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10 Attorneys for Plaintiff Nathaniel Baker

11 SUPERIOR COURT OF THE STATE OF CALIFORNIA
12 FOR THE COUNTY OF SAN BERNARDINO

13 NATHANIAL BAKER, as an
aggrieved employee pursuant to the
14 Private Attorneys General Act
("PAGA"), on behalf of the State of
15 California and other non-party
Aggrieved Employees,

16 Plaintiff,

17 vs.

18 CLK HR ACQUISITION, LLC, a
19 California limited liability company;
CLK 1, LLC, a Delaware limited
20 liability company; CLK 2, LLC, a
Delaware limited liability company;
21 CLK 3, LLC, a Delaware limited
liability company; CLK 4, LLC, a
22 Delaware limited liability company;
CLK 5, LLC, a Delaware limited
23 liability company; CLK DESERT
STAR, LP, a California limited
24 partnership; CLK STAR, LLC, a
Delaware limited liability company;
25 CLK REAL ESTATE, LLC, a
California limited liability company;
26 CLK PROPERTIES, LLC, a
California limited liability company;
27 and DOES 1 through 10, inclusive,

28 Defendants.

FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN BERNARDINO
SAN BERNARDINO DISTRICT

JUN 20 2023

BY:  Stephanie Penlegue, Deputy

Case No.: CIV SB 2313678

**COMPLAINT – PAGA ENFORCEMENT
ACTION**

(1) Claim for Civil Penalties for Violations of
California Labor Code, Pursuant to PAGA,
§§ 2698, *et seq.*

Jury Trial Demanded

1 Plaintiff Nathaniel Baker, as an aggrieved employee and on behalf of the State of
2 California and all other non-party Aggrieved Employees, alleges as follows:

3 JURISDICTION AND VENUE

4 1. This is an enforcement action under the Labor Code Private Attorneys General
5 Act of 2004, California Labor Code sections 2698, *et seq.* (“PAGA”) to recover civil penalties
6 and any other available relief on behalf of Plaintiff, the State of California, and other current
7 and former employees who worked for Defendants in California as a non-exempt, hourly paid
8 employee and received at least one wage statement and against whom one or more violations of
9 any provision in Division 2 Part 2 Chapter 1 of the Labor Code or any provision regulating
10 hours and days of work in the applicable Industrial Welfare Commission (“IWC”) Wage Order
11 were committed, as set forth in this complaint, at any time between one year prior to the filing
12 of the pre-filing written notice to the Labor and Workforce Development Agency (“LWDA”) in
13 this case on April 14, 2023, until judgment (“non-party Aggrieved Employees”). Plaintiff’s
14 share of civil penalties sought in this action does not exceed \$75,000.

15 2. This Court has jurisdiction over this action pursuant to the California
16 Constitution, Article VI, section 10. The statute under which this action is brought does not
17 specify any other basis for jurisdiction.

18 3. This Court has jurisdiction over all Defendants because, on information and
19 belief, Defendants are either citizens of California, have sufficient minimum contacts in
20 California, or otherwise intentionally avail themselves of the California market so as to render
21 the exercise of jurisdiction over them by the California courts consistent with traditional notions
22 of fair play and substantial justice. There is no basis for federal diversity jurisdiction in this
23 action given that the State of California, as the real party in interest in this action, is not a
24 “citizen” for purposes of satisfying diversity jurisdiction. *Urbino v. Orkin Servs. of Cal.*, 726
25 F.3d 1118, 1123 (9th Cir. Cal. 2013). *Urbino* also holds that civil penalties cannot be aggregated
26 to satisfy the amount in controversy requirement for federal diversity jurisdiction in this action,
27 and that diversity jurisdiction cannot be established when Plaintiff’s share of the civil penalties
28 attributable to violations personally suffered are less than \$75,000. *Id.* at 1122.

4. Venue is proper in this Court because Defendants employ persons in this county, and employed Plaintiff in this county, and thus a substantial portion of the transactions and occurrences related to this action occurred in this county.

5. California Labor Code sections 2698, *et seq.*, the “Labor Code Private Attorneys General Act of 2004” (“PAGA”), authorize aggrieved employees to sue as private attorneys general their current or former employers for various civil penalties for violations of various provisions in the California Labor Code.

THE PARTIES

6. Plaintiff Nathaniel Baker is a resident of Hemet, in Riverside County, California. Defendants employed Plaintiff as an hourly paid, non-exempt employee from approximately May 2022 to December 2022. Plaintiff worked as a General Manager and Shift Leader for Defendants at their restaurants located in Highland, California, and Hemet, California. Plaintiff typically worked 10 hours per day or more, and six (6) days per week or more. At the time Plaintiff's employment with Defendants ended, he was compensated approximately \$18.50 per hour. Plaintiff's job duties included, without limitation, fulfilling food orders, preparing food, completing paperwork, cleaning the restaurant, monitoring security cameras, providing customer service, and training crew members.

7. On information and belief, Defendants required some employees, including Plaintiff, to execute an arbitration agreement at the time of their hire or during their employment. On further information and belief, Defendants' arbitration agreement was and is both procedurally and substantively unconscionable. Specifically, Defendants presented employees with a "Dispute Resolution Agreement" ("Arbitration Agreement") which had to be reviewed and acknowledged immediately. Specifically, the Arbitration Agreement was one of several documents presented to employees for signature during the orientation process, including Alcohol and Drug and Smoking Policy; Notice Regarding Unlawful Harassment, Discrimination and Retaliation; Employee Illness Reporting and Exclusion Policy; Employee Handbook; First Meal Period Waiver Agreement; and On-Duty Meal Period Agreement. Also, employees did not have a meaningful opportunity to negotiate the terms of the Arbitration

1 Agreement. Rather, it was provided to Defendants' employees for them to sign on a take-it or
2 leave-it basis, along with other onboarding documents. Further, Defendants did not set forth in
3 the agreement or otherwise provide employees with the rules which will govern the arbitration,
4 instead forcing employees to seek this information out on their own.

5 8. CLK HR ACQUISITION, LLC was and is, upon information and belief, a
6 California limited liability company, and at all times hereinafter mentioned, an employer whose
7 employees are engaged throughout this county and the State of California.

8 9. CLK 1, LLC was and is, upon information and belief, a Delaware limited liability
9 company, and at all times hereinafter mentioned, an employer whose employees are engaged
10 throughout this county and the State of California.

11 10. CLK 2, LLC was and is, upon information and belief, a Delaware limited liability
12 company, and at all times hereinafter mentioned, an employer whose employees are engaged
13 throughout this county and the State of California.

14 11. CLK 3, LLC was and is, upon information and belief, a Delaware limited liability
15 company, and at all times hereinafter mentioned, an employer whose employees are engaged
16 throughout this county and the State of California.

17 12. CLK 4, LLC was and is, upon information and belief, a Delaware limited liability
18 company, and at all times hereinafter mentioned, an employer whose employees are engaged
19 throughout this county and the State of California.

20 13. CLK 5, LLC was and is, upon information and belief, a Delaware limited liability
21 company, and at all times hereinafter mentioned, an employer whose employees are engaged
22 throughout this county and the State of California.

23 14. CLK DESERT STAR, LP was and is, upon information and belief, a California
24 limited partnership, and at all times hereinafter mentioned, an employer whose employees are
25 engaged throughout this county and the State of California.

26 15. CLK STAR, LLC was and is, upon information and belief, a Delaware limited
27 liability company, and at all times hereinafter mentioned, an employer whose employees are
28 engaged throughout this county and the State of California.

1 16. CLK REAL ESTATE, LLC was and is, upon information and belief, a California
2 limited liability company, and at all times hereinafter mentioned, an employer whose employees
3 are engaged throughout this county and the State of California.

4 17. CLK PROPERTIES, LLC was and is, upon information and belief, a California
5 limited liability company, and at all times hereinafter mentioned, an employer whose employees
6 are engaged throughout this county and the State of California.

7 18. Plaintiff is unaware of the true names or capacities of the Defendants sued herein
8 under the fictitious names DOES 1 through 10, but will seek leave of this Court to amend the
9 complaint and serve such fictitiously named Defendants once their names and capacities
10 become known.

11 19. Plaintiff is informed and believes, and thereon alleges, that DOES 1 through 10
12 were the partners, agents, owners, or managers of CLK HR ACQUISITION, LLC; CLK 1, LLC;
13 CLK 2, LLC; CLK 3, LLC; CLK 4, LLC; CLK 5, LLC; CLK DESERT STAR, LP; CLK STAR,
14 LLC; CLK REAL ESTATE, LLC; and CLK PROPERTIES, LLC at all relevant times.

15 20. Plaintiff is informed and believes, and thereon alleges, that each and all of the
16 acts and omissions alleged herein was performed by, or is attributable to, CLK HR
17 ACQUISITION, LLC; CLK 1, LLC; CLK 2, LLC; CLK 3, LLC; CLK 4, LLC; CLK 5, LLC;
18 CLK DESERT STAR, LP; CLK STAR, LLC; CLK REAL ESTATE, LLC; CLK
19 PROPERTIES, LLC; and/or DOES 1 through 10 (collectively, “Defendants” or “CLK”), each
20 acting as the agent, employee, alter ego, and/or joint venturer of, or working in concert with,
21 each of the other co-Defendants and was acting within the course and scope of such agency,
22 employment, joint venture, or concerted activity with legal authority to act on the others’ behalf.
23 The acts of any and all Defendants were in accordance with, and represent, the official policy
24 of Defendants.

25 21. At all relevant times, Defendants, and each of them, ratified each and every act
26 or omission complained of herein. At all relevant times, Defendants, and each of them, aided
27 and abetted the acts and omissions of each and all the other Defendants in proximately causing
28 the damages herein alleged.

1 22. Plaintiff is informed and believes, and thereon alleges, that each of said
2 Defendants is in some manner intentionally, negligently, or otherwise responsible for the acts,
3 omissions, occurrences, and transactions alleged herein.

4 23. Under California law, Defendants are jointly and severally liable as employers
5 for the violations alleged herein because they have each exercised sufficient control over the
6 wages, hours, working conditions, and employment status of Plaintiff and other non-party
7 Aggrieved Employees. Each Defendant had the power to hire and fire Plaintiff and other non-
8 party Aggrieved Employees, supervised and controlled their work schedule and/or conditions
9 of employment, determined their rate of pay, and maintained their employment records.
10 Defendants suffered or permitted Plaintiff and other non-party Aggrieved Employees to work
11 and/or “engaged” Plaintiff and other non-party Aggrieved Employees so as to create a common-
12 law employment relationship. As joint employers of Plaintiff and other non-party Aggrieved
13 Employees, Defendants are jointly and severally liable for the civil penalties available to
14 Plaintiff and other non-party Aggrieved Employees under the law.

15 24. Plaintiff is informed and believes, and thereon alleges, that at all relevant times,
16 Defendants, and each of them, have acted as joint employers with respect to Plaintiff and other
17 non-party Aggrieved Employees because Defendants have:

- 18 (a) jointly exercised meaningful control over the work performed by Plaintiff
19 and other non-party Aggrieved Employees;
- 20 (b) jointly exercised meaningful control over Plaintiff’s and other non-party
21 Aggrieved Employees’ wages, hours, and working conditions, including
22 the quantity, quality standards, speed, scheduling, and operative details
23 of the tasks performed by Plaintiff and other non-party Aggrieved
24 Employees;
- 25 (c) jointly required that Plaintiff and other non-party Aggrieved Employees
26 perform work which is an integral part of Defendants’ businesses; and
- 27 (d) jointly exercised control over Plaintiff and other non-party Aggrieved
28 Employees as a matter of economic reality in that Plaintiff and other non-

1 party Aggrieved Employees were dependent on Defendants, who shared
2 the power to set the wages of Plaintiff and other non-party Aggrieved
3 Employees and determined their working conditions, and who jointly
4 reaped the benefits from the underpayment of their wages and
5 noncompliance with other statutory provisions governing their
6 employment.

7 25. Plaintiff is informed and believes, and thereon alleges, that at all relevant times
8 there has existed a unity of interest and ownership between Defendants such that any
9 individuality and separateness between the entities has ceased.

10 26. Defendants CLK HR ACQUISITION, LLC; CLK 1, LLC; CLK 2, LLC; CLK 3,
11 LLC; CLK 4, LLC; CLK 5, LLC; CLK DESERT STAR, LP; CLK STAR, LLC; CLK REAL
12 ESTATE, LLC; CLK PROPERTIES, LLC; and/or DOES 1 through 10 are therefore alter egos
13 of each other.

14 27. Adherence to the fiction of the separate existence of Defendants would permit an
15 abuse of the corporate privilege, and would promote injustice by protecting Defendants from
16 liability for the wrongful acts committed by them under the name CLK.

17 28. Plaintiff further alleges, upon information and belief, that the Defendants CLK
18 HR ACQUISITION, LLC; CLK 1, LLC; CLK 2, LLC; CLK 3, LLC; CLK 4, LLC; CLK 5,
19 LLC; CLK DESERT STAR, LP; CLK STAR, LLC; CLK REAL ESTATE, LLC; and CLK
20 PROPERTIES, LLC are alter egos of each other for the following reasons:

21 (a) On the California Secretary of State's website
22 (<https://bizfileonline.sos.ca.gov/>), CLK HR ACQUISITION, LLC; CLK
23 1, LLC; CLK 2, LLC; CLK 3, LLC; CLK 4, LLC; CLK 5, LLC; CLK
24 DESERT STAR, LP; CLK STAR, LLC; and CLK REAL ESTATE, LLC
25 have the same principal address and mailing address, "72295
26 MANUFACTURING ROAD, THOUSAND PALMS, CA 92276";

27 (b) According to their most recent "Statement of Information" forms filed
28 with the California Secretary of State, CLK HR ACQUISITION, LLC;

CLK 1, LLC; CLK 2, LLC; CLK 3, LLC; CLK 4, LLC; CLK 5, LLC; CLK STAR, LLC; CLK REAL ESTATE, LLC; and CLK PROPERTIES, LLC share the same officers, managers, and/or members, including, but not limited to, Karl L. Karcher;

(c) According to the California Secretary of State's website, CLK HR ACQUISITION, LLC; CLK 1, LLC; CLK 2, LLC; CLK 3, LLC; CLK 4, LLC; CLK 5, LLC; CLK DESERT STAR, LP; CLK STAR, LLC; CLK REAL ESTATE, LLC; and CLK PROPERTIES, LLC share the same agent for service of process, COGENCY GLOBAL INC.; and

(d) On information and belief, CLK HR ACQUISITION, LLC; CLK 1, LLC; CLK 2, LLC; CLK 3, LLC; CLK 4, LLC; CLK 5, LLC; CLK DESERT STAR, LP; CLK STAR, LLC; CLK REAL ESTATE, LLC; and CLK PROPERTIES, LLC utilize the same standardized employment forms and issue the same employment policies.

PAGA REPRESENTATIVE ALLEGATIONS

29. Defendants own and operate a chain of Carl's Jr. franchise restaurants, with approximately 34 locations in California. Upon information and belief, Defendants maintain a single, centralized Human Resources (HR) department at their corporate headquarters in Thousand Palms, California, or Laguna Beach, California, for all non-exempt, hourly paid employees working for Defendants in California, which is responsible for the recruiting and hiring of new employees, and communicating and implementing Defendants' company-wide policies, including timekeeping policies and meal and rest period policies, to employees throughout California.

30. In particular, Plaintiff and other non-party Aggrieved Employees, on information and belief, received the same standardized documents and/or written policies. Upon information and belief, the usage of standardized documents and/or written policies, including new-hire documents, indicate that Defendants dictated policies at the corporate level and implemented them company-wide, regardless of their employees' assigned locations or

positions. Upon information and belief, Defendants set forth uniform policies and procedures in several documents provided at an employee's time of hire.

31. Upon information and belief, Defendants maintain a centralized Payroll department at their corporate headquarters in Thousand Palms, California, or Laguna Beach, California, which processes payroll for all non-exempt, hourly paid employees working for Defendants at their various locations in California, including Plaintiff and other non-party Aggrieved Employees. Based upon information and belief, Defendants issue the same formatted wage statements to all non-exempt, hourly paid employees in California, irrespective of their work locations. Upon information and belief, Defendants process payroll for departing employees in the same manner throughout the State of California, regardless of the manner in which each employee's employment ends.

32. Defendants continue to employ non-exempt or hourly paid employees in California.

33. Plaintiff is informed and believes, and thereon alleges, that at all times herein mentioned, Defendants were advised by skilled lawyers and other professionals, employees and advisors knowledgeable about California labor and wage law, employment and personnel practices, and about the requirements of California law.

34. Plaintiff is informed and believes, and thereon alleges, that Plaintiff and other non-party Aggrieved Employees were not paid for all hours worked because all hours worked were not recorded.

35. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should have known that Plaintiff and other non-party Aggrieved Employees were entitled to receive certain wages for overtime compensation and that they were not receiving certain wages for overtime compensation.

36. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or should have known that Plaintiff and/or other non-party Aggrieved Employees were entitled to be paid at a regular rate of pay, and corresponding rates of pay for overtime wages and/or meal and rest period premiums, that included as eligible income all remuneration required by law,

1 including but not limited to, all income derived from incentive pay, nondiscretionary bonuses,
2 and/or other forms of compensation, but failed to include all forms of remuneration in
3 calculating the regular rate of pay for Plaintiff and/or other non-party Aggrieved Employees.

4 37. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
5 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
6 receive at least minimum wages for compensation and that they were not receiving at least
7 minimum wages for work that was required to be done off-the-clock. In violation of the
8 California Labor Code, Plaintiff and other non-party Aggrieved Employees were not paid at
9 least minimum wages for work done off-the-clock.

10 38. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
11 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
12 meal periods in accordance with the California Labor Code and applicable IWC Wage Order or
13 payment of one (1) additional hour of pay at their regular rates of pay when they were not
14 provided with timely, uninterrupted, thirty (30) minute meal periods and that Plaintiff and other
15 non-party Aggrieved Employees were not provided with all meal periods or payment of one (1)
16 additional hour of pay at their regular rates of pay when they did not receive a timely,
17 uninterrupted, thirty (30) minute meal period.

18 39. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
19 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to rest
20 periods in accordance with the California Labor Code and applicable IWC Wage Order or
21 payment of one (1) additional hour of pay at their regular rates of pay when they were not
22 authorized and permitted to take a compliant rest period and that Plaintiff and other non-party
23 Aggrieved Employees were not authorized and permitted to take compliant rest periods or
24 provided with payment of one (1) additional hour of pay at their regular rates of pay when they
25 were not authorized and permitted to take a compliant rest period.

26 40. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
27 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
28 receive complete and accurate wage statements in accordance with California law. In violation

1 of the California Labor Code, Plaintiff and other non-party Aggrieved Employees were not
2 provided complete and accurate wage statements.

3 41. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
4 should have known that they had a duty to maintain accurate and complete payroll records in
5 accordance with the Labor Code and applicable IWC Wage Order, but willfully, knowingly,
6 and intentionally failed to do so.

7 42. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
8 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
9 timely payment of wages during their employment. In violation of the California Labor Code,
10 Plaintiff and other non-party Aggrieved Employees did not receive payment of all wages,
11 including, but not limited to, overtime wages, minimum wages, meal and rest period premiums,
12 and/or sick leave pay, within permissible time periods.

13 43. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
14 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
15 timely payment of all wages earned upon termination of employment. In violation of the
16 California Labor Code, Plaintiff and other non-party Aggrieved Employees did not receive
17 payment of all wages due, including, but not limited to, overtime wages, minimum wages, meal
18 and rest period premiums, and/or sick leave pay, within permissible time periods.

19 44. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
20 should have known that Plaintiff and/or other non-party Aggrieved Employees were entitled to
21 receive sick leave benefits to be paid at a regular rate of pay, that included, as eligible income,
22 all income derived from incentive pay, nondiscretionary bonuses, and/or other forms of
23 compensation, and to receive itemized wage statements or separate written statements showing
24 the amount of paid sick leave. In violation of the California Labor Code, Defendants failed to
25 include all forms of remuneration in calculating the regular rate of pay for sick leave pay and
26 failed to provide Plaintiff and/or other non-party Aggrieved Employees with written itemized
27 wage statements showing this information.

28 45. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or

1 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to one
2 day's rest in seven. In violation of the California Labor Code, Defendants required Plaintiff
3 and other non-party Aggrieved Employees to work more than six consecutive days without a
4 day of rest, where the total hours worked exceeded 30 hours in any week or six hours in any
5 one day thereof.

6 46. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
7 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
8 receive reimbursement for all business-related expenses and costs they incurred during the
9 course and scope of their employment and that they did not receive reimbursement of applicable
10 business-related expenses and costs incurred.

11 47. Plaintiff is informed and believes, and thereon alleges, that at all times herein
12 mentioned, Defendants knew or should have known that they had a duty to compensate Plaintiff
13 and other non-party Aggrieved Employees for all hours worked, and that Defendants had the
14 financial ability to pay such compensation, but willfully, knowingly, and intentionally failed to
15 do so, and falsely represented to Plaintiff and other non-party Aggrieved Employees that they
16 were properly denied wages, all in order to increase Defendants' profits.

17 48. At all times herein set forth, PAGA provides that any provision of law under the
18 Labor Code and applicable IWC Wage Order that provides for a civil penalty to be assessed and
19 collected by the LWDA for violations of the California Labor Code and applicable IWC Wage
20 Order may, as an alternative, be recovered by aggrieved employees in a civil action brought on
21 behalf of themselves and other current or former employees pursuant to procedures outlined in
22 California Labor Code section 2699.3.

23 49. PAGA defines an "aggrieved employee" in Labor Code section 2699(c) as "any
24 person who was employed by the alleged violator and against whom one or more of the alleged
25 violations was committed."

26 50. Plaintiff and other current and former employees of Defendants are "aggrieved
27 employees" as defined by Labor Code section 2699(c) in that they are all Defendants' current
28 or former employees and one or more of the alleged violations were committed against them.

1 51. Pursuant to California Labor Code sections 2699.3 and 2699.5, an aggrieved
2 employee, including Plaintiff, may pursue a civil action arising under PAGA after the following
3 requirements have been met:

4 (a) The aggrieved employee shall give written notice by online filing
5 (hereinafter “Employee’s Notice”) to the LWDA and by certified mail to
6 the employer of the specific provisions of the California Labor Code
7 alleged to have been violated, including the facts and theories to support
8 the alleged violations.

9 (b) An aggrieved employee’s notice filed with the LWDA pursuant to
10 2699.3(a) and any employer response to that notice shall be accompanied
11 by a filing fee of seventy-five dollars (\$75).

12 (c) The LWDA shall provide notice (hereinafter “LWDA Notice”) to the
13 employer and the aggrieved employee by certified mail that it does not
14 intend to investigate the alleged violation within sixty (60) calendar days
15 of the postmark date of the Employee’s Notice. Upon receipt of the
16 LWDA Notice, or if the LWDA Notice is not provided within sixty-five
17 (65) calendar days of the postmark date of the Employee’s Notice, the
18 aggrieved employee may commence a civil action pursuant to California
19 Labor Code section 2699 to recover civil penalties in addition to any other
20 penalties to which the employee may be entitled.

21 52. Pursuant to California Labor Code section 2699.3(c), aggrieved employees,
22 through Plaintiff, may pursue a civil action arising under PAGA for violations of any provision
23 other than those listed in Section 2699.5 after the following requirements have been met:

24 (a) The aggrieved employee or representative shall give written notice by
25 online filing to the LWDA and by certified mail to the employer of the
26 specific provisions of the California Labor Code alleged to have been
27 violated (other than those listed in Section 2699.5), including the facts
28 and theories to support the alleged violation.

1 (b) An aggrieved employee's notice filed with the LWDA pursuant to
2 2699.3(c) and any employer response to that notice shall be accompanied
3 by a filing fee of seventy-five dollars (\$75).

4 (c) The employer may cure the alleged violation within thirty-three (33)
5 calendar days of the postmark date of the notice. The employer shall give
6 written notice by certified mail within that period of time to the aggrieved
7 employee or representative and the agency if the alleged violation is
8 cured, including a description of actions taken, and no civil action
9 pursuant to Section 2699 may commence. If the alleged violation is not
10 cured within the 33-day period, the employee may commence a civil
11 action pursuant to Section 2699.

12 53. On April 14, 2023, Plaintiff provided written notice by online filing to the LWDA
13 and by certified mail to Defendants of the specific provisions of the California Labor Code
14 alleged to have been violated, including facts and theories to support the alleged violations, in
15 accordance with California Labor Code section 2699.3. Plaintiff's written notice was
16 accompanied with the applicable filing fee of seventy-five dollars (\$75). The LWDA PAGA
17 Administrator has confirmed receipt of Plaintiff's written notice and assigned Plaintiff PAGA
18 Case Number LWDA-CM-948640-23. A true and correct copy of Plaintiff's written notice to
19 the LWDA and Defendants dated April 14, 2023, is attached hereto as "Exhibit 1."

20 54. As of the filing date of this complaint, over 65 days have passed since Plaintiff
21 sent the written notice described above, and the LWDA has not responded that it intends to
22 investigate Plaintiff's claims, and Defendants have not cured the violations.

23 55. Thus, Plaintiff has satisfied the administrative prerequisites under California
24 Labor Code sections 2699.3(a) and 2699.3(c) to recover civil penalties against Defendants for
25 violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 246, 248.6, 510,
26 512(a), 516, 551, 552, 1174(d), 1182.12, 1194, 1197, 1198, and 2802.

27 56. Labor Code section 558(a) provides "[a]ny employer or other person acting on
28 behalf of an employer who violates, or causes to be violated, a section of this chapter or any

1 provision regulating hours and days of work in any order of the Industrial Welfare Commission
2 shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for
3 each underpaid employee for each pay period for which the employee was underpaid. . . . (2)
4 For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for
5 each pay period for which the employee was underpaid. . . .” Labor Code section 558(c)
6 provides “[t]he civil penalties provided for in this section are in addition to any other civil or
7 criminal penalty provided by law.” Plaintiff, acting in the public interest as a private attorney
8 general, seeks assessment and collection of civil penalties under Labor Code section 558 for
9 himself, all other non-party Aggrieved Employees, and the State of California against
10 Defendants for violations of Labor Code sections 510, 512(a), 516, 551, 552, and 1198, and the
11 applicable IWC Wage Order. Plaintiff, acting in the public interest as a private attorney general,
12 does not seek the recovery of unpaid wages under Labor Code section 558 from Defendants for
13 violations of Labor Code sections 510, 512(a), 516, 551, 552, and 1198, and the applicable IWC
14 Wage Order.

15 57. Defendants, at all times relevant to this complaint, were employers or persons
16 acting on behalf of an employer(s) who violated Plaintiff’s and other non-party Aggrieved
17 Employees’ rights by violating various sections of the California Labor Code as set forth above.

18 58. As set forth below, Defendants have violated numerous provisions of both the
19 Labor Code sections regulating hours and days of work as well as the applicable IWC Wage
20 Order.

21 59. Pursuant to PAGA, and in particular, California Labor Code sections 2699(a),
22 2699.3(a), 2699.3(c), 2699.5, and section 558, Plaintiff, acting in the public interest as a private
23 attorney general, seeks assessment and collection of civil penalties for himself, all other non-
24 party Aggrieved Employees, and the State of California against Defendants for violations of
25 California Labor Code sections 201, 202, 204, 226(a), 226.7, 246, 248.6, 510, 512(a), 516, 551,
26 552, 1174(d), 1182.12, 1194, 1197, 1198, and 2802.

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1 **FIRST CAUSE OF ACTION**

2 **For Civil Penalties, Pursuant to California Labor Code §§ 2698, *et seq.***

3 **(Against all Defendants)**

4 60. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
5 and every allegation set forth above.

6 61. California Labor Code §§ 2698, *et seq.* (“PAGA”) permits Plaintiff to recover
7 civil penalties for the violation(s) of the Labor Code sections enumerated in Labor Code section
8 2699.5. Section 2699.5 enumerates Labor Code sections 201, 202, 204, 226(a), 226.7, 510,
9 512(a), 551, 552, 1174(d), 1194, 1197, 1198, and 2802. Labor Code section 2699.3(c) permits
10 aggrieved employees, including Plaintiff, to recover civil penalties for violations of those Labor
11 Code sections not found in section 2699.5, including sections 246, 248.6, 516, and 1182.12.

12 62. Defendants’ conduct, as alleged herein, violates numerous sections of the
13 California Labor Code, including, but not limited to, the following:

- 14 (a) Violation of Labor Code sections 510 and 1198, and the applicable IWC
15 Wage Order for Defendants’ failure to compensate Plaintiff and other
16 non-party Aggrieved Employees with all required overtime pay, as set
17 forth below;
- 18 (b) Violation of Labor Code sections 226.7, 510, and 1198, and the applicable
19 IWC Wage Order for Defendants’ failure to include all forms of
20 remuneration in the regular rate of pay as required by law for purposes of
21 paying overtime wages and/or meal and rest period premiums to Plaintiff
22 and/or other non-party Aggrieved Employees, as set forth below;
- 23 (c) Violation of Labor Code sections 1182.12, 1194, 1197, and 1198, and the
24 applicable IWC Wage Order for Defendants’ failure to compensate
25 Plaintiff and other non-party Aggrieved Employees with at least
26 minimum wages for all hours worked, as set forth below;
- 27 (d) Violation of Labor Code sections 226.7, 512(a), 516, and 1198, and the
28 applicable IWC Wage Order for Defendants’ failure to provide Plaintiff

1 and other non-party Aggrieved Employees with meal periods, as set forth
2 below;

3 (e) Violation of Labor Code sections 226.7, 516, and 1198, and the applicable
4 IWC Wage Order for Defendants' failure to authorize and permit Plaintiff
5 and other non-party Aggrieved Employees to take rest periods, as set forth
6 below;

7 (f) Violation of Labor Code sections 226(a) and 1198, and the applicable
8 IWC Wage Order for failure to provide accurate and complete wage
9 statements to Plaintiff and other non-party Aggrieved Employees, as set
10 forth below;

11 (g) Violation of Labor Code sections 1174(d) and 1198, and the applicable
12 IWC Wage Order for failure to maintain payroll records, as set forth
13 below;

14 (h) Violation of Labor Code sections 204 for failure to pay all earned wages
15 during employment, as set forth below;

16 (i) Violation of Labor Code section 201 and 202 for failure to pay all earned
17 wages upon termination, as set forth below;

18 (j) Violation of Labor Code sections 246 and 248.6 for failure to properly
19 calculate the sick leave paid to other non-party Aggrieved Employees and
20 for failure to provide written notice of paid sick leave to Plaintiff and
21 other non-party Aggrieved Employees, as set forth below;

22 (k) Violation of Labor Code sections 551 and 552 for failure to provide one
23 day's rest in seven to Plaintiff and other non-party Aggrieved Employees,
24 as set forth below; and

25 (l) Violation of Labor Code sections 2802 for failure to reimburse Plaintiff
26 and other non-party Aggrieved Employees for all business expenses
27 necessarily incurred, as set forth below.

28 ///

1 **FAILURE TO PAY OVERTIME**

2 **VIOLATION OF LABOR CODE SECTIONS 510 AND 1198**

3 63. Labor Code section 1198 makes it illegal to employ an employee under
4 conditions of labor that are prohibited by the applicable IWC Wage Order. California Labor
5 Code section 1198 requires that “. . . the standard conditions of labor fixed by the commission
6 shall be the . . . standard conditions of labor for employees. The employment of any employee
7 . . . under conditions of labor prohibited by the order is unlawful.”

8 64. California Labor Code section 1198 and the applicable IWC Wage Order provide
9 that it is unlawful to employ persons without compensating them at a rate of pay either time-
10 and-one-half or two-times that person’s regular rate of pay, depending on the number of hours
11 worked by the person on a daily or weekly basis.

12 65. Specifically, the applicable IWC Wage Order provides that Defendants are and
13 were required to pay Plaintiff and other non-party Aggrieved Employees working more than
14 eight (8) hours in a day or more than forty (40) hours in a workweek, at the rate of time and
15 one-half (1 ½) for all hours worked in excess of eight (8) hours in a day or more than forty (40)
16 hours in a workweek.

17 66. The applicable IWC Wage Order further provides that Defendants are and were
18 required to pay Plaintiff and other non-party Aggrieved Employees working more than twelve
19 (12) hours in a day, overtime compensation at a rate of two (2) times their regular rate of pay.
20 An employee’s regular rate of pay includes all remuneration for employment paid to, or on
21 behalf of, the employee, including nondiscretionary bonuses and incentive pay.

22 67. California Labor Code section 510 codifies the right to overtime compensation
23 at one and one-half (1 ½) times the regular rate of pay for hours worked in excess of eight (8)
24 hours in a day or forty (40) hours in a week or for the first eight (8) hours worked on the seventh
25 (7th) day of work, and to overtime compensation at twice the employee’s regular rate of pay for
26 hours worked in excess of twelve (12) hours in a day or in excess of eight (8) hours in a day on
27 the seventh (7th) day of work.

28 68. During the relevant time period, Defendants willfully failed to pay all overtime

1 wages owed to Plaintiff and other non-party Aggrieved Employees. During the relevant time
2 period, Plaintiff and other non-party Aggrieved Employees were not paid overtime premiums
3 for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12)
4 hours in a day, and/or in excess of forty (40) hours in a week, because all hours worked were
5 not recorded.

6 69. First, during the relevant period, Defendants had, and continue to have, a
7 company-wide policy of discouraging and impeding Plaintiff and other non-party Aggrieved
8 Employees from recording hours worked that were outside of their scheduled shifts in order to
9 limit the amount of overtime employees could accrue. This policy of limiting overtime, coupled
10 with Defendants' use of labor budgets and assignment of heavy workloads, led Plaintiff and
11 other non-party Aggrieved Employees to work off-the-clock before and after their scheduled
12 shift times. For example, about three (3) times per week before he clocked in for his shifts,
13 Plaintiff worked off-the-clock up to one (1) hour preparing the restaurant for opening and
14 reviewing and correcting paperwork. As a further example, about three (3) times per week after
15 he clocked out from his shifts, Plaintiff was required to travel to Defendants' other restaurant
16 locations to pick up ingredients and supplies needed at his location, which took him up to two
17 (2) hours per instance to complete. Defendants purposely limited amount of time they would
18 compensate employees for this travel to two (2) hours per pay period, which was wholly
19 insufficient for the number of hours that Plaintiff actually spent traveling. Additionally,
20 Plaintiff and other non-party Aggrieved Employees were required to watch various safety and
21 training videos, but, due to the heavy workload and limitation on accruing overtime, were not
22 able to watch them during their shifts. As a result, Plaintiff was forced to watch the training
23 videos before or after his scheduled shifts and/or on days off and spent approximately ten (10)
24 hours doing so over the course of his employment, time for which he was not paid. Thus,
25 Defendants failed to track this time spent working before or after scheduled shifts, and Plaintiff
26 and other non-party Aggrieved Employees received no compensation for this time.

27 70. Second, as stated, Defendants had, and continue to have, a company-wide policy
28 of strictly staffing their restaurant locations based on the labor hours allocated by each location's

1 labor or payroll budget set by corporate. This practice of utilizing a labor budget and/or limited
2 payroll allocation, combined with the assignment of heavy workloads, has resulted in chronic
3 understaffing and a lack of adequate meal period coverage, because there were too few
4 employees on duty to handle the workload. Moreover, Defendants have a practice of failing to
5 schedule meal periods, which further caused Plaintiff and other non-party Aggrieved Employees
6 to not be relieved of their duties for compliant meal periods. As a result of this inadequate meal
7 period coverage, Plaintiff and other non-party Aggrieved Employees were not always afforded
8 uninterrupted 30-minute meal periods during shifts when they were entitled to receive a meal
9 period. Further, because Defendants frowned upon employees accruing meal period penalties,
10 Defendants' management pressured employees to clock out for meal periods to reflect
11 compliant meal periods, regardless of whether they had received a compliant meal period or
12 not, in order to strictly limit meal penalties that would need to be paid by Defendants.
13 Consequently, Plaintiff and other non-party Aggrieved Employees performed work during meal
14 periods for which they were not paid.

15 71. In addition, on information and belief, Defendants' company-wide timekeeping
16 system prevented Plaintiff and other non-party Aggrieved Employees from recording all hours
17 worked when their meal periods were shortened or interrupted, because the system locked out
18 Plaintiff and other non-party Aggrieved Employees once they clocked out for a meal period,
19 and would not permit them to clock back in from a meal period until 30 minutes had elapsed.
20 Thus, Defendants' timekeeping system further prevented Plaintiff and other non-party
21 Aggrieved Employees from recording all hours worked when their meal periods were shortened
22 or interrupted.

23 72. Defendants knew or should have known that as a result of these company-wide
24 practices and/or policies, Plaintiff and other non-party Aggrieved Employees were performing
25 assigned duties off-the-clock before and after their shifts and during meal periods, and were
26 suffered or permitted to perform work for which they were not paid. Because Plaintiff and other
27 non-party Aggrieved Employees regularly worked shifts of eight (8) hours a day or more, or
28 forty (40) hours a week or more, some of this off-the-clock work qualified for overtime premium

1 pay. Therefore, Plaintiff and other non-party Aggrieved Employees were not paid overtime
2 wages for all of the overtime hours they actually worked.

3 73. Furthermore, Defendants did not pay other non-party Aggrieved Employees the
4 correct overtime rate for the recorded overtime hours that they generated. In addition to an
5 hourly wage, Defendants paid other non-party Aggrieved Employees incentive pay,
6 nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the
7 California Labor Code, Defendants failed to incorporate all compensation, including incentive
8 pay, nondiscretionary bonuses, and/or other forms of remuneration, into the calculation of the
9 regular rate of pay for purposes of calculating the overtime wage rate. Therefore, during times
10 when other non-party Aggrieved Employees worked overtime and received these other forms
11 of pay, Defendants failed to pay all overtime wages by paying a lower overtime rate than
12 required.

13 74. Defendants' failure to pay Plaintiff and other non-party Aggrieved Employees
14 the balance of overtime compensation as required by California law, violates the provisions of
15 California Labor Code sections 510 and 1198. Plaintiff and other non-party Aggrieved
16 Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections 558
17 and/or 2699(a), (f), and (g).

18 **FAILURE TO PAY MINIMUM WAGES**

19 **VIOLATION OF LABOR CODE SECTIONS 1182.12, 1194, 1197, AND 1198**

20 75. At all relevant times, California Labor Code sections 1182.12, 1194, 1197, and
21 1198 provide that the minimum wage for employees fixed by the IWC is the minimum wage to
22 be paid to employees, and the payment of a wage less than the minimum so fixed is unlawful.
23 Compensable work time is defined in Wage Order No. 5-2001 as "the time during which an
24 employee is subject to the control of an employer, and includes all the time the employee is
25 suffered or permitted to work, whether or not required to do so." Cal. Code Regs. tit. 8, §
26 11050(2)(K) (defining "Hours Worked").

27 76. First, as stated above, as a result of Defendants' policy of limiting the amount of
28 overtime employees could accrue, Defendants required Plaintiff and other non-party Aggrieved

1 Employees to perform work off-the-clock before and after their scheduled shift start and end
2 times to complete their tasks, such as preparing the restaurant for opening, reviewing and
3 correcting paperwork, traveling to other restaurant locations to pick up ingredients and supplies,
4 and watching training and safety videos. However, Defendants failed to track this time Plaintiff
5 and other non-party Aggrieved Employees spent working off-the-clock, and thus, Plaintiff and
6 other non-party Aggrieved Employees received no compensation for this time.

7 77. Second, as stated above, due to Defendants' company-wide practices of
8 understaffing, assignment of heavy workloads, failure to schedule meal periods, and subsequent
9 lack of meal period coverage, Plaintiff and other non-party Aggrieved Employees were impeded
10 from taking all uninterrupted meal periods to which they were entitled and were required to
11 work during their meal periods, time for which they were not paid.

12 78. Moreover, as stated, in order to prevent employees from accruing meal period
13 penalties, upon information and belief, Defendants' management pressured employees to record
14 compliant meal periods even when meal periods were missed, short, and/or interrupted.
15 Moreover, Defendants' timekeeping system prevented Plaintiff and other non-party Aggrieved
16 Employees from entering time worked during meal periods because the system locked out
17 Plaintiff and other non-party Aggrieved Employees for a full 30 minutes. Thus, Defendants
18 systematically failed to pay Plaintiff and other non-party Aggrieved Employees for actual hours
19 worked during unpaid meal periods because these hours were not always correctly recorded.

20 79. Thus, Defendants did not pay minimum wages for all hours worked by Plaintiff
21 and other non-party Aggrieved Employees. To the extent that these off-the-clock hours did not
22 qualify for overtime premium payment, Defendants did not pay at least minimum wages for
23 those hours worked off-the-clock in violation of California Labor Code sections 1182.12, 1194,
24 1197, and 1198.

25 80. Defendants' failure to pay Plaintiff and other non-party Aggrieved Employees
26 minimum wages violates California Labor Code sections 1182.12, 1194, 1197, and 1198.
27 Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover civil
28 penalties pursuant to Labor Code sections 2699(a), (f), and (g).

FAILURE TO PROVIDE AND RECORD MEAL PERIODS
VIOLATION OF LABOR CODE SECTIONS 226.7, 512(a), 516, AND 1198

81. At all relevant times herein set forth, the applicable IWC Wage Order and California Labor Code sections 226.7, 512(a), 516, and 1198 were applicable to Plaintiff's and non-party Aggrieved Employees' employment by Defendants.

82. At all relevant times herein set forth, California Labor Code section 512(a) provides that an employer may not require, cause, or permit an employee to work for a period of more than five (5) hours per day without providing the employee with a meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is not more than six (6) hours, the meal period may be waived by mutual consent of both the employer and the employee. Under California law, first meal periods must start after no more than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (2012).

83. At all relevant times herein set forth, California Labor Code sections 226.7, 512(a), 516, and 1198 provide that no employer shall require an employee to work during any meal period mandated by an applicable order of the IWC.

84. At all relevant times herein set forth, Labor Code sections 226.7, 512(a), 1198, and the applicable IWC Wage Order also require employers to provide a second meal period of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay an employee one (1) additional hour of pay at the employee's regular rate, except that if the total hours worked is no more than twelve (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.

85. Under California law, an employer cannot evade meal period requirements via the use of "on-duty" meal agreements because it understaffs its locations. *Abdullah v. U.S. Sec. Assocs.*, 731 F.3d 952, 963 (9th Cir. Cal. 2013).

86. First, during the relevant time period, as stated, Defendants had, and continue to have, a company-wide policy and/or practice of understaffing their locations due to their use of a labor budget and/or limited payroll allocation, which, combined with the assignment of heavy workloads, and failure to schedule meal periods, has resulted in a lack of meal period coverage

1 and prevented Plaintiff and other non-party Aggrieved Employees from taking all timely,
2 uninterrupted meal periods to which they were entitled. As a result, Plaintiff and other non-party
3 Aggrieved Employees had to work through all or part of their meal periods, had their meal periods
4 interrupted, and/or wait extended periods of time before taking meal periods to which they were
5 entitled. For example, approximately 3-4 times per week, Plaintiff missed his meal periods
6 entirely. On days when Plaintiff was able to take his meal periods, he took them late,
7 approximately after the 7th or 8th hour of work, and often had his meal periods interrupted and/or
8 cut short in order to assist crew members.

9 87. Furthermore, as stated, because Defendants frowned upon employees accruing
10 meal period penalties, Defendants' management pressured Plaintiff and other non-party
11 Aggrieved Employees to clock out for meal periods to reflect compliant meal periods, regardless
12 of whether they had received a compliant meal period or not, in order to strictly limit meal
13 penalties that would need to be paid by Defendants. For example, Plaintiff was required to
14 clock out for his meal period to record that he had received compliant meal periods on shifts
15 when he had not, in fact, received these timely meal periods.

16 88. Second, on information and belief, as stated, Defendants' company-wide
17 timekeeping system prevented Plaintiff and other non-party Aggrieved Employees from
18 recording when their meal periods were shortened or interrupted, because the system locked out
19 Plaintiff and other non-party Aggrieved Employees once they clocked out for a meal period,
20 and would not permit them to clock back in from a meal period before 30 minutes had elapsed.
21 For example, Plaintiff had his meal periods interrupted or cut short to go back to assisting crew
22 members, in order to keep up with customer demand and handle the heavy workload, but was
23 unable to record that his meal period was shortened.

24 89. Third, Defendants did not provide Plaintiff and other non-party Aggrieved
25 Employees with second 30-minute meal periods on days that they worked in excess of ten (10)
26 hours in one day. During his employment, Plaintiff regularly worked shifts in excess of ten (10)
27 or more hours per day but was not provided a second 30-minute meal period. Plaintiff and other
28 non-party Aggrieved Employees did not sign valid meal period waivers on days that they were

1 entitled to meal periods and were not relieved of all duties.

2 90. Moreover, Defendants had a company-wide policy of requiring all newly hired
3 employees to sign blanket meal period waivers at or near their time of hire. Defendants took
4 the position that non-exempt, hourly paid employees had waived their rights to first meal
5 periods for the entirety of their employment and, on that basis, did not provide them with all
6 meal periods to which they were entitled. Furthermore, Defendants' "First Meal Period Waiver
7 Agreement" requires employees to provide written notice should they wish to revoke the waiver.
8 Defendants' presumption that meal periods would not be provided for shifts in excess of five
9 (5) hours but less than six (6) hours, due to blanket meal period waivers signed at or near the
10 time of hire, and imposition on employees to revoke the waivers in writing, discouraged and
11 impeded Plaintiff and other non-party Aggrieved Employees from taking all meal periods to
12 which they were entitled.

13 91. Furthermore, an employer's obligation to provide a meal period is only
14 "triggered" when the employer "employs an employee for a work period of more than five hours
15 per day." *Brinker*, 53 Cal. 4th at 1039 ("If an employer engages, suffers, or permits anyone to
16 work for a full five hours, its meal break obligation is triggered.").

17 [A]fter the meal break obligation is triggered . . . an employer is put to a
18 choice: it must (1) afford an off-duty meal period; (2) consent to a
19 mutually agreed-upon waiver if one hour or less will end the shift; or (3)
20 obtain written agreement to an on-duty meal period if circumstances
permit. Failure to do one of these will render the employer liable for
premium pay.

21 *Id.* (citing Cal. Labor Code § 226.7; Wage Order No. 5, subd. 11(A), (B)). That Defendants
22 required Plaintiff and other non-party Aggrieved Employees to sign meal period waivers
23 simultaneously at or near their time of hire (as opposed to on a specific work day) renders them
24 invalid and unenforceable, because Defendants' obligation to provide Plaintiff and other non-
25 party Aggrieved Employees with meal periods did not arise until they had employed them for a
26 full five (5) hours.

27 92. Finally, Defendants took the position that the nature of work performed by
28 Plaintiff and other non-party Aggrieved Employees called for "on-duty" meal periods and on

1 that basis, did not provide off duty meal periods and did not pay Plaintiff and other non-party
2 Aggrieved Employees meal period premiums for noncompliant meal periods. Specifically,
3 Defendants implemented a company-wide “On-Duty Meal Period Agreement” and required
4 Plaintiff and other non-party Aggrieved Employees to execute the agreement at their time of
5 hire. Defendants’ “On-Duty Meal Period Agreement” provides, in relevant part:

6 [I]n some circumstances the nature of Employee’s work may prevent the
7 Employee from being relieved of all duty during the Employees meal
8 period. The Employee hereby voluntarily agrees to an on-duty meal
9 period in such cases, that shall be paid by the Company. This agreement
signifies that Employee is waiving Employee’s right to an off-duty meal
period in such circumstances. . .

10 However, Defendants’ use of an “on-duty” meal period policy is and was unlawful. Under
11 California law, “on-duty” meal periods are a limited alternative to the requirement to provide off-
12 duty meal periods and can only be utilized under certain circumstances.

13 93. Defendants’ business did not require a single-employee staffing model given
14 multiple employees worked at their worksites. There were usually at least a few other
15 employees employed by Defendants at Plaintiff’s restaurant location and the restaurant location
16 was not in an isolated area. Further, the work of Defendants’ restaurant employees is not the
17 kind that could be said to meet the “nature of the work” exception. Plaintiff and other non-party
18 Aggrieved Employees were responsible for taking orders, preparing food items, and cleaning
19 the restaurant. None of these tasks is akin to the kind that the California Division of Labor
20 Standards Enforcement has found to warrant an “on-duty” meal period, such as transporting
21 hazardous materials via vehicles that must be monitored at all times pursuant to federal
22 regulation. Therefore, Defendants’ use of an “on duty” meal period agreement is improper and
23 unlawful.

24 94. Defendants knew or should have known that as a result of their company-wide
25 policies and/or practices, Plaintiff and other non-party Aggrieved Employees were prevented
26 from being relieved of all duties and required to perform some of their assigned duties during
27 meal periods. Defendants further knew or should have known that they did not pay Plaintiff
28 and other non-party Aggrieved Employees meal period premiums when meal periods were late,

1 interrupted, shortened, and/or missed.

2 95. Moreover, Defendants engaged in a company-wide practice and/or policy of not
3 paying all meal period premiums owed when compliant meal periods are not provided. Because
4 of this practice and/or policy, Plaintiff and other non-party Aggrieved Employees have not
5 received premium pay for all missed, late, and interrupted meal periods. Alternatively, to the
6 extent that Defendants did pay Plaintiff and other non-party Aggrieved Employees for missed,
7 late, and interrupted meal periods, Defendants did not pay Plaintiff and other non-party
8 Aggrieved Employees at the correct rate of pay for premiums because Defendants
9 systematically failed to include all forms of compensation, such as incentive pay,
10 nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.
11 Therefore, during times when Plaintiff and other non-party Aggrieved Employees received meal
12 period premiums and these other forms of pay, Defendants failed to pay full meal period
13 premiums by paying a lower rate than required. Specifically, Defendants paid Plaintiff and
14 other non-party Aggrieved Employees meal period premiums at their straight hourly rate of pay
15 instead of at their regular rate of pay.

16 96. Defendants' conduct violates the applicable IWC Wage Order, and California
17 Labor Code sections 226.7, 512(a), 516, and 1198. Plaintiff and other non-party Aggrieved
18 Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections 558
19 and/or 2699(a), (f), and (g).

20 **FAILURE TO AUTHORIZE AND PERMIT REST PERIODS**

21 **VIOLATION OF LABOR CODE SECTIONS 226.7, 516, AND 1198**

22 97. At all relevant times herein set forth, the applicable IWC Wage Order and
23 California Labor Code sections 226.7, 516, and 1198 were applicable to Plaintiff's and other
24 non-party Aggrieved Employees' employment by Defendants.

25 98. At all relevant times, the applicable IWC Wage Order provides that "[e]very
26 employer shall authorize and permit all employees to take rest periods, which insofar as
27 practicable shall be in the middle of each work period" and that the "rest period time shall be
28 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” unless the total daily work time is less than three and one-half (3 ½) hours.

99. At all relevant times, California Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC. To comply with its obligation to authorize and permit rest periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an employer must “relinquish any control over how employees spend their break time, and relieve their employees of all duties—including the obligation that an employee remain on call. A rest period, in short, must be a period of rest.” *Augustus v. ABM Security Services, Inc.*, 2 Cal. 5th 257, 273 (2016).

100. Pursuant to the applicable IWC Wage Order and California Labor Code section 226.7(c), Plaintiff and other non-party Aggrieved Employees are entitled to recover from Defendants one (1) additional hour of pay at their regular rates of pay for each work day that a required rest period was not authorized and permitted.

101. During the relevant time period, Defendants regularly failed to authorize and permit Plaintiff and other non-party Aggrieved Employees to take a ten (10) minute rest period per each four (4) hour period worked or major fraction thereof. As with meal periods, Defendants’ company-wide use of a labor budget and/or limited payroll allocation, understaffing, and assigning heavy workloads, resulted in a lack of rest period coverage and prevented Plaintiff and other non-party Aggrieved Employees from being relieved of all duty in order to take compliant rest periods. Defendants also failed to schedule rest periods, which, coupled with Defendants’ failure to provide adequate rest period coverage, further led to Plaintiff and other non-party Aggrieved Employees not being authorized and permitted to take rest periods.

102. As a result of Defendants’ practices and policies, Plaintiff and other non-party Aggrieved Employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without receiving all uninterrupted 10-minute rest periods to which they were entitled. For example, throughout his employment, Plaintiff had to forego his rest periods

1 entirely because the restaurant was busy and did not have coverage.

2 103. Furthermore, upon information and belief, Defendants maintained and
3 implemented a company-wide on-premises rest period policy, which effectively required that
4 Plaintiff and/or other non-party Aggrieved Employees remain on Defendants' premises during
5 their rest periods. Because Plaintiff and/or other non-party Aggrieved Employees were
6 restricted from leaving the premises during rest periods, they were denied the ability to use their
7 rest periods freely for their own purposes, such as running personal errands. Thus, Defendants
8 effectively maintained control over Plaintiff and/or other non-party Aggrieved Employees
9 during rest periods.

10 104. Defendants also have engaged in a company-wide practice and/or policy of not
11 paying all rest period premiums owed when compliant rest periods are not authorized and
12 permitted. Because of this practice and/or policy, Plaintiff and other non-party Aggrieved
13 Employees have not received premium pay for all missed rest periods. Alternatively, to the
14 extent that Defendants did pay Plaintiff and other non-party Aggrieved Employees one (1)
15 additional hour of premium pay for missed rest periods, Defendants did not pay Plaintiff and
16 other non-party Aggrieved Employees at the correct rate of pay for premiums because
17 Defendants failed to include all forms of compensation, such as incentive pay, nondiscretionary
18 bonuses, and/or other forms of remuneration, in the regular rate of pay.

19 105. Accordingly, Defendants failed to authorize and permit all compliant rest periods
20 and failed to pay the full rest period premiums due. Defendants' conduct violates the applicable
21 IWC Wage Order and California Labor Code sections 226.7, 516, and 1198. Plaintiff and other
22 non-party Aggrieved Employees are therefore entitled to recover civil penalties pursuant to
23 Labor Code sections 558 and/or 2699(a), (f), and (g).

24 **FAILURE TO PROVIDE AND MAINTAIN COMPLIANT WAGE STATEMENTS**

25 **VIOLATION OF LABOR CODE SECTIONS 226(a), 1174(d), AND 1198**

26 106. At all relevant times herein, California Labor Code section 226(a) provides that
27 every employer shall furnish each of his or her employees an accurate and complete itemized
28 wage statement in writing, including, but not limited to, the name and address of the legal entity

1 that is the employer, the inclusive dates of the pay period, total hours worked, and all applicable
2 rates of pay.

3 107. During the relevant time period, Defendants have knowingly and intentionally
4 provided Plaintiff and other non-party Aggrieved Employees with uniform, incomplete, and
5 inaccurate wage statements. For example, Defendants issued uniform wage statements to
6 Plaintiff and other non-party Aggrieved Employees that fail to correctly list: gross wages
7 earned; total hours worked; net wages earned; and all applicable hourly rates in effect during
8 the pay period, including rates of pay for overtime wages, meal and rest period premiums, and/or
9 paid sick leave, and the corresponding number of hours worked at each hourly rate.
10 Specifically, Defendants violated sections 226(a)(1), 226(a)(2), 226(a)(5), and 226(a)(9).

11 108. Because Defendants did not record the time Plaintiff and other non-party
12 Aggrieved Employees spent working off-the-clock and deducted time from their records for
13 meal periods that were interrupted and/or missed (and therefore time for which they should have
14 been paid), Defendants did not list the correct amount of gross wages and net wages earned by
15 Plaintiff and other non-party Aggrieved Employees in compliance with section 226(a)(1) and
16 section 226(a)(5), respectively. For the same reason, Defendants failed to accurately list the
17 total number of hours worked by Plaintiff and other non-party Aggrieved Employees, in
18 violation of section 226(a)(2), and failed to list the applicable hourly rates of pay in effect during
19 the pay period and the corresponding accurate number of hours worked at each hourly rate, in
20 violation of section 226(a)(9).

21 109. Additionally, because Defendants did not calculate Plaintiff's and other non-
22 party Aggrieved Employees' regular rate of pay correctly for purposes of paying overtime
23 wages, meal and rest period premiums, and/or paid sick leave, Defendants did not list the correct
24 amount of gross wages in compliance with section 226(a)(1) and did not list the correct amount
25 of net wages in violation of section 226(a)(5). Defendants also failed to correctly list all
26 applicable hourly rates in effect during the pay period, namely, correct rates of pay for overtime
27 wages, meal and rest period premiums, and/or paid sick leave, in violation of section 226(a)(9).

28 110. The wage statement deficiencies also include, among other things, failing to list

1 the number of piece-rate units earned and any applicable piece rate if the employee is paid on a
2 piece-rate basis; failing to list all deductions; failing to list the inclusive dates of the period for
3 which aggrieved employees were paid; failing to list the name of the employee and only the last
4 four digits of his or her social security number or an employee identification number other than
5 a social security number; failing to list the name and address of the legal entity that is the
6 employer; and/or failing to state all hours worked as a result of not recording or stating the hours
7 worked off-the-clock.

8 111. California Labor Code section 1174(d) provides that “[e]very person employing
9 labor in this state shall . . . [k]eep a record showing the names and addresses of all employees
10 employed and the ages of all minors” and “[k]eep, at a central location in the state or at the
11 plants or establishments at which employees are employed, payroll records showing the hours
12 worked daily by and the wages paid to, and the number of piece-rate units earned by and any
13 applicable piece rate paid to, employees employed at the respective plants or
14 establishments. . . .” Labor Code section 1174.5 provides that employers are subject to a \$500
15 civil penalty if they fail to maintain accurate and complete records as required by section
16 1174(d). During the relevant time period, and in violation of Labor Code section 1174(d),
17 Defendants willfully failed to maintain accurate payroll records for Plaintiff and other non-party
18 Aggrieved Employees showing the daily hours they worked and the wages paid thereto as a result
19 of failing to record the off-the-clock hours that they worked.

20 112. California Labor Code section 1198 provides that the maximum hours of work
21 and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set
22 forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he employment
23 of any employees for longer hours than those fixed by the order or under conditions of labor
24 prohibited by the order is unlawful.” Pursuant to the applicable IWC Wage Order, employers
25 are required to keep accurate time records showing when the employee begins and ends each
26 work period and meal period. During the relevant time period, Defendants failed, on a
27 company-wide basis, to keep accurate records of work period and meal period start and stop
28 times for Plaintiff and other non-party Aggrieved Employees, in violation of section 1198.

Furthermore, in light of Defendants' failure to provide Plaintiff and other non-party Aggrieved Employees with second 30-minute meal periods to which they were entitled, Defendants kept no records of meal start and end times for second meal periods.

113. Defendants' conduct violates California Labor Code 226(a), 1174(d), and 1198. Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f), and (g).

FAILURE TO PAY WAGES DURING EMPLOYMENT

VIOLATION OF LABOR CODE SECTION 204

114. At all relevant times herein set forth, California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed. Labor Code section 204 further provides that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month.

115. At all relevant times herein, California Labor Code section 204 also requires that 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. Alternatively, at all relevant times herein, Labor Code section 204 provides that the requirements of this section are deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven (7) calendar days following the close of the payroll period.

116. During the relevant time period, Defendants willfully failed to pay Plaintiff and other non-party Aggrieved Employees all wages due to them within any time period specified by California Labor Code section 204 including, but not limited to, overtime wages, minimum wages, meal and rest period premiums, and/or sick leave pay.

117. Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections 210 and/or 2699(a), (f), and (g).

1 **FAILURE TO PAY WAGES UPON TERMINATION**

2 **VIOLATION OF LABOR CODE SECTIONS 201 AND 202**

3 118. At all times relevant herein set forth, Labor Code sections 201 and 202 provide
4 that if an employer discharges an employee, the wages earned and unpaid at the time of
5 discharge are due and payable immediately, and that if an employee voluntarily leaves his or
6 her employment, his or her wages shall become due and payable not later than seventy-two (72)
7 hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his
8 or her intention to quit, in which case the employee is entitled to his or her wages at the time of
9 quitting.

10 119. On information and belief, Defendants have a company-wide practice or policy
11 of paying departing employees their final wages on the next regular pay cycle, instead of
12 adhering to the time requirements set forth in Labor Code sections 201 and 202. For example,
13 Plaintiff resigned from his employment on January 3, 2023; however, he did not receive his
14 final pay until on or about January 9, 2023. Thus, Defendants failed to pay Plaintiff and other
15 non-party Aggrieved Employees their final wages within the requisite time limit in violation of
16 California Labor Code section 202.

17 120. Additionally, Defendants willfully failed to pay Plaintiff and other non-party
18 Aggrieved Employees who are no longer employed by Defendants the earned and unpaid wages
19 set forth above, including but not limited to, overtime wages, minimum wages, meal and rest
20 period premiums, and/or sick leave pay, either at the time of discharge, or within seventy-two
21 (72) hours of their leaving Defendants' employ.

22 121. Defendants' failure to pay Plaintiff and those non-party Aggrieved Employees
23 who are no longer employed by Defendants their wages earned and unpaid at the time of
24 discharge, or within seventy-two (72) hours of their leaving Defendants' employ, violates Labor
25 Code sections 201 and 202. Plaintiff and other non-party Aggrieved Employees are therefore
26 entitled to recover civil penalties pursuant to Labor Code sections 256 and/or 2699(a), (f), and
27 (g).

28 ///

**FAILURE TO PROPERLY CALCULATE SICK LEAVE RATES OF PAY AND
FAILURE TO PROVIDE WRITTEN NOTICE OF PAID SICK LEAVE
VIOLATION OF LABOR CODE SECTION 246 AND 248.6**

122. At all relevant times herein, California Labor Code sections 245.5, 246, 246.5, 247, 247.5, 248.5, and 249 provide employees who have worked in California for 30 or more days from the commencement of employment with paid sick days, to be accrued at least one hour for every 30 hours worked. Labor Code section 246(i) provides that an employer must provide an employee with written notice that sets forth the amount of paid sick leave available, or paid time off that an employer provides in lieu of sick leave, for use on either the employee's itemized wage statement or in a separate written statement provided on the designated pay date with the employee's wages. Further, Labor Code section 246(l) provides that an employer shall calculate paid sick leave by using one of two calculations: 1) "[p]aid sick time for nonexempt employees shall be calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek[;]" or 2) "[p]aid sick time for nonexempt employees shall be calculated by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment."

123. At all relevant times here, California Labor Code section 248.6 provides covered employees with COVID-19 supplemental paid sick leave. Labor Code section 248.6(d) provides that COVID-19 supplemental paid sick leave shall be set forth separately from paid sick days and that an "employer shall provide an employee with written notice that sets forth the amount of COVID-19 supplemental paid sick leave that the employee has used through the pay period in which it was due to be paid on either the employee's itemized wage statement . . . or in a separate written statement provided on the designated pay date with the employee's payment of wages. The employer shall list zero hours used if a worker has not used any COVID-19 supplemental paid sick leave." Further, Labor Code section 248.6(b)(3)(A) provides each hour of COVID-19 supplemental paid sick leave shall be compensated at a rate equal to the following: 1) "[c]alculated in the same manner as the regular rate of pay for the workweek in

1 which the employee uses paid sick time, whether or not the employee actually works overtime
2 in that workweek[;]” or 2) “[c]alculated by dividing the employee’s total wages, not including
3 overtime premium pay, by the employee’s total nonovertime hours worked in the full pay
4 periods occurring within the prior 90 days of employment; provided that, for nonexempt
5 employees paid by piece rate, commission or other method that uses all hours to determine the
6 regular rate of pay, total wages, not including overtime premium pay, shall be divided by all
7 hours, to determine the correct amount of COVID-19 supplemental paid sick leave under this
8 subdivision.”

9 124. During the relevant time period, Defendants did not pay other non-party
10 Aggrieved Employees the correct sick leave rates of pay. In addition to an hourly wage,
11 Defendants paid other non-party Aggrieved Employees incentive pay, nondiscretionary
12 bonuses, and/or other forms of remuneration. However, in violation of the California Labor
13 Code, Defendants failed to incorporate all remunerations, including incentive pay and/or
14 nondiscretionary bonuses, into the calculation of the regular rate of pay for purposes of
15 calculating the sick leave rate. Therefore, during times when other non-party Aggrieved
16 Employees took sick leave and received these other forms of pay, Defendants failed to pay all
17 sick leave benefits by paying a lower sick leave rate than required. Specifically, Defendants
18 paid other non-party Aggrieved Employees sick leave based on their hourly rate of pay instead
19 of their regular rate of pay.

20 125. Defendants’ failure to properly calculate the sick leave rates of pay based on all
21 remuneration paid has resulted in an underpayment of sick leave benefits to other non-party
22 Aggrieved Employees on a company-wide basis in violation of California Labor Code sections
23 246(l) and 248.6(b)(3)(A).

24 126. Moreover, during the relevant time period, Defendants failed, on a company-
25 wide basis, to provide Plaintiff and other non-party Aggrieved Employees with written notice
26 on wage statements and/or other separate written statements that listed the amount of COVID-
27 19 supplemental paid sick leave used by them. Defendants’ systematic failure to provide written
28 notice of COVID-19 supplemental paid sick leave benefits to Plaintiff and other non-party

1 Aggrieved Employees violates Labor Code section 248.6(d).

2 127. Plaintiff and other non-party Aggrieved Employees are therefore entitled to
3 recover civil penalties pursuant to Labor Code sections 248.5 and/or 2699(a), (f), and (g).

4 **FAILURE TO PROVIDE ONE DAY'S REST IN SEVEN**

5 **VIOLATION OF LABOR CODE SECTIONS 551 and 552**

6 128. At all relevant times herein, California Labor Code section 551 provides that
7 every person employed in any occupation of labor is entitled to one day's rest in seven.
8 Additionally, California Labor Code section 552 prohibits employers from requiring employees
9 to work more than six consecutive days without a day of rest.

10 129. At all relevant times herein set forth, California Labor Code section 556 exempts
11 an employer from the day-of-rest requirement when the total hours worked by an employee do
12 not exceed 30 hours in any week or six hours in any one day thereof.

13 130. During the relevant period, on information and belief, Defendants required
14 Plaintiff and other non-party Aggrieved Employees to work six (6) or more hours per day and
15 seven (7) consecutive days in a workweek. For example, Plaintiff worked nine (9) consecutive
16 days from August 23, 2022, to August 31, 2022, without being afforded the opportunity to take
17 one day's rest. Because Plaintiff and other non-party Aggrieved Employees worked over thirty
18 (30) hours per week and over six (6) hours in any one day in a workweek, they were not exempt
19 from the day-of-rest requirement. To the extent that Plaintiff and other non-party Aggrieved
20 Employees signed purported waivers of their right to a day's rest in seven, such waivers are
21 invalid.

22 131. Thus, during the relevant time period, and in violation of California Labor Code
23 sections 551 and 552, Defendants caused other non-party Aggrieved Employees to work more
24 than six days in seven. Other non party Aggrieved Employees are therefore entitled to recover
25 civil penalties pursuant to Labor Code sections 558 and/or 2699(a), (f), and (g).

26 **FAILURE TO REIMBURSE NECESSARY BUSINESS EXPENSES**

27 **VIOLATION OF LABOR CODE SECTION 2802**

28 132. At all times herein set forth, California Labor Code section 2802 provides that

1 an employer must reimburse employees for all necessary expenditures and losses incurred by
2 the employee in the performance of his or her job. The purpose of Labor Code section 2802 is
3 to prevent employers from passing off their cost of doing business and operating expenses on
4 to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144
5 (2014). The applicable wage order, IWC Wage Order No. 5-2001 provides that: “[w]hen tools
6 or equipment are required by the employer or are necessary to the performance of a job, such
7 tools and equipment shall be provided and maintained by the employer, except that an employee
8 whose wages are at least two (2) times the minimum wage provided herein may be required to
9 provide and maintain hand tools and equipment customarily required by the trade or craft.”
10 IWC Wage Order No. 5-2001 further provides that: “[w]hen uniforms are required by the
11 employer to be worn by the employee as a condition of employment, such uniforms shall be
12 provided and maintained by the employer.”

13 133. First, Defendants had a company-wide policy of requiring Plaintiff and other
14 non-party Aggrieved Employees to utilize their own personal vehicles to carry out company
15 business, but failed to reimburse them for all costs of travel, including mileage. For example,
16 about three (3) times per week, Plaintiff was required to drive to Defendants’ other restaurant
17 locations to obtain ingredients or restaurant supplies. Plaintiff estimates he drove 20-50 miles
18 each trip in order to fulfill his work-related duties. Although Defendants required Plaintiff and
19 other non-party Aggrieved Employees to utilize their own vehicles to carry out their work-
20 related responsibilities, Defendants did not always reimburse them for their travel expenses.

21 134. Second, during the relevant time period, Defendants had a company-wide policy
22 of requiring Plaintiff and other non-party Aggrieved Employees to utilize their own personal
23 mobile devices, including cellular phones, and/or mobile data to carry out their job duties, but
24 Defendants failed to reimburse them for the costs of their work-related mobile device expenses.
25 For example, Plaintiff was required to use his personal cellular phone to communicate with crew
26 members and his district manager regarding scheduling and work-related updates. Although
27 Defendants required Plaintiff and other non-party Aggrieved Employees to utilize their personal
28 mobile devices and/or mobile data to carry out their work-related responsibilities, Defendants

1 failed to reimburse them for this cost.

2 135. Third, during the relevant time period, Defendants, on a company-wide basis,
3 expected employees to report to work in clean and presentable uniform shirts bearing the Carl's
4 Jr. company logo, but did not provide their employees with sufficient uniforms to wear for their
5 shifts throughout the week. For example, Defendants only provided other non-party Aggrieved
6 Employees with three (3) shirts at the time of hire. Because Defendants failed to provide other
7 non-party Aggrieved Employees with an adequate number of uniform items in relation to their
8 scheduled shifts and for the tasks they were required to perform, on information and belief,
9 other non-party Aggrieved Employees had to wash their uniforms more frequently than they
10 otherwise do laundry, and incur expenses in doing so. Thus, Defendants failed to maintain
11 uniforms they required other non-party Aggrieved Employees to wear during their shifts and
12 forced them to incur the cost of maintaining employee uniforms.

13 136. Defendants could have provided Plaintiff and other non-party Aggrieved
14 Employees with the actual equipment for use on the job, such as company vehicles and company
15 mobile devices as well as an adequate number of uniform items or access to laundering services.
16 Or, Defendants could have reimbursed employees for their mileage; travel expenses; mobile
17 device usage; and laundering expenses or provided a uniform maintenance allowance. Instead,
18 Defendants passed these operating costs off onto Plaintiff and other non-party Aggrieved
19 Employees. At all relevant times, Plaintiff did not earn at least two (2) times the minimum
20 wage.

21 137. Defendants' company-wide policy and/or practice of not reimbursing employees
22 for expenses necessarily incurred and passing on their operating costs to Plaintiff and other non-
23 party Aggrieved Employees violates California Labor Code section 2802. Plaintiff and other
24 non-party Aggrieved Employees are therefore entitled to recover civil penalties pursuant to
25 Labor Code sections 2699(a), (f), and (g).

26 **REQUEST FOR JURY TRIAL**

27 Plaintiff requests a trial by jury.

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1 **PRAYER FOR RELIEF**

2 Plaintiff, on behalf of all other non-party Aggrieved Employees, prays for relief and
3 judgment against Defendants, jointly and severally, as follows:

4 1. For civil penalties and attorneys' fees in excess of twenty-five thousand dollars
5 (\$25,000). Plaintiff reserves the right to amend his prayer for relief to seek a different amount.

6 **As to the First Cause of Action**

7 2. That the Court declare, adjudge and decree that Defendants violated the
8 following California Labor Code provisions as to Plaintiff and/or other non-party Aggrieved
9 Employees: 510 and 1198 (by failing to pay all overtime compensation); 226.7, 510, and 1198
10 (by failing to include all forms of remuneration in the "regular rate" of pay for purposes of
11 paying overtime wages and/or meal and rest period premiums); 1182.12, 1194, 1197, and 1198
12 (by failing to pay at least minimum wages for all hours worked); 226.7, 512(a), 516, 1198 (by
13 failing to provide all meal periods); 226.7, 516, and 1198 (by failing to authorize and permit all
14 rest periods); 226(a), 1174(d), and 1198 (by failing to provide accurate wage statements and
15 maintain accurate payroll records); 204 (by failing to timely pay all earned wages during
16 employment); 201 and 202 (by failing to timely pay all earned wages upon termination); 246
17 and 248.6 (by failing to properly calculate sick leave pay and provide written notice of paid sick
18 leave available); 551 and 552 (by failing to provide one day's rest in seven); and 2802 (by
19 failing to reimburse business expenses);

20 3. For civil penalties, pursuant to California Labor Code sections 210, 226.3, 248.5,
21 256, 558, 1174.5, 2699(a), (f), and (g), for violations of California Labor Code sections 201,
22 202, 204, 226(a), 226.7, 246, 248.6, 510, 512(a), 516, 551, 552, 1174(d), 1182.12, 1194, 1197,
23 1198, and 2802;

24 4. For attorneys' fees and costs pursuant to California Labor Code section
25 2699(g)(1), and any and all other relevant statutes, for Defendants' violations of California
26 Labor Code sections 201, 202, 204, 226(a), 226.7, 246, 248.6, 510, 512(a), 516, 551, 552,
27 1174(d), 1182.12, 1194, 1197, 1198, and 2802;

28 5. For pre-judgment and post-judgment interest as provided by law; and

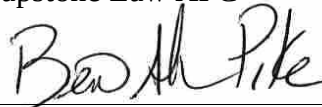
1 6. For such other and further relief as the Court may deem equitable and
2 appropriate.

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4 Dated: June 20, 2023.

Respectfully submitted,

Capstone Law APC

5
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7 By:



Bevin Allen Pike
Daniel S. Jonathan
Trisha K. Monesi

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9 Attorneys for Plaintiff Nathaniel Baker
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EXHIBIT “1”

NINEL KOCHARYAN
310.712.8146 Direct
Ninel.Kocharyan@capstonelawyers.com

April 14, 2023

VIA ONLINE SUBMISSION

California Labor & Workforce Development Agency
ATTN: PAGA Administrator
(<https://dir.tfaforms.net/308>)

Subject: *Nathanial Baker v. CLK HR Acquisition, LLC, et al.*

Dear PAGA Administrator:

This office represents Nathanial Baker in connection with his claims under the California Labor Code. Mr. Baker was an employee of CLK HR ACQUISITION, LLC; CLK 1, LLC; CLK 2, LLC; CLK 3, LLC; CLK 4, LLC; CLK 5, LLC; CLK DESERT STAR, LP; CLK STAR, LLC; CLK REAL ESTATE, LLC; and/or CLK PROPERTIES, LLC. For the purpose of this letter, Mr. Baker collectively refers to these entities as “CLK.”

The employers may be contacted directly at the addresses below:

CLK HR ACQUISITION, LLC
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276

CLK 1, LLC
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276

CLK 2, LLC
72295 MANUFACTURING RD.
THOUSAND PALMS, CA 92276

CLK 3, LLC
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276

CLK 4, LLC
72295 MANUFACTURING RD.
THOUSAND PALMS, CA 92276

CLK 5, LLC
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276

CLK DESERT STAR, LP
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276

CLK STAR, LLC
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276

CLK REAL ESTATE, LLC
72295 MANUFACTURING RD
THOUSAND PALMS, CA 92276

CLK PROPERTIES, LLC
1001 EMERALD BAY
LAGUNA BEACH, CA 92651

Mr. Baker intends to seek civil penalties, attorney’s fees, costs, and other available relief for violations of the California Labor Code, which are recoverable under sections 2698, *et seq.*, the Labor Code Private

Attorneys General Act of 2004 (“PAGA”). Mr. Baker seeks relief on behalf of himself, the State of California, and other persons who are or were employed by CLK as a non-exempt, hourly paid employee in California and who received at least one wage statement (“aggrieved employees”). This letter is sent in compliance with the notice and reporting requirements of California Labor Code section 2699.3.

CLK employed Mr. Baker as an hourly paid, non-exempt employee from approximately May 2022 to December 2022. Mr. Baker worked for CLK as a General Manager and Shift Leader at its Carl’s Jr. locations in Hemet and Highland, California. During his employment, Mr. Baker typically worked 10 or more hours per day and six (6) or more days per week. At the time his employment ended, Mr. Baker was compensated approximately \$18.50 per hour. Mr. Baker’s job duties included, without limitation, fulfilling food orders, preparing food, completing paperwork, cleaning the restaurant, monitoring security cameras, providing customer service, and training crew members.

CLK committed one or more of the following Labor Code violations against Mr. Baker the facts and theories of which follow, making him an “aggrieved employee” pursuant to California Labor Code section 2699(c):¹

CLK’s Company-Wide and Uniform Payroll and HR Practices

CLK HR ACQUISITION, LLC; CLK REAL ESTATE, LLC; and CLK PROPERTIES, LLC are California limited liability companies. CLK 1, LLC; CLK 2, LLC; CLK 3, LLC; CLK 4, LLC; CLK 5, LLC; and CLK STAR, LLC are Delaware limited liability companies. CLK DESERT STAR, LP is a California limited partnership. Together, they own and operate Carl’s Jr. fast food franchise restaurants in California. Upon information and belief, CLK maintains a single, centralized Human Resources (HR) department at its corporate headquarters in Thousand Palms or Laguna Beach, California, for all non-exempt, hourly paid employees working for CLK in California, including Mr. Baker and other aggrieved employees. At all relevant times, CLK issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Mr. Baker and other aggrieved employees, regardless of their location or position.

Upon information and belief, CLK maintains a centralized Payroll department at its corporate headquarters in Thousand Palms or Laguna Beach, California, which processes payroll for all non-exempt, hourly paid employees working for CLK in California, including Mr. Baker and other aggrieved employees. Further, CLK issues the same formatted wage statements in the same manner for all non-exempt, hourly paid employees working in California, including Mr. Baker and other aggrieved employees, irrespective of their location, position, or manner in which each employee’s employment ended. In other words, CLK utilized the same methods and formulas when calculating wages due to Mr. Baker and other aggrieved employees in California.

Violation of California Labor Code §§ 510 and 1198 – Unpaid Overtime

California Labor Code sections 510 and 1198 and the applicable Industrial Welfare Commission (“IWC”) Wage Order require employers to pay employees working more than eight (8) hours in a day or more than

¹ These facts, theories, and claims are based on Mr. Baker’s experience and counsel’s review of those records currently available relating to Mr. Baker’s employment. Discovery conducted in litigation of wage and hour claims such as these often reveals additional claims that the aggrieved employee was not initially aware of (because the aggrieved employee was not aware of the law’s requirements, the employer misinformed its employee of the law’s requirements, or because the employer effectively hid the violations). Thus, Mr. Baker reserves the right to supplement this letter with additional facts, theories, and claims if he becomes aware of them subsequent to the submission of this letter.

forty (40) hours in a workweek at the rate of time-and-one-half (1 ½) times the regular rate of pay for all hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a workweek. The applicable IWC Wage Order further provides that employers are required to pay employees working more than twelve (12) hours in a day overtime compensation at a rate of two (2) times their regular rate of pay. An employee's regular rate of pay includes all remuneration for employment paid to, or on behalf of, the employee, including nondiscretionary bonuses and incentive pay.

CLK willfully failed to pay all overtime wages owed to Mr. Baker and other aggrieved employees. During the relevant time period, Mr. Baker and other aggrieved employees were not paid overtime premiums for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty (40) hours in a week, because all hours that they worked were not recorded.

First, during the relevant period, CLK had, and continues to have, a company-wide policy of discouraging and impeding Mr. Baker and other aggrieved employees from recording hours worked that were outside of their scheduled shifts in order to limit the amount of overtime employees could accrue. This policy of limiting overtime, coupled with CLK's use of labor budgets and assignment of heavy workloads, led Mr. Baker and other aggrieved employees to work off-the-clock before and after their scheduled shift times. For example, about three (3) times per week before he clocked in for his shifts, Mr. Baker worked off-the-clock up to one (1) hour preparing the restaurant for opening and reviewing and correcting paperwork. As a further example, about three (3) times per week after he clocked out from his shifts, Mr. Baker was required to travel to CLK's other restaurant locations to pick up ingredients and supplies needed at his location, which took him up to two (2) hours per instance to complete. CLK purposely limited amount of time it would compensate employees for this travel to two (2) hours per pay period, which was wholly insufficient for the number of hours that Mr. Baker actually spent traveling. Additionally, Mr. Baker and other aggrieved employees were required to watch various safety and training videos, but due to the heavy workload and limitation on accruing overtime, were not able to watch them during their shifts. As a result, Mr. Baker was forced to watch the training videos before or after his scheduled shifts and/or on days off and spent approximately 10 hours doing so over the course of his employment, time for which he was not paid. Thus, CLK failed to track this time spent working before or after scheduled shifts, and Mr. Baker and other aggrieved employees received no compensation for this time.

Second, as stated, CLK had, and continues to have, a company-wide policy of strictly staffing its restaurant locations based on the labor hours allocated by each location's labor or payroll budget set by corporate. This practice of labor budgeting and/or limited payroll allocation, combined with the assignment of heavy workloads, has resulted in chronic understaffing and a lack of adequate meal period coverage, because there were too few employees on duty to handle the workload. Moreover, CLK has a practice of failing to schedule meal periods, which further caused Mr. Baker and other aggrieved employees to not be relieved of their duties for compliant meal periods. As a result of this inadequate meal period coverage, Mr. Baker and other aggrieved employees were not always afforded uninterrupted 30-minute meal periods during shifts when they were entitled to receive a meal period. Further, because CLK frowned upon employees accruing meal period penalties, CLK's management pressured employees to clock out for meal periods to reflect compliant meal periods, regardless of whether they had received a compliant meal period or not, in order to strictly limit meal penalties that would need to be paid by CLK. Consequently, Mr. Baker and other aggrieved employees performed work during meal periods for which they were not paid.

In addition, on information and belief, CLK's company-wide timekeeping system prevented Mr. Baker and other aggrieved employees from recording all hours worked when their meal periods were shortened or interrupted, because the system locked out Mr. Baker and other aggrieved employees once they clocked out for a meal period, and would not permit them to clock back in from a meal period until 30

minutes had elapsed. Thus, CLK's timekeeping system further prevented Mr. Baker and other aggrieved employees from recording all hours worked when their meal periods were shortened or interrupted.

CLK knew or should have known that as a result of these company-wide practices and/or policies, Mr. Baker and other aggrieved employees were performing assigned duties off-the-clock before and after their shifts and during meal periods, and were suffered or permitted to perform work for which they were not paid. Because Mr. Baker and other aggrieved employees regularly worked shifts of eight (8) hours a day or more, or forty (40) hours a week or more, some of this off-the-clock work qualified for overtime premium pay. Therefore, Mr. Baker and other aggrieved employees were not paid overtime wages for all of the overtime hours they actually worked.

Furthermore, CLK did not pay other aggrieved employees the correct overtime rate for the recorded overtime hours that they generated. In addition to an hourly wage, CLK paid other aggrieved employees incentive pay, nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the California Labor Code, CLK failed to incorporate all compensation, including incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, into the calculation of the regular rate of pay for purposes of calculating the overtime wage rate. Therefore, during times when other aggrieved employees worked overtime and received these other forms of pay, CLK failed to pay all overtime wages by paying a lower overtime rate than required.

CLK's failure to pay Mr. Baker and other aggrieved employees the balance of overtime compensation, as required by California law, violates the provisions of California Labor Code sections 510 and 1198. Mr. Baker and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 – Unpaid Minimum Wages

California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 require employers to pay employees the minimum wage fixed by the IWC. The payment of a lesser wage than the minimum so fixed is unlawful. Compensable work time is defined in Wage Order No. 5-2001 as "the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so." Cal. Code Regs. tit. 8, § 11050(2)(K) (defining "Hours Worked").

First, as stated above, as a result of CLK's policy of limiting the amount of overtime employees could accrue, CLK required Mr. Baker and other aggrieved employees to perform work off-the-clock before and after their scheduled shift start and end times to complete their tasks, such as preparing the restaurant for opening, reviewing and correcting paperwork, traveling to other restaurant locations to pick up ingredients and supplies, and watching training and safety videos. However, CLK failed to track this time Mr. Baker and other aggrieved employees spent working off-the-clock, and thus, Mr. Baker and other aggrieved employees received no compensation for this time.

Second, as stated above, due to CLK's company-wide practices of understaffing, assignment of heavy workloads, failure to schedule meal periods, and subsequent lack of meal period coverage, Mr. Baker and other aggrieved employees were impeded from taking all uninterrupted meal periods to which they were entitled and were required to work during their meal periods, time for which they were not paid.

Moreover, as stated, in order to prevent employees from accruing meal period penalties, upon information and belief, CLK's management pressured employees to record compliant meal periods when meal periods were missed, short, and/or interrupted to reflect compliant meal periods. Moreover, CLK's timekeeping

system prevented Mr. Baker and other aggrieved employees from entering time worked during meal periods because the system locked out Mr. Baker and other aggrieved employees for a full 30 minutes. Thus, CLK systematically failed to pay Mr. Baker and other aggrieved employees for actual hours worked during unpaid meal periods because these hours were not always correctly recorded.

Thus, CLK did not pay at least minimum wages for all hours worked by Mr. Baker and other aggrieved employees. Also, to the extent that these off-the-clock hours did not qualify for overtime premium payment, CLK did not pay at least minimum wages for those hours worked off-the-clock in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198.

Accordingly, CLK regularly failed to pay at least minimum wages to Mr. Baker and other aggrieved employees for all of the hours they worked in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Mr. Baker and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198 – Failure to Provide Meal Periods

California Labor Code sections 226.7, 512(a), 516, and 1198 and the applicable IWC Wage Order require employers to provide meal periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. Pursuant to Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order, an employer may not require, cause or permit an employee to work for a period of more than five (5) hours per day without providing the employee with an uninterrupted meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is not more than six (6) hours, the meal period may be waived by mutual consent of both the employer and the employee. Under California law, first meal periods must start after no more than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (2012). Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order also require employers to provide a second meal period of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay an employee one (1) additional hour of pay at the employee's regular rate, except that if the total hours worked is no more than twelve (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.

Under California law, an employer cannot evade meal period requirements via the use of "on-duty" meal agreements because it understaffs its locations. *Abdullah v. U.S. Sec. Assocs.*, 731 F.3d 952, 963 (9th Cir. Cal. 2013).

First, during the relevant time period, as stated, CLK had, and continues to have, a company-wide policy and/or practice of understaffing its locations due to labor budgeting and/or limited payroll allocation, which, combined with the assignment of heavy workloads, and failure to schedule meal periods, has resulted in a lack of meal period coverage and prevented Mr. Baker and other aggrieved employees from taking all timely, uninterrupted meal periods to which they were entitled. As a result, Mr. Baker and other aggrieved employees had to work through all or part of their meal periods, had their meal periods interrupted, and/or wait extended periods of time before taking meal periods to which they were entitled. For example, approximately 3-4 times per week, Mr. Baker missed his meal periods entirely. On days when Mr. Baker was able to take his meal periods, he took them late, approximately after the 7th or 8th hour of work, and often had his meal periods interrupted and/or cut short in order to assist crew members.

Furthermore, as stated, because CLK frowned upon employees accruing meal period penalties, CLK's management pressured Mr. Baker and other aggrieved employees to clock out for meal periods to reflect compliant meal periods, regardless of whether they had received a compliant meal period or not, in order to strictly limit meal penalties that would need to be paid by CLK. For example, Mr. Baker was required to clock out for his meal period to record that he had received compliant meal periods on shifts when he had not, in fact, received these timely meal periods.

Second, on information and belief, as stated, CLK's company-wide timekeeping system prevented Mr. Baker and other aggrieved employees from recording when their meal periods were shortened or interrupted, because the system locked out Mr. Baker and other aggrieved employees once they clocked out for a meal period, and would not permit them to clock back in from a meal period before 30 minutes had elapsed. For example, Mr. Baker had his meal periods interrupted or cut short to go back to assisting crew members, in order to keep up with customer demand and handle the heavy workload, but was unable to record that his meal period was shortened.

Third, CLK did not provide Mr. Baker and other aggrieved employees with second 30-minute meal periods on days that they worked in excess of ten (10) hours in one day. During his employment, Mr. Baker regularly worked shifts in excess of ten (10) or more hours per day but was not provided a second 30-minute meal period. Mr. Baker and other aggrieved employees did not sign valid meal period waivers on days that they were entitled to meal periods and were not relieved of all duties.

Moreover, CLK had a company-wide policy of requiring all newly hired employees to sign blanket meal period waivers at or near their time of hire. CLK took the position that non-exempt, hourly paid employees had waived their rights to first meal periods for the entirety of their employment and, on that basis, did not provide them with all meal periods to which they were entitled. CLK's presumption that meal periods would not be provided for shifts in excess of five (5) hours but less than six (6) hours, due to blanket meal period waivers signed at or near the time of hire, and imposition on employees to revoke the waivers in writing, discouraged and impeded Mr. Baker and other aggrieved employees from taking all meal periods to which they were entitled.

Furthermore, an employer's obligation to provide a meal period is only "triggered" when the employer "employs an employee for a work period of more than five hours per day." *Brinker*, 53 Cal. 4th at 1039 ("If an employer engages, suffers, or permits anyone to work for a full five hours, its meal break obligation is triggered.").

[A]fter the meal break obligation is triggered . . . an employer is put to a choice: it must (1) afford an off-duty meal period; (2) consent to a mutually agreed-upon waiver if one hour or less will end the shift; or (3) obtain written agreement to an on-duty meal period if circumstances permit. Failure to do one of these will render the employer liable for premium pay.

Id. (citing Cal. Labor Code § 226.7; Wage Order No. 5, subd. 11(A), (B)). That CLK requires Mr. Baker and other aggrieved employees to sign meal period waivers simultaneously at or near their time of hire (as opposed to on a specific work day) renders them invalid and unenforceable, because CLK's obligation to provide Mr. Baker and other aggrieved employees with meal periods did not arise until they had employed them for a full five (5) hours.

Finally, CLK took the position that the nature of work performed by Mr. Baker and other aggrieved employees called for "on-duty" meal periods and on that basis, did not provide off duty meal periods and did not pay Mr. Baker and other aggrieved employees meal period premiums for noncompliant meal periods. Specifically, CLK implemented a company-wide "On-Duty Meal Period Agreement" and

required Mr. Baker and other aggrieved employees to execute the agreement at their time of hire. CLK's "On-Duty Meal Period Agreement" provides, in relevant part:

[I]n some circumstances the nature of Employee's work may prevent the Employee from being relieved of all duty during the Employees meal period. The Employee hereby voluntarily agrees to an on-duty meal period in such cases, that shall be paid by the Company. This agreement signifies that Employee is waiving Employee's right to an off-duty meal period in such circumstances. . .

However, CLK's use of an "on-duty" meal period policy is and was unlawful. Under California law, "on-duty" meal periods are a limited alternative to the requirement to provide off-duty meal periods and can only be utilized under certain circumstances.

CLK's business did not require a single-employee staffing model given multiple employees worked at its worksites. There were usually at least a few other employees employed by CLK at Mr. Baker's restaurant location and the restaurant location was not in an isolated area. Further, the work of CLK's restaurant employees is not the kind that could be said to meet the "nature of the work" exception. Mr. Baker and other aggrieved employees were responsible for taking orders, preparing food items, and cleaning the restaurant and store. None of these tasks is akin to the kind that the DLSE has found warrant an "on-duty" meal period, such as transporting hazardous materials via vehicles that must be monitored at all times pursuant to federal regulation. Therefore, CLK's use of an "on duty" meal period is improper and unlawful.

CLK knew or should have known that as a result of its company-wide policies and/or practices, Mr. Baker and other aggrieved employees were prevented from being relieved of all duties and required to perform some of their assigned duties during meal periods. CLK further knew or should have known that it did not pay Mr. Baker and other aggrieved employees meal period premiums when meal periods were late, interrupted, shortened, and/or missed.

Moreover, CLK engaged in a company-wide practice and/or policy of not paying all meal period premiums owed when compliant meal periods are not provided. Because of this practice and/or policy, Mr. Baker and other aggrieved employees have not received premium pay for all missed, late, and interrupted meal periods. Alternatively, to the extent that CLK did pay Mr. Baker and other aggrieved employees for missed, late, and interrupted meal periods, CLK did not pay Mr. Baker and other aggrieved employees at the correct rate of pay for premiums because CLK systematically failed to include all forms of compensation, such as incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay. Therefore, during times when Mr. Baker and other aggrieved employees received meal period premiums and these other forms of pay, CLK failed to pay full meal period premiums by paying a lower rate than required. Specifically, CLK paid Mr. Baker and other aggrieved employees meal period premiums at their straight hourly rate of pay instead of at their regular rate of pay.

Accordingly, CLK failed to provide all meal periods in violation of California Labor Code sections 226.7, 516, and 1198. Mr. Baker and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226.7, 516, and 1198 – Failure to Authorize and Permit Rest Periods

California Labor Code sections 226.7, 516, and 1198 and the applicable IWC Wage Order require employers to provide rest periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. California Labor

Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC. The applicable IWC Wage Order provides that “[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period” and that the “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” unless the total daily work time is less than three and one-half (3 ½) hours.

To comply with its obligation to authorize and permit rest periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an employer must “relinquish any control over how employees spend their break time, and relieve their employees of all duties—including the obligation that an employee remain on call. A rest period, in short, must be a period of rest.” *Augustus, et al. v. ABM Security Services, Inc.*, 2 Cal. 5th 257, 273 (2016).

During the relevant time period, CLK regularly failed to authorize and permit Mr. Baker and other aggrieved employees to take a ten (10) minute rest period per each four (4) hour period worked or major fraction thereof. As with meal periods, CLK’s company-wide use of labor budgeting and/or limited payroll allocation, understaffing, and assigning heavy workloads, resulted in a lack of rest period coverage and prevented Mr. Baker and other aggrieved employees from being relieved of all duty in order to take compliant rest periods. CLK also failed to schedule rest periods, which, coupled with CLK’s failure to provide adequate rest period coverage, further led to Mr. Baker and other aggrieved employees not being authorized and permitted to take rest periods.

As a result of CLK’s practices and policies, Mr. Baker and other aggrieved employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without receiving all uninterrupted 10-minute rest periods to which they were entitled. For example, throughout his employment, Mr. Baker had to forego his rest periods entirely because the restaurant was busy and did not have coverage.

Furthermore, upon information and belief, CLK maintained a company-wide on-premises rest period policy, which mandated that Mr. Baker and/or other aggrieved employees remain on CLK’s premises during their rest periods. Because Mr. Baker and/or other aggrieved employees were restricted from leaving the premises during rest periods, they were denied the ability to use their rest periods freely for their own purposes, such as running personal errands. Thus, CLK effectively maintained control over Mr. Baker and/or other aggrieved employees during rest periods.

CLK also has engaged in a company-wide practice and/or policy of not paying all rest period premiums owed when compliant rest periods are not authorized and permitted. Because of this practice and/or policy, Mr. Baker and other aggrieved employees have not received premium pay for all missed rest periods. Alternatively, to the extent that CLK did pay Mr. Baker and other aggrieved employees one (1) additional hour of premium pay for missed rest periods, CLK did not pay Mr. Baker and other aggrieved employees at the correct rate of pay for premiums because CLK failed to include all forms of compensation, such as incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.

Accordingly, CLK failed to authorize and permit all rest periods in violation of California Labor Code sections 226.7, 516, and 1198. Mr. Baker and other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226(a), 1174(d), and 1198 – Non-Compliant Wage Statements and Failure to Maintain Accurate Payroll Records

California Labor Code section 226(a) requires employers to make, keep and provide true, accurate, and complete employment records. CLK has not provided Mr. Baker and other aggrieved employees with properly itemized wage statements. Labor Code section 226(e) provides that if an employer fails to comply with providing an employee with properly itemized wage statements as set forth in 226(a), then the employee is entitled to recover 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 to exceed \$4,000. Further, Labor Code section 226.3 provides that any employer who violates section 226(a) shall be subject to a civil penalty in the amount of \$250 per employee per violation in an initial citation and \$1,000 per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage statement or fails to keep the required records pursuant to Section 226(a).

During the relevant time period, CLK has knowingly and intentionally provided Mr. Baker and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, CLK issued uniform wage statements to Mr. Baker and other aggrieved employees that fail to correctly list: gross wages earned; total hours worked; net wages earned; and all applicable hourly rates in effect during the pay period, including rates of pay for overtime wages, meal and rest period premiums, and/or paid sick leave, and the corresponding number of hours worked at each hourly rate. Specifically, CLK violated sections 226(a)(1), 226(a)(2), 226(a)(5), and 226(a)(9).

Because CLK did not record the time Mr. Baker and other aggrieved employees spent working off-the-clock and deducted time from their records for meal periods that were interrupted and/or missed (and therefore time for which they should have been paid), CLK did not list the correct amount of gross wages and net wages earned by Mr. Baker and other aggrieved employees in compliance with section 226(a)(1) and section 226(a)(5), respectively. For the same reason, CLK failed to accurately list the total number of hours worked by Mr. Baker and other aggrieved employees, in violation of section 226(a)(2), and failed to list the applicable hourly rates of pay in effect during the pay period and the corresponding accurate number of hours worked at each hourly rate, in violation of section 226(a)(9).

In addition, because CLK did not calculate Mr. Baker's and other aggrieved employees' regular rate of pay correctly for purposes of paying overtime wages, meal and rest period premiums, and/or paid sick leave, CLK did not list the correct amount of gross wages earned by Mr. Baker and other aggrieved employees in compliance with section 226(a)(1) and did not list the correct amount of net wages earned by Mr. Baker and other aggrieved employees in violation of section 226(a)(5). CLK also failed to correctly list all applicable hourly rates in effect during the pay period, namely, correct rates of pay for overtime wages and/or meal and rest period premiums, in violation of section 226(a)(9).

The wage statement deficiencies also include, among other things, failing to list the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; failing to list all deductions; failing to list the inclusive dates of the period for which aggrieved employees were paid; failing to list the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number; failing to list the name and address of the legal entity that is the employer; and/or failing to state all hours worked as a result of not recording or stating the hours they worked off-the-clock.

California Labor Code section 1174(d) provides that “[e]very person employing labor in this state shall . . . [k]eep a record showing the names and addresses of all employees employed and the ages of all minors” and “[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, and

the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. . . .” Labor Code section 1174.5 provides that employers are subject to a \$500 civil penalty if they fail to maintain accurate and complete records as required by section 1174(d). During the relevant time period, and in violation of Labor Code section 1174(d), CLK willfully failed to maintain accurate payroll records for Mr. Baker and other aggrieved employees showing the daily hours they worked and the wages paid thereto as a result of failing to record the off-the-clock hours that they worked.

California Labor Code section 1198 provides that the maximum hours of work and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he employment of any employees for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC Wage Order, employers are required to keep accurate time records showing when the employee begins and ends each work period and meal period. During the relevant time period, CLK failed, on a company-wide basis, to keep accurate records of work period and meal period start and stop times for Mr. Baker and other aggrieved employees, in violation of section 1198. Furthermore, in light of CLK’s failure to provide Mr. Baker and other aggrieved employees with second 30-minute meal periods to which they were entitled, CLK kept no records of meal start and end times for second meal periods.

Because CLK failed to provide the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on wage statements, Mr. Baker and other aggrieved employees have been prevented from verifying, solely from information on the wage statements themselves, that they were paid correctly and in full. Instead, Mr. Baker and other aggrieved employees have had to look to sources outside of the wage statements themselves and reconstruct time records to determine whether in fact they were paid correctly and the extent of underpayment, thereby causing them injury.

Mr. Baker and other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f)-(g).

Violation of California Labor Code § 204 – Failure to Timely Pay Wages During Employment

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that 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. Alternatively, California Labor Code section 204 provides that the requirements of this section are deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven (7) calendar days following the close of the payroll period.

During the relevant time period, CLK failed to pay Mr. Baker and other aggrieved employees all wages due to them, including, but not limited to, overtime wages, minimum wages, meal and rest period premiums, and/or sick leave pay, within any time period specified by California Labor Code section 204.

Mr. Baker and other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code sections 210 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 201 and 202 – Failure to Timely Pay Final Wages Upon Termination

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (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.

On information and belief, CLK has a company-wide practice or policy of paying departing employees their final wages on the next regular pay cycle, instead of adhering to the time requirements set forth in Labor Code sections 201 and 202. For example, Mr. Baker resigned from his employment on January 3, 2023; however, he did not receive his final pay until on or about January 9, 2023. Thus, CLK failed to pay Mr. Baker and other aggrieved employees their final wages within the requisite time limit in violation of California Labor Code section 202.

In addition, CLK willfully failed to pay Mr. Baker and other aggrieved employees who are no longer employed by CLK all their earned wages, including, but not limited to, overtime wages, minimum wages, meal and rest period premiums, and/or sick leave pay, either at the time of discharge, or within seventy-two (72) hours of their leaving CLK's employ.

Mr. Baker and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 256 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 246 and 248.6 – Failure to Properly Calculate Paid Sick Leave and Failure to Provide Written Notice of Paid Sick Leave

At all relevant times herein, California Labor Code sections 245.5, 246, 246.5, 247, 247.5, 248.5, and 249 provide employees who have worked in California for 30 or more days from the commencement of employment with paid sick days, to be accrued at least one hour for every 30 hours worked. Labor Code section 246(i) provides that an employer must provide an employee with written notice that sets forth the amount of paid sick leave available, or paid time off that an employer provides in lieu of sick leave, for use on either the employee's itemized wage statement or in a separate written statement provided on the designated pay date with the employee's wages. Further, Labor Code section 246(l) provides that an employer shall calculate paid sick leave by using one of two calculations: 1) "[p]aid sick time for nonexempt employees shall be calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek[;]" or 2) "[p]aid sick time for nonexempt employees shall be calculated by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment."

At all relevant times herein, California Labor Code section 248.6 provides covered employees with a COVID-19 supplemental paid sick leave. Labor Code section 248.6(d) provides that COVID-19 supplemental paid sick leave shall be set forth separately from paid sick days and that an "employer shall provide an employee with written notice that sets forth the amount of COVID-19 supplemental paid sick leave that the employee has used through the pay period in which it was due to be paid on either the employee's itemized wage statement . . . or in a separate written statement provided on the designated pay date with the employee's payment of wages. The employer shall list zero hours used if a worker has not used any COVID-19 supplemental paid sick leave." Further, California Labor Code section 248.6(b)(3)(A), provides that each hour of COVID-19 supplemental paid sick leave shall be compensated

at a rate equal to the following: 1) “[c]alculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek[;]” or 2) “[c]alculated by dividing the employee’s total wages, not including overtime premium pay, by the employee’s total nonovertime hours worked in the full pay periods occurring within the prior 90 days of employment; provided that, for nonexempt employees paid by piece rate, commission or other method that uses all hours to determine the regular rate of pay, total wages, not including overtime premium pay, shall be divided by all hours, to determine the correct amount of COVID-19 supplemental paid sick leave under this subdivision.”

During the relevant time period, CLK did not pay Mr. Baker and/or other aggrieved employees the correct sick leave rates of pay. In addition to an hourly wage, CLK paid Mr. Baker and/or other aggrieved employees incentive pay, nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the California Labor Code, CLK failed to incorporate all remunerations, including incentive pay and/or nondiscretionary bonuses, into the calculation of the regular rate of pay for purposes of calculating the sick leave rate. Therefore, during times when Mr. Baker and/or other aggrieved employees took sick leave and received these other forms of pay, CLK failed to pay all sick leave benefits by paying a lower sick leave rate than required. Specifically, CLK paid Mr. Baker and/or other aggrieved employees sick leave based on their hourly rate of pay instead of their regular rate of pay. CLK’s failure to properly calculate the sick leave rates of pay based on all remuneration paid has resulted in an underpayment of sick leave benefits to Mr. Baker and/or other aggrieved employees on a company-wide basis, in violation of Labor Code sections 246(l) and 248.6(b)(3)(A).

Moreover, during the relevant time period, CLK failed, on a company-wide basis, to provide Mr. Baker and other aggrieved employees with written notice on wage statements and/or other separate written statements that listed the amount of COVID-19 supplemental paid sick leave used by them. CLK’s systematic failure to provide written notice of COVID-19 supplemental paid sick leave benefits to Mr. Baker and other aggrieved employees violates Labor Code section 248.6(d).

Mr. Baker and/or other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code sections 248.5 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 551 and 552 – Failure to Provide One Day’s Rest in Seven

California Labor Code section 551 provides that every person employed in any occupation of labor is entitled to one day’s rest in seven. California Labor Code section 552 prohibits employers from requiring employees to work more than six consecutive days without a day of rest. California Labor Code section 556 exempts an employer from the day-of-rest requirement when the total hours worked by an employee do not exceed 30 hours in any week or six (6) hours in any one day thereof.

During the relevant period, on information and belief, CLK required Mr. Baker and other aggrieved employees to work six (6) or more hours per day and seven (7) consecutive days in a workweek. For example, Mr. Baker worked nine (9) consecutive days from August 23, 2022, to August 31, 2022, without being afforded the opportunity to take one day’s rest. Because Mr. Baker and other aggrieved employees worked over thirty (30) hours per week and over six (6) hours in any one day in a workweek, they were not exempt from the day-of-rest requirement. To the extent that Mr. Baker and other aggrieved employees signed purported waivers of their right to a day’s rest in seven, such waivers are invalid.

Thus, CLK caused Mr. Baker and other aggrieved employees to work more than six days in seven, in violation of Labor Code sections 551 and 552. Mr. Baker and other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code § 2802 – Unreimbursed Business Expenses

California Labor Code section 2802 requires employers to pay for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144 (2014). The applicable wage order, IWC Wage Order No. 5-2001, provides that: “[w]hen tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft.”

First, CLK had a company-wide policy of requiring Mr. Baker and other aggrieved employees to utilize their own personal vehicles to carry out company business, but failed to reimburse them for all costs of travel, including mileage. For example, about three (3) times per week, Mr. Baker was required to drive to CLK's other restaurant locations to obtain ingredients or restaurant supplies. Mr. Baker estimates he drove 20-50 miles each trip in order to fulfill his work-related duties. Although CLK required Mr. Baker and other aggrieved employees to utilize their own vehicles to carry out their work-related responsibilities, CLK did not always reimburse them for their travel expenses.

Second, during the relevant time period, CLK had a company-wide policy of requiring Mr. Baker and other aggrieved employees to utilize their own personal mobile devices, including cellular phones, and/or mobile data to carry out their job duties, but CLK failed to reimburse them for the costs of their work-related mobile device expenses. For example, Mr. Baker was required to use his personal cellular phone to communicate with crew members and his district manager regarding scheduling and work-related updates. Although CLK required Mr. Baker and other aggrieved employees to utilize their personal mobile devices and/or mobile data to carry out their work-related responsibilities, CLK failed to reimburse them for this cost.

Third, during the relevant time period, CLK, on a company-wide basis, expected employees to report to work in clean and presentable uniform shirts bearing the Carl's Jr. company logo, but did not provide its employees with sufficient uniforms to wear for their shifts throughout the week. For example, CLK only provided other aggrieved employees with three (3) shirts at the time of hire. Because CLK failed to provide other aggrieved employees with an adequate number of uniform items in relation to their scheduled shifts and for the tasks they were required to perform, on information and belief, other aggrieved employees had to wash their uniforms more frequently than they otherwise do laundry, and incur expenses in doing so. Thus, CLK failed to maintain uniforms they required other aggrieved employees to wear during their shifts and forced them to incur the cost of maintaining employee uniforms.

CLK could have provided Mr. Baker and other aggrieved employees with the actual equipment for use on the job, such as company vehicles and company mobile devices as well as an adequate number of uniform items or access to laundering services. Or, CLK could have reimbursed employees for their mileage; travel expenses; mobile device usage; and laundering expenses or provided a uniform maintenance allowance. Instead, CLK passed these operating costs off onto Mr. Baker and other aggrieved employees. At all relevant times, Mr. Baker did not earn at least two (2) times the minimum wage.

Thus, CLK had, and continues to have, a company-wide policy and/or practice of not reimbursing employees for expenses necessarily incurred in violation of California Labor Code section 2802. Mr.

Baker and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

California Labor Code § 558(a)

California Labor Code section 558(a) provides “[a]ny employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid. . . . (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid. . . .” Labor Code section 558(c) provides that “[t]he civil penalties provided for in this section are in addition to any other civil or criminal penalty provided by law.” CLK, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Mr. Baker's and other aggrieved employees' rights by violating various sections of the California Labor Code.

Accordingly, Mr. Baker seeks the remedies set forth in Labor Code section 558 for himself, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 2699(a), 2699.3(a) and 2699.3(c), 2699.5, and 558, Mr. Baker, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties for himself, all other aggrieved employees, and the State of California against CLK for violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 246, 510, 512(a), 516, 551, 552, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2802.

Therefore, on behalf of all aggrieved employees, Mr. Baker seeks all applicable civil penalties related to these violations of the California Labor Code pursuant to PAGA.

Pre-Litigation Demand

This notice shall further serve as Mr. Baker's reasonable attempt to settle his dispute with CLK prior to litigation. Pursuant to *Graham v. Daimler Chrysler Corp.*, 34 Cal. 4th 553 (2004), this notice serves to inform CLK of Mr. Baker's aforementioned grievances and the proposed remedies as detailed below, while affording CLK a reasonable opportunity to satisfy Mr. Baker's demands.

Demand is hereby made that CLK shall, within 30 calendar days of this notice, agree, in writing to the following corrective actions:

1. CLK shall pay Mr. Baker and all other aggrieved employees employed by CLK at any time during the past three years from the date of this notice unpaid wages and compensation for the above-referenced violations.
2. CLK shall comply with all California labor laws and ensure that its non-exempt employees are paid overtime wages and minimum wages for all hours worked and provided lawful meal and rest periods.
3. CLK shall conduct a survey or interview all current and former aggrieved employees in California who worked for CLK in the past three years to obtain information from them regarding the above-referenced violations, including, but not limited to: the number of meal periods which were not provided; the number of rest periods which were not authorized and permitted; and the number of employees who were required to pay for travel expenses; mileage; mobile device

expenses; uniform maintenance; or other expenditures in the discharge of their duties, with the investigation to be completed within 60 days.

4. CLK shall pay Mr. Baker and each aggrieved employee one hour of pay at her or her regular rate of pay for each work day he or she was not provided one or more meal periods, as required by Labor Code sections 226.7, 512(a), 516, and 1198. CLK also shall pay Mr. Baker and each aggrieved employee one hour of pay at his or her regular rate of pay for each work day he or she was not authorized and permitted one or more rest periods, as required by Labor Code sections 226.7, 516, and 1198.
5. CLK shall properly calculate aggrieved employees' rates of pay for overtime, meal and rest period premiums, and/or paid sick leave based on all remuneration paid, pursuant to Labor Code sections 226.7, 510, 246(l), and 248.6(b)(3)(A).
6. CLK shall reimburse Mr. Baker and all aggrieved employees who were required to pay for any business expenses incurred for CLK's benefit, including, but not limited to, costs of travel expenses, mileage, mobile device usage, and/or uniform maintenance, as required by Labor Code section 2802.
7. CLK shall pay accrued legal interest to Mr. Baker and all aggrieved employees at the rate of 10% per annum for said unpaid wages.
8. CLK shall provide Mr. Baker and all aggrieved employees employed by CLK at any time during the past three years from the date of this notice corrected wage statements that include the requisite information set forth in Labor Code section 226(a).
9. CLK shall provide all aggrieved employees who worked over thirty (30) hours per week and over six (6) hours per day in a workweek with one day's rest in seven, as required by Labor Code sections 551 and 552.
10. CLK shall pay waiting time penalties, equal to 30 days of pay, to each former aggrieved employee who was not paid all wages due as described herein.
11. CLK shall pay all penalties arising from the violations of the Labor Code and IWC Wage Order sections referenced above and pursuant to PAGA, Labor Code sections 2698, *et seq.*, including, but not limited to, penalties under Labor Code sections 210, 226.3, 248.5, 256, 558, 1174.5, 1197.1, and 2699, and Wage Order No. 5-2001, section 20.

Thank you for your attention to this matter. If you have any questions, please contact me at the phone number or address below:

Ninel Kocharyan
Capstone Law APC
1875 Century Park East, Suite 1000
Los Angeles, CA 90067
(310) 556-4811

Best Regards,

A handwritten signature in cursive script, appearing to read "Ninel", enclosed within a light gray rectangular border.

Ninel Kocharyan

Copy: CLK HR ACQUISITION, LLC (via U.S. Certified Mail); CLK 1, LLC (via U.S. Certified Mail); CLK 2, LLC (via U.S. Certified Mail); CLK 3, LLC (via U.S. Certified Mail); CLK 4, LLC (via U.S. Certified Mail); CLK 5, LLC (via U.S. Certified Mail); CLK DESERT STAR, LP (via U.S. Certified Mail); CLK STAR, LLC (via U.S. Certified Mail); CLK REAL ESTATE, LLC (via U.S. Certified Mail); CLK PROPERTIES, LLC (via U.S. Certified Mail)

CERTIFIED MAIL



7022 2410 0000 2405 8191

CLK HR ACQUISITION, LLC
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.

CLK HR ACQUISITION, LLC
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276



9590 9402 7690 2122 7161 15

2. Article Number (Transfer from service label)

7022 2420 0000 2405 8191

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

☒ Agent
☐ Address

3. Received by (Printed Name)	C. Date of Delivery
-------------------------------	---------------------

3. Is delivery address different from item 1? ☐ Yes ☐ No
if YES, enter delivery address below:

Service Type

☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Restricted Delivery

Domestic Return Recalot

U.S. Postal ServiceTM
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Certified Mail Form

$$P_2 A_2 e^{\alpha_2} + C_2 A_2$$

Extra Servings & Food pack here, add \$4.95 an extra pack

Discontinuity analysis

CLK HR ACQUISITION, LLC
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276

7679 5042 0000 0742 2202

CERTIFIED MAIL

Capstone Law, APC

1875 Century Park, East, 1000
Los Angeles, CA. 90067



7022 2410 0000 2405 8207

U.S. Postal Service™

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OFFICIAL USE

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$

Postmark
Name

CLK 1, LLC
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276

CLK 1, LLC
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276

SENDER: COMPLETE THIS SECTION

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- Print your name and address on the reverse so that we can return the card to you.

CLK 1, LLC
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276



9590 9402 7690 2122 7161 53

2 Article Number (Transfer from service label)

7022 2410 0000 2405 8207

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent
☒ Addressee
3. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured
☐ Insured Restricted Delivery
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

Capstone Law, APC
1875 Century Park, East, 1000
Los Angeles, CA. 90067

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BAKER v. CIA

Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$

Postmark

CLK 2, LLC
72295 MANUFACTURING RD.
THOUSAND PALMS, CA 92276

CLK 2, LLC
72295 MANUFACTURING RD.
THOUSAND PALMS, CA 92276

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.

CLK 2, LLC
72295 MANUFACTURING RD.
THOUSAND PALMS, CA 92276



9590 9402 7690 2122 7161 60

2. Article Number (Transfer from service label)

7022 2410 0000 2405 8184

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent
☐ Addressee
B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Mail Restricted Delivery
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

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Los Angeles, CA. 90067



7022 2410 0000 2405 8115

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Certified Mail Fee

Extra Services & Fees (Check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$

Postmark

CLK 3, LLC
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276

CLK 3, LLC
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.

CLK 3, LLC
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276



9590 9402 7690 2122 7160 54

- 2. Article Number (Transfer from service label)

7022 2410 0000 2405 8115

Included Delivery

COMPLETE THIS SECTION ON DELIVERY

A. Signature	☐ Agent
☒	☐ Addressee
B. Received by (Printed Name)	C. Date of Delivery
D. Is delivery address different from item 1? ☐ Yes ☐ No If YES, enter delivery address below:	

Service Type	☐ Priority Mail Express®
☐ Adult Signature	☐ Registered Mail™
☐ Adult Signature Restricted Delivery	☐ Registered Mail Restricted Delivery
☐ Certified Mail	☐ Signature Confirmation™
☐ Certified Mail Restricted Delivery	☐ Signature Confirmation Restricted Delivery
☐ Collect on Delivery	☐ Signature Confirmation Restricted Delivery
☐ Collect on Delivery Restricted Delivery	☐ Signature Confirmation Restricted Delivery
☐ Insured Mail	

Capstone Law, APC
1875 Century Park, East, 1000
Los Angeles, CA. 90067



7022 2410 0000 2405 8122

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Certified Mail Fee \$
Certified Mail Restricted Delivery Fee \$
Priority Mail Express[®] Fee \$
Registered Mail[™] Fee \$
Signature Confirmation[™] Fee \$
Return Receipt (hardcopy) \$
Return Receipt (electronic) \$
Postmark

PAID BY: CLK
Postmark

CLK 4, LLC
72295 MANUFACTURING RD.
THOUSAND PALMS, CA 92276

CLK 4, LLC
72295 MANUFACTURING RD.
THOUSAND PALMS, CA 92276

SENDER: COMPLETE THIS SECTION

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CLK 4, LLC
72295 MANUFACTURING RD.
THOUSAND PALMS, CA 92276



Article Number (Transfer from service label)
9590 9402 7690 2122 7161 46

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent
☐ Addressee

3. Received by (Printed Name) C. Date of Delivery

4. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

5. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail[®]
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Restricted Delivery

6. Priority Mail Express[®]
☐ Registered Mail[™]
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation[™]
☐ Signature Confirmation Restricted Delivery

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Los Angeles, CA. 90067



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Certified Mail Fee \$
Extra Services & Fees (check box, and fee as appropriate)
☒ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
Postmark
Date

Back to

CLK

Postmark

CLK 5, LLC
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276

CLK 5, LLC
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276

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CLK 5, LLC
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276



9590 9402 7690 2122 7161 39

2. Article Number (Transfer from service label)

7022 2410 0000 2405 8139

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent
☒ Addressee
3. Received by (Printed Name) C. Date of Delivery
D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail[®]
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Registered Mail[™]
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation[™]
☐ Signature Confirmation Restricted Delivery

7022 2410 0000 2405 8139

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Extra Services & Fees (check one, add fee as appropriate)
☒ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$

Postmark

CLK DESERT STAR, LP
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276

CLK DESERT STAR, LP
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276

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- Print your name and address on the reverse so that we can return the card to you.

CLK DESERT STAR, LP
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276



9590 9402 7690 2122 7161 22

2. Article Number (Transfer from service label)

7022 2410 0000 2405 8146

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COMPLETE THIS SECTION ON DELIVERY

A. Signature

☒ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Registered Mail
- ☐ Registered Mail Restricted Delivery
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery
- ☐ Priority Mail Express®
- ☐ Registered Mail™

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Los Angeles, CA. 90067



7022 2410 0000 2405 8153

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Extra Services (If Post Office box, add fee as appropriate)

Return Receipt (hardcopy) \$

Return Receipt (electronic) \$

Certified Mail Restricted Delivery \$

RAKELH-01

CLK

Postmark

Month

CLK STAR, LLC
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276

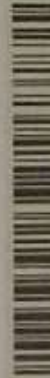
CLK STAR, LLC
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276

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- Complete items 1, 2, and 3.
- Print your name and address on the reverse

PSN 9402 7690 2122 7161 08

CLK STAR, LLC
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276



9590 9402 7690 2122 7161 08

2. Article Number (Transfer from service label)

7022 2410 0000 2405 8153

PS Form 3811, July 2020 PSN 7530-02-000-9033

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

□ Agent

□ Addressee

Received by (Printed Name)

C. Date of Delivery

Is delivery address different from item 1? If YES, enter delivery address below:

□ Yes
□ No

4. Service Type

□ Adult Signature

□ Adult Signature Restricted Delivery

□ Certified Mail®

□ Certified Mail Restricted Delivery

□ Collect on Delivery

□ Collect on Delivery Restricted Delivery

□ Restricted Delivery

□ Priority Mail Express®

□ Registered Mail™

□ Registered Mail Restricted Delivery

□ Signature Confirmation™

□ Signature Confirmation Restricted Delivery

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Capstone Law, APC
1875 Century Park, East, 1000
Los Angeles, CA. 90067



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Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$

Postmark

CLK REAL ESTATE, LLC
72295 MANUFACTURING RD
THOUSAND PALMS, CA 92276

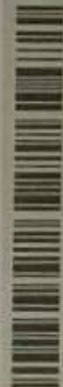
PS Form 3811, April 2015 PSN 7530-02-000-9053 See Reverse for Instructions

CLK REAL ESTATE, LLC
72295 MANUFACTURING RD
THOUSAND PALMS, CA 92276

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CLK REAL ESTATE, LLC
72295 MANUFACTURING RD
THOUSAND PALMS, CA 92276



9590 9402 7690 2122 7160 92

PS Form 3811, April 2015 PSN 7530-02-000-9053

7022 2410 0000 2405 8177

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent

☐ Addressee

3. Received by (Printed Name)

C. Date of Delivery

2. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

4. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail[®]
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Delivery Restricted Delivery
- ☐ Registered Mail[™]
- ☐ Registered Mail Restricted Delivery
- ☐ Signature Confirmation[™]
- ☐ Signature Confirmation Restricted Delivery
- ☐ Priority Mail Express[®]

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

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1875 Century Park, East, 1000
Los Angeles, CA. 90067



7022 2410 0000 2405 8160

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Certified Mail Fee: 13746414-14
Postmark: CLK
Postnet: 7022 2410 0000 2405 8160

CLK PROPERTIES, LLC
1001 EMERALD BAY
LAGUNA BEACH, CA 92651

CLK PROPERTIES, LLC
1001 EMERALD BAY
LAGUNA BEACH, CA 92651

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.

CLK PROPERTIES, LLC
1001 EMERALD BAY
LAGUNA BEACH, CA 92651



Article Number (Transfer from service label)
9590 9402 7690 2122 7160 85
7022 2410 0000 2405 8160

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☒ Agent ☐ Addressee
- B. Received by (Printed Name) C. Date of Delivery
3. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
- ☐ Adult Signature
 - ☐ Adult Signature Restricted Delivery
 - ☒ Certified Mail[®]
 - ☐ Certified Mail Restricted Delivery
 - ☐ Collect on Delivery
 - ☐ Collect on Delivery Restricted Delivery
- Restricted Delivery
- ☐ Priority Mail Express[®]
 - ☐ Registered Mail[™]
 - ☐ Registered Mail Restricted Delivery
 - ☐ Signature Confirmation[™]
 - ☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

■ Complete items 1, 2, and 3.
■ Print your name and address on the reverse so that we can return the card to you.

CLK REAL ESTATE, LLC
72295 MANUFACTURING RD
THOUSAND PALMS, CA 92276

9590 9402 7690 2122 7160 92

2. Article Number (Transfer from service label)
7022 2410 0000 2405 8177

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X

3. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery (over \$500)

☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

■ Complete items 1, 2, and 3.
■ Print your name and address on the reverse so that we can return the card to you.

CLK 2, LLC
72295 MANUFACTURING RD.
THOUSAND PALMS, CA 92276

9590 9402 7690 2122 7161 60

2. Article Number (Transfer from service label)
7022 2410 0000 2405 8184

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X

3. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery

☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

■ Complete items 1, 2, and 3.
■ Print your name and address on the reverse so that we can return the card to you.

CLK DESERT STAR, LP
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276

9590 9402 7690 2122 7161 22

2. Article Number (Transfer from service label)
7022 2410 0000 2405 8146

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X

3. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery

☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

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■ Print your name and address on the reverse so that we can return the card to you.

CLK 4, LLC
72295 MANUFACTURING RD.
THOUSAND PALMS, CA 92276

9590 9402 7690 2122 7161 46

2. Article Number (Transfer from service label)
7022 2410 0000 2405 8122

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X

3. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery

☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

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Print your name and address on the reverse so that we can return the card to you.

CLK STAR, LLC
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276

9590 9402 7690 2122 7161 08

2. Article Number (Transfer from service label)
7022 2410 0000 2405 8153

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X

3. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery

☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

Complete items 1, 2, and 3.
Print your name and address on the reverse so that we can return the card to you.

CLK HR ACQUISITION, LLC
72295 MANUFACTURING ROAD
THOUSAND PALMS, CA 92276

9590 9402 7690 2122 7161 15

2. Article Number (Transfer from service label)
7022 2410 0000 2405 8191

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X

3. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery

☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

Complete items 1, 2, and 3.
Print your name and address on the reverse so that we can return the card to you.

CLK 5, LLC
MANUFACTURING ROAD
AND PALMS, CA 92276

9590 9402 7690 2122 7161 39

Article Number (Transfer from service label)
7022 2410 0000 2405 8139

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X

3. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery

☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY														
■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. CLK 3, LLC 72295 MANUFACTURING ROAD THOUSAND PALMS, CA 92276  9590 9402 7690 2122 7160 54 2. Article Number (Transfer from service label) 7022 2410 0000 2405 8115	A. Signature X ☐ Agent ☒ Addressee B. Received by (Printed Name) _____ C. Date of Delivery _____ D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No Service Type <table style="width: 100%; font-size: small;"> <tr> <td>☐ Adult Signature</td> <td>☐ Priority Mail Express®</td> </tr> <tr> <td>☐ Adult Signature Restricted Delivery</td> <td>☐ Registered Mail™</td> </tr> <tr> <td>☐ Certified Mail®</td> <td>☐ Registered Mail Restricted Delivery</td> </tr> <tr> <td>☐ Certified Mail Restricted Delivery</td> <td>☐ Signature Confirmation™</td> </tr> <tr> <td>☐ Collect on Delivery</td> <td>☐ Signature Confirmation Restricted Delivery</td> </tr> <tr> <td>☐ Collect on Delivery Restricted Delivery</td> <td></td> </tr> <tr> <td>☐ Insured Mail</td> <td></td> </tr> </table>	☐ Adult Signature	☐ Priority Mail Express®	☐ Adult Signature Restricted Delivery	☐ Registered Mail™	☐ Certified Mail®	☐ Registered Mail Restricted Delivery	☐ Certified Mail Restricted Delivery	☐ Signature Confirmation™	☐ Collect on Delivery	☐ Signature Confirmation Restricted Delivery	☐ Collect on Delivery Restricted Delivery		☐ Insured Mail	
☐ Adult Signature	☐ Priority Mail Express®														
☐ Adult Signature Restricted Delivery	☐ Registered Mail™														
☐ Certified Mail®	☐ Registered Mail Restricted Delivery														
☐ Certified Mail Restricted Delivery	☐ Signature Confirmation™														
☐ Collect on Delivery	☐ Signature Confirmation Restricted Delivery														
☐ Collect on Delivery Restricted Delivery															
☐ Insured Mail															
PS Form 3811, July 2020 PSN 7530-02-000-9053															

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY														
■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. CLK 1, LLC 72295 MANUFACTURING ROAD THOUSAND PALMS, CA 92276  9590 9402 7690 2122 7161 53 2. Article Number (Transfer from service label) 7022 2410 0000 2405 8207	A. Signature X ☐ Agent ☒ Addressee B. Received by (Printed Name) _____ C. Date of Delivery _____ D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No Service Type <table style="width: 100%; font-size: small;"> <tr> <td>☐ Adult Signature</td> <td>☐ Priority Mail Express®</td> </tr> <tr> <td>☐ Adult Signature Restricted Delivery</td> <td>☐ Registered Mail™</td> </tr> <tr> <td>☐ Certified Mail®</td> <td>☐ Registered Mail Restricted Delivery</td> </tr> <tr> <td>☐ Certified Mail Restricted Delivery</td> <td>☐ Signature Confirmation™</td> </tr> <tr> <td>☐ Collect on Delivery</td> <td>☐ Signature Confirmation Restricted Delivery</td> </tr> <tr> <td>☐ Collect on Delivery Restricted Delivery</td> <td></td> </tr> <tr> <td>☐ Insured Mail</td> <td></td> </tr> </table>	☐ Adult Signature	☐ Priority Mail Express®	☐ Adult Signature Restricted Delivery	☐ Registered Mail™	☐ Certified Mail®	☐ Registered Mail Restricted Delivery	☐ Certified Mail Restricted Delivery	☐ Signature Confirmation™	☐ Collect on Delivery	☐ Signature Confirmation Restricted Delivery	☐ Collect on Delivery Restricted Delivery		☐ Insured Mail	
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☐ Collect on Delivery Restricted Delivery															
☐ Insured Mail															
PS Form 3811, July 2020 PSN 7530-02-000-9053															

Domestic Return Receipt