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October 1, 2025

VIA ONLINE SUBMISSION

California Labor and Workforce Development Agency
800 Capitol Mall, Suite 5000 (MIC-55)
Sacramento, California 95814

VIA CERTIFIED MAIL (RETURN RECEIPT)

Demler Farms LLC
1455 North Warren Road
San Jacinto, California 92582

Demler Farms LLC
c/o Andrew Demler, Agent for Service of Process
1455 North Warren Road
San Jacinto, California 92582

Re: Melania Villaseñor Segundo's Wage and Hour Claims Against Demler Farms LLC

Dear California Labor and Workforce Development Agency and Demler Farms LLC:

Please be advised that Melania Villaseñor Segundo ("Claimant") has retained our firm to represent her for claims against her employer, Demler Farms LLC (the "Company").

This letter shall serve as Claimant's written notice to the California Labor and Workforce Development Agency ("LWDA") and to the Company of the alleged Labor Code violations Claimant asserts that the Company committed against her and all other employees in California. Claimant provides this notice in accordance with the Labor Code Private Attorneys General Act of 2004 ("PAGA"), Labor Code section 2699.3. Claimant intends to file a civil action to enforce her rights under the Labor Code and seeks compensation accordingly.

Pursuant to Labor Code section 2699(a), and by way of this letter, Claimant also intends to represent all other current and former aggrieved employees who performed work for the Company in California and who have suffered at least one of the wage and hour violations described herein during their employment (the "Aggrieved Employees").

FACTUAL BACKGROUND

The following factual information is based upon the limited investigation Claimant has been able to conduct to date. Claimant reserves the right to amend this notice should additional information come to light at a later date.

The Company is a California limited liability company registered to conduct business and actually conducting business in California. The Company operates an egg ranch in San Jacinto, California. Claimant is a former employee who began working for the Company on or about July 12, 2025. Claimant's job duties consisted of caring for and vaccinating chickens on the farm.

During her employment, Claimant typically worked at least 40 hours a week, oftentimes as much as 48 hours per week, and was paid at an hourly rate of $17 per hour.

The Company denied Claimant and other Aggrieved Employees the specific rights afforded to them under the Labor Code and applicable Industrial Welfare Commission ("IWC") Wage Orders. Specifically, the Company failed to timely pay Claimant and all other Aggrieved Employees all of their minimum, regular, and/or overtime wages; failed to provide legally compliant meal periods and/or timely pay meal period premium wages; failed to provide legally compliant rest periods and/or timely pay rest period premium wages; failed to timely pay all wages due and owing during and upon separation of employment and/or pay the required waiting time penalties; failed to furnish accurate itemized wage statements; and failed to maintain accurate employment records. Furthermore, the Company engaged in unlawful, unfair, and/or fraudulent business practices and violated the PAGA.

Claimant contends that the Company failed to timely pay her and the Aggrieved employees all minimum, regular, and/or overtime wages for all time actually worked or spent under the control of the Company. For instance, Claimant was required every workday to arrive early and perform approximately 20 minutes of unpaid work before she was permitted to clock in. This unpaid time consisted of donning protective uniforms and taking mandatory COVID tests. All Aggrieved Employees were subject to this same requirement, creating a systematic practice of wage theft affecting the entire workforce. Only after completing these mandatory tasks were employees allowed to log their time in a company-provided notebook, which served as the employer's timekeeping system.

Claimant alleges that the Company did not provide her and other Aggrieved Employees with the opportunity to take thirty-minute, off-duty, uninterrupted meal periods that were otherwise free from the Company's control when they worked more than six hours in a day. While the Company did provide Claimant and the Aggrieved Employees with a thirty-minute break in the middle of the day, the meal breaks involved additional unpaid work time, as Claimant and the Aggrieved Employees were required to doff and re-don their uniforms and protective gear during the unpaid thirty-minute period that was supposed to serve as their meal break, meaning that they were not off-duty for the entirety of the thirty-minute break. Furthermore, Claimant believes that on days when she did not take a thirty-minute meal break, the Company would automatically deduct thirty-minutes of time from her hours worked regardless of whether she actually took a meal break.

Claimant further alleges that the Company failed to authorize and permit her and the other Aggrieved Employees to take an off-duty, uninterrupted, ten-minute rest period for every four hours worked or major fraction thereof. Claimant and the Aggrieved Employees never received rest breaks, nor were they ever informed they were entitled to rest breaks.

During her time of employment, Claimant worked up to 48 hours per week, but was unable to determine whether she received proper overtime compensation due to the company's failure to provide any type of wage statement at all. She was paid $17 per hour in cash on a weekly basis, receiving no paystubs or wage statements allowing her to determine her basic wage information. Weekend shifts typically lasted 9.5 hours, yet Claimant remained uncertain about overtime payment due to the lack of documentation.

The Company maintained an inadequate timekeeping system where Claimant and other Aggrieved Employees simply wrote down their hours in a notebook rather than using proper timekeeping equipment or systems. This primitive system facilitated the wage violations by allowing the Company to avoid creating accurate records of each employees' actual time worked, the beginning and end of each meal period, and actual wages earned and paid, among other issues in violation of California law.

Based on the foregoing violations, Claimant further alleges that the Company did not timely pay her and other former Aggrieved Employees all wages due and owing upon separation of employment and/or the required waiting time penalties for the late payment of wages. Claimant was not paid all wages due and owing including, but not limited to, all unpaid minimum, regular, overtime and premium wages. Claimant further contends, based on information and belief, that other former Aggrieved Employees were not timely paid all wages due and owing upon separation of employment and/or the required waiting time penalties for the same reasons.

Due to the foregoing Labor Code violations, the Company denied, and continues to deny, Claimant and other Aggrieved Employees certain rights afforded to them under the Labor Code and the applicable IWC Wage Order. Claimant makes these claims against the Company on behalf of herself and all other Aggrieved Employees.

All facts, claims, and/or legal theories contained within this written notice are alleged and/or asserted on behalf of Claimant and all other Aggrieved Employees. The facts, claims, and/or legal theories contained in this written notice are based on the information available at the time of this writing. Since Claimant's investigation is ongoing, Claimant reserves her right to assert any and all related facts, claims, and/or theories of liability discovered after the sending of this letter on behalf of herself and all other current or former Aggrieved Employees against the Company and/or other persons that may be discovered after the sending of this letter. Such other persons may include, but are not limited to, those persons who have acted as an agent, subsidiary, servant, employee, co-conspirator, alter-ego, and/or joint venture of the Company, as well as those persons who caused and/or concurrently contributed to the various acts and/or admissions of each and every one of the others, including the Company, in proximately causing the wrongful conduct, harm, and/or damages alleged herein or otherwise participated in or ratified any or all of the acts and/or omissions complained herein, and those who were acting within the authority and/or scope of the Company. Claimant reserves the right to revise these facts and/or add any new claims or legal theories by amending this written notice and/or by adding facts, claims, and/or legal theories to her civil complaint.

FAILURE TO PAY ALL MINIMUM AND REGULAR WAGES

(Violation of Labor Code §§ 1194 and 1197, and Section 4 of IWC Wage Order 14-2001)

Labor Code § 1194(a) provides:

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

Labor Code § 1197 goes on to provide:

> The minimum wage for employees fixed by the commission or by any applicable state or local law, is the minimum wage to be paid to employees, and the payment of a lower wage than the minimum so fixed is unlawful. This section does not change the applicability of local minimum wage laws to any entity.

The "Minimum Wages" section of the applicable IWC Wage Order, which Claimant purports to be Wage Order No. 14-2001, states: "Every 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…"

Claimant contends that the Company has a common practice of failing to pay all minimum and regular wages for all hours worked. Claimant and the Aggrieved Employees are and/or were required to complete donning and doffing tasks and undergo COVID tests while off the clock both before and after their shifts and during their meal periods and were not paid for any of this time. The Company likewise never paid any meal period premium wages or rest period premium wages despite never providing compliant meal periods or rest periods. Furthermore, the Company did not maintain an adequate timekeeping system or provide Claimant and Aggrieved Employees with wage statements to show whether they were being paid for all hours worked or the correct number of hours at the applicable rate of pay.

Claimant and other Aggrieved Employees are and/or were regularly required to perform work while off the clock and are not compensated for all such time. Despite having knowledge that employees are performing such work, the Company fails to pay Claimant and other Aggrieved Employees for this time. The Company's failure to compensate Aggrieved Employees for all work performed results in the failure to pay all minimum and regular wages. Claimant intends to pursue all available remedies against the Company for its violations of the Labor Code and applicable IWC Wage Order on behalf of herself, all other Aggrieved Employees, and the State of California.

<u>FAILURE TO PAY ALL OVERTIME WAGES</u>

(Violation of Labor Code §§ 510, 1194, and 1198, and Section 3 of IWC Wage Order 14-2001)

Labor Code § 510(a), which codifies an employee's right to overtime compensation, provides:

> Eight 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.

Labor Code § 1194(a) provides:

> (a) Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of

> this minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees, and costs of suit.

Labor Code § 1198 further states:

> The 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 "Hours and Days of Work" section of the applicable IWC Wage Order mandates the same requirements as Labor Code § 510. Under California law, an employee may not waive his or her right to overtime compensation. *Early v. Superior Court*, 79 Cal. App. 4th 1420, 1430 (2000).

Claimant contends that the Company has a common practice of failing to pay all overtime wages. Claimant and the Aggrieved Employees are and/or were required to complete donning and doffing tasks and undergo COVID tests while off the clock both before and after their shifts and during their meal periods and were not paid for any of this time. The Company likewise never paid any meal period premium wages or rest period premium wages despite never providing compliant meal periods or rest periods. Furthermore, the Company did not maintain an adequate timekeeping system nor provide Claimant and Aggrieved Employees with wage statements to show whether they were being paid for all hours worked and/or at the proper overtime rates of pay. As a result, Claimant and other Aggrieved Employees are regularly required to perform work while off the clock and are not compensated for such time. Despite having knowledge that employees are performing such work, the Company fails to pay Claimant and other Aggrieved Employees for this time. The Company's failure to compensate Aggrieved Employees for off-the-clock work results in the failure to pay minimum and regular wages. When this uncompensated time, combined with recorded hours worked, exceeds 8 hours in a workday or 40 hours in a workweek, it results in a failure to pay applicable overtime wages.

Claimant intends to pursue all available remedies against the Company for its violations of the Labor Code and applicable IWC Wage Order on behalf of herself, all other Aggrieved Employees, and the State of California.

FAILURE TO PROVIDE LEGALLY COMPLIANT MEAL PERIODS

(Labor Code §§ 226.7 and 512, and Section 11 of IWC Wage Order 14-2001)

Labor Code § 226.7(b) states:

> (b) An 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, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health.

Section 512(a) of the Labor Code provides:

> (a) An employer shall 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, except that if the total work period per day of the employee is no more than six hours, the meal period may be waived by mutual consent of both the employer and employee. An employer shall 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, except that if the total hours worked is no more than 12 hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

In pertinent part, the "Meal Periods" section of Wage Order 14-2001, states:

> (A) An employer may not employ an employee for a work period of more than five (5) hours without providing the employee with 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…
>
> (B) An employer may not employ an employee for a work period of more than ten (10) hours per day without providing the employee with a second meal period of not less than 30 minutes, except that if the total hours worked is no more than 12 hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

Pursuant to Labor Code section 226.7:

> If an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law, including, but not limited to, an applicable statute or applicable regulation, standard,

> or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health, 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.

A meal period generally complies with the requirements of California law if the employee has at least thirty minutes of uninterrupted time and the employee is relieved of any and all duty and is free to leave the premises during such time. *Brinker Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004, 1036 (2012). California law further prohibits employers from "undermining [its] formal policy of providing meal breaks by pressuring employees to perform their duties in ways that omit breaks." *Id*., at 1040 (internal citations omitted).

Claimant alleges that the Company fails to provide legally compliant meal periods or pay an additional hour of premium wages for non-compliant meal periods. While the Company did sometimes provide Claimant and the Aggrieved Employees with a thirty-minute break in the middle of the day, the meal breaks involved additional unpaid work time, as Claimant and the Aggrieved Employees were required to doff and re-don their uniforms and protective gear during the unpaid thirty-minute period that was supposed to serve as their meal break, meaning that they were not off duty for the entirety of the thirty-minute break. Furthermore, Claimant believes that on days when she did not take a thirty-minute meal break, the Company would automatically deduct thirty-minutes of time from her hours worked regardless of whether she actually took a meal break.

Despite knowing that Claimant and other Aggrieved Employees are not provided with compliant meal periods, the Company did not and does not pay them one additional hour of wages at their regular rate of pay for each workday that a compliant meal period is not provided.

Claimant intends to pursue all available remedies against the Company for its violations of the Labor Code and the applicable IWC Wage Order on behalf of herself, all other Aggrieved Employees, and the State of California.

<u>FAILURE TO AUTHORIZE AND PERMIT LEGALLY COMPLIANT REST PERIODS</u>

(Labor Code § 226.7, and Section 12 of IWC Wage Order 14-2001)

Labor Code § 226.7(b) provides:

> (b) An 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, the Occupational Safety and Health

> Standards Board, or the Division of Occupational Safety and Health.

The "Rest Periods" section of IWC Wage Order 14-2001 provides:

> Every employer shall authorize and permit all 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. However, a rest period need not be authorized for employees whose total daily work time is less than three and one-half (3 ½) hours. Authorized rest period time shall be counted as hours worked for which there shall be no deduction from wages…

Pursuant to Labor Code section 226.7:

> If an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law, including, but not limited to, an applicable statute or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health, 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.

An employer has not authorized or permitted lawful off-duty rest periods unless the employer relieves its employees of any and all work-related duties and relinquishes all control over how its employees spend their time during rest periods. *Augustus v. ABM Security Services, Inc.*, 2 Cal. 5th 267, 269 (2016).

The Company has a common practice of failing to authorize and permit legally compliant rest periods. Claimant and the Aggrieved Employees never received rest breaks, nor were they ever informed they were entitled to rest breaks.

Despite routinely being denied rest periods that comply with California law, Claimant and other Aggrieved Employees are not compensated one additional hour of wages at their regular rate of pay for each workday that a compliant rest period is not provided.

Claimant intends to pursue all available remedies against the Company for its violations of the Labor Code and the applicable IWC Wage Order on behalf of herself, all other Aggrieved Employees, and the State of California.

FAILURE TO FURNISH ACCURATE ITEMIZED WAGE STATEMENTS
(Labor Code § 226, and Section 7 of IWC Wage Order 14-2001)

Labor Code § 226(a) states in pertinent part:

> (a) An employer, semimonthly or at the time of each payment of wages, shall furnish to their employee, either as detachable part of the check, draft, or voucher paying the employee's wages, or separately if wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee . . . (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of their social security number or an employee identification number, (8) the name and address of the legal entity that is the employer, . . . and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee[.]

An employer is further obliged under Labor Code § 226(b) to keep the information required by Labor Code § 226(a) and afford current or former employees the right to inspect or copy records pertaining to their employment.

Pursuant to Labor Code section 226(e):

> (1) An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars ($50) for the initial pay period in which a violation occurs and one hundred dollars ($100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars ($4,000), and is entitled to an award of costs and reasonable attorney's fees.

> (2)(A) An employee is deemed to suffer injury for purposes of this subdivision if the employer fails to provide a wage statement.

The "Records" section of IWC Wage Order 14-2001 provides:

> Every employer shall semi-monthly or at the time of each payment of wages furnish each employee, either as a detachable part of the check, draft, or voucher paying the employee's wages, or separately, an itemized statement in writing showing: (1) all deductions; (2) the inclusive dates of the period for which the employee is paid; (3) the name of the employee or the employee's social security number; and (4) the name of the employer, provided all deductions made on written orders of the employee may be aggregated and shown as one item.

Claimant alleges that the Company failed to provide any type of wage statement at all. Such a practice is clearly in violation of the applicable statutes and rules, including those cited above. Due to the Company's failure to provide any type of wage statement at all whatsoever, Claimant and other Aggrieved Employees were unable to promptly and easily determine their total hours worked and wages earned.

Claimant intends to pursue all available remedies against the Company for its violations of the Labor Code and the applicable IWC Wage Order on behalf of herself, all other Aggrieved Employees, and the State of California.

FAILURE TO MAINTAIN ACCURATE EMPLOYMENT RECORDS
(Labor Code § 1174, and Section 7 of IWC Wage Order 14-2001)

Labor Code section 1174(d) requires every person employing labor in California to:

> Keep, 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, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept in accordance with rules established for this purpose by the commission, but in any case shall be kept on file for not less than three years…

The "Records" section of IWC Wage Order No. 14-2001 also provides that every employer shall keep accurate information with respect to each of its employees, including time records showing when the employee begins and ends each work period, the total daily hours worked, the total wages paid each pay period, and total hours worked in the payroll period and applicable rates of pay.

Claimant alleges the Company failed to keep accurate employment records, including the accurate start and end time of each work shift and meal period, and all wages earned by and paid to Claimant and other Aggrieved Employees. The Company had inadequate timekeeping procedures and had a common practice of not paying wages for all hours worked and not providing Claimant and Aggrieved Employees with wage statements.

Claimant intends to pursue all available remedies against the Company for its violations of the Labor Code and applicable IWC Wage Order on behalf of herself, all other Aggrieved Employees, and the State of California.

FAILURE TO TIMELY PAY ALL WAGES DUE DURING EMPLOYMENT
(Labor Code §§ 204 and 204b; and Sections 4 and 7 of IWC Wage Order 14-2001)

Labor Code section 204(a) states:

> All wages, other than those mentioned in Section 201, 201.3, 202, 204.1, or 204.2, 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 204b states:

> Section 204 shall be inapplicable to employees paid on a weekly basis on a regular day designated by the employer in advance of the rendition of services as the regular payday.
>
> Labor performed by a weekly-paid employee during any calendar week and prior to or on the regular payday shall be paid for not later than the regular payday of the employer for such weekly-paid employee falling during the following calendar week.
>
> Labor performed by a weekly-paid employee during any calendar week and subsequent to the regular payday shall be paid for not later than seven days after the regular payday of the employer for such weekly-paid employee falling during the following calendar week.

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."

Claimant alleges that she was paid in cash on a weekly basis, without being provided any form of wage statement. Claimant and other Aggrieved Employees were not timely paid for all wages owed due, in part, to the Company's requirement that employees perform work while off the clock, including before and after their shifts and during their meal periods, and due to the Company's practice of not paying meal period and rest period premium wages.

Claimant intends to pursue all available remedies against the Company for its violations of the Labor Code and applicable IWC Wage Order on behalf of herself, all other Aggrieved Employees, and the State of California.

FAILURE TO TIMELY PAY ALL WAGES DUE AND OWING UPON SEPARATION OF EMPLOYMENT

(Labor Code sections 201, 202, and 203, and Section 4 of the applicable IWC Wage Order)

Labor Code section 201 states: "If 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:

> 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. Notwithstanding any other law, an employee who quits without providing a 72-hour notice shall be entitled to receive payment by mail if he or she so requests and designates a mailing address. The date of the mailing shall constitute the date of payment for purposes of the requirement to provide payment within 72 hours of the notice of quitting.

Labor Code section 203 states:

> If an employer willfully fails to pay, without abatement or reduction, in accordance with Sections 201, 201.3, 201.5, 201.6, 201.8, 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 therefor is commenced; but the wages shall not continue for more than 30 days. An employee who secretes or absents themselves to avoid payment to them, or who refuses to receive the payment when fully tendered to them, including any penalty then accrued under this section, is not entitled to any benefit under this section for the time during which the employee so avoids payment.

As set forth above, the Company violated these Labor Code sections by not paying Claimant and other Aggrieved Employees all minimum, regular, and overtime wages, as well as meal and rest period premium wages, within the required time upon separation of their employment. As a result of the Company's failure to comply with the aforementioned Labor Code provisions, the Company owes waiting time penalties pursuant to section 203 to Claimant and, on information and belief, other Aggrieved Employees, which they have not yet paid. Claimant will pursue all available remedies for the Company's violations on behalf of herself and other aggrieved current and former employees to the extent allowed by law.

CIVIL PENALTIES FOR VIOLATION OF THE LABOR CODE AND IWC WAGE ORDERS

(Labor Code §§ 210, 226.3, 558, 558.1, 1174.5, 1197.1, and 2699(f))

Labor Code § 210 provides that any person who fails to pay wages as provided in Labor Code §§ 201.3, 204, 204b, 204.1, 204.2, 204.11, 205, 205.5, and 1197.5 shall be subject to a civil penalty of $100 for any initial violation for each failure to pay each employee and for each subsequent violation, or any willful or intentional violation, $200 for each failure to pay each employee, plus 25% of the amount unlawfully withheld, in addition to any other penalty.

For violations of Labor Code § 226(a), Labor Code § 226.3 imposes a civil penalty of $250 per employee per violation in an initial citation and $1,000 per employee for each violation in a subsequent citation.

Labor Code § 558 subjects any employer or any person acting on behalf of an employer who violates Labor Code Part 2, Chapter 1, of the Labor Code (Labor Code §§ 500-558), or any provision regulating the hours and days of work in any IWC Wage Order, to a civil penalty as follows: "[f]or any initial violation, fifty dollars ($50) for each underpaid employee for each pay period for which the employee was underpaid. For each subsequent violation, one hundred dollars ($100) for each underpaid employee for each pay period for which the employee was underpaid."

Labor Code § 558.1(a) further states that,

> "[a]ny employer or other person acting on behalf of an employer, who violates, or causes to be violated, any provision regulating minimum wage or hours and days of work in any order of the Industrial Welfare Commission, or violates, or causes to be violated, Sections 203, 226, 226.7, 1193.6, 1194, or 2802, may be held liable as the employer for such violation."

Pursuant to Labor Code § 558.1(b), Labor Code § 558.1(a) is applicable to the owners, officers, directors, or managing agents of the employer.

Labor Code § 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 § 2699 for a violation of Labor Code § 1174(d).

Similarly, Labor Code § 1197.1 subjects 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 to a civil penalty, restitution of wages, liquidated damages payable to the employee, and any applicable penalties imposed pursuant to § 203 as follows:

> (1) For any initial violation that is intentionally committed, one hundred dollars ($100) for each underpaid employee for each pay period for which the employee is underpaid. This amount shall be in addition to an amount sufficient to recover underpaid wages, liquidated damages pursuant to § 1194.2, and any applicable penalties imposed pursuant to § 203. (2) For each subsequent violation for the same specific offense, two hundred fifty dollars ($250) for each underpaid employee for each pay period for which the employee is underpaid regardless of whether the initial violation is intentionally committed. This amount shall be in addition to an amount sufficient to recover underpaid wages, liquidated damages pursuant to § 1194.2, and any applicable penalties imposed pursuant to § 203. (3) Wages, liquidated damages, and any applicable penalties imposed pursuant to § 203, recovered pursuant to this section shall be paid to the affected employee.

Labor Code § 2699(f) imposes a civil penalty of $100 per pay period, per employee for the initial violation and $200 per pay period, per employee for each subsequent violation for all Labor Code provisions for which a civil penalty is not specifically provided, including, but not limited to, Labor Code §§ 201, 202, 203, 226(a), 226.7, 1174(a), 1194, 1197, 1198, and relevant IWC Wage Orders.

As set forth above, the Company violated the Labor Code and the applicable IWC Wage Order by, among other things, failing to timely pay all regular, minimum, and/or overtime wages; failing to provide legally compliant meal and/or rest periods and/or timely pay premium wages; failing to reimburse for necessary business expenses; failing to timely pay all wages due and owing upon separation of employment and/or the required waiting time penalties; failing to furnish accurate itemized wage statements; and failing to maintain accurate records. As a result, the Company is liable for civil penalties under Labor Code §§ 210, 226(f), 226.3, 558, 558.1, 1174.5, 1197.1, 1198.5(k), and 2699(f). Claimant will pursue all available remedies including, but not limited to, those stated herein, for the Company's violations on behalf of herself and all Aggrieved Employees to the extent allowed by law.

FEES, COSTS, INTEREST, LIQUIDATED DAMAGES AND PENALTIES
(Labor Code §§ 210, 218.5, 218.6, 226, 558, 1194.2 and 2698 *et seq*.)

Labor Code §§ 210, 218.5, 218.6, 226, 558, and 2698 *et seq.*, among others, give employees the right to recover in a civil action the full amount of damages, liquidated damages and penalties, including interest thereon, as well as reasonable attorneys' fees and costs.

Pursuant to Labor Code § 2699(m), an aggrieved employee, such as Claimant, is entitled to collect 35-percent of any civil penalties assessed. Under Labor Code § 2699(k)(1), an aggrieved employee, such as Claimant, is entitled to an award of reasonable attorneys' fees and costs. Accordingly, the Company is liable for these items. Claimant has already incurred actual damages, costs and attorneys' fees and she will continue to incur such costs as a result of the Company's unlawful actions.

Pursuant to Labor Code § 1194.2:

> In any action under Section 98, 1193.6, 1194, or 1197.1 to recover wages because of the payment of a wage less than the minimum wage fixed by an order of the commission or by statute, an employee shall be entitled to recover liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon.

Claimant will pursue all available remedies against the Company, including those provided by PAGA, on behalf of herself and all other Aggrieved Employees to the extent permitted by California law for the violations described herein.

/ / /

CONCLUSION

Based on the foregoing, the Company has violated the Labor Code and IWC Wage Order No. 14-2001, thereby depriving Claimant and other Aggrieved Employees of the rights and protections afforded to them. Claimant has satisfied the prerequisites of the PAGA to serve as a representative of all Aggrieved Employees, the general public, and the State of California in order to enforce California labor laws and to seek civil penalties for the provisions set forth herein.

Accordingly, if the LWDA declines to intervene or act within time prescribed by the PAGA, Claimant will elect to initiate a civil action, on behalf of herself and all other Aggrieved Employees.

Sincerely,

Alex Kuner