Claim Notice to the LWDA to the present, in the following
23 amounts:

24 a. For violations of Labor Code sections 201, 202, 203, 226(a), 226.7, and 2802;
25 one hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation and
26 two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent
27 violation [penalty amounts established by Labor Code section 2699(f)(2)].

28 b. For violations of Labor Code section 226(a), alternatively, two hundred fifty

dollars (\$250) for each employee for each pay period for the initial violation, and for each subsequent violation, one thousand dollars (\$1000) for each underpaid employee for each pay period [penalty amounts established by Labor Code section 226.3].

c. For violations of Labor Code section 510 and 512, fifty dollars (\$50) for each employee for each pay period for the initial violation, and for each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period [penalty amounts established by Labor Code section 558].

d. For violations of Labor Code section 204, one hundred dollars (\$100) for each failure to pay each employee in any initial violation, and for each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld [penalty amounts established by Labor Code section 210].

e. For violations of Labor Code section 223, one hundred dollars (\$100) for each failure to pay each employee in any initial violation, and for each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld [penalty amounts established by Labor Code section 225.5].

61. Pursuant to Labor Code section 2699(g), Plaintiff is entitled to an award of reasonable attorneys' fees and costs in connection with his claims for civil penalties.

PRAYER FOR RELIEF

WHEREFORE, PLAINTIFF, ON BEHALF OF HIMSELF AND ON OTHER AGGRIEVED EMPLOYEES, PRAYS AS FOLLOWS:

ON THE FIRST CAUSE OF ACTION:

1. That Defendants be found to have violated the provisions of the Labor Code and the IWC Wages Orders as to the Plaintiff and aggrieved employees;

2. For any and all legally applicable penalties during the relevant statute of limitations subject to any permissible tolling, including but not limited to those recoverable under the California Labor Code, including but not limited to sections 210, 225.5, 226.3, 558, 2699(f);

1 3. For attorneys' fees and costs of suit, including but not limited to those recoverable
2 under California Labor Code section 2699(g); and

3 4. For such and other further relief, in law and/or equity, as the Court deems just or
4 appropriate.

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6 Dated: December 19, 2025

Respectfully submitted,
LAVI & EBRAHIMIAN, LLP

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8 By: /s/ Urepanny Morales
9 Joseph Lavi, Esq.
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14 LUIS M. MARTINEZ, on behalf of himself and
15 current and former aggrieved employees
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