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November 14, 2025

VIA WEBSITE UPLOAD

State of California
Labor and Workforce Development Agency

VIA CERTIFIED MAIL (RETURN RECEIPT REQUESTED)

Aztec Shops, Ltd.
5500 Campanile Drive
San Diego, CA 92182

Re: *Tapia v. Aztec Shops, Ltd.*

Dear Aztec Shops, Ltd.:

This office represents Stacie Belle Vargas Tapia. We are informing you of our representation and ask that all further communication regarding this matter be directed to our attention at the address located on this letterhead, and that no contact be made directly with our client. This letter is sent pursuant to the provisions of California Labor Code, §§2699, *et seq.*

I. FACTS & NATURE OF THE DISPUTE

This is a Class Action lawsuit Plaintiff is bringing, seeking relief for Defendant's violations of the California Business & Professions Code §§ 17200 *et seq.*, including full restitution and disgorgement of all compensation retained by Defendant as a result of its unlawful and unfair business practices, as well as injunctive relief.

This action is on behalf of Plaintiff and others similarly situated to recover wages from Defendant due to Defendant's systematic failure to pay overtime, minimum wages, provide meal breaks (or pay the statutory compensation due), to issue accurate wage statements, pay wages on termination, to reimburse business expenses, to pay reporting time pay and to allow inspection of employment records and unfair competition.

Plaintiff seeks compensatory, statutory, declaratory, and injunctive relief for herself and all members of the Class, to compensate these workers for the unpaid wages and to protect current

and future workers of Defendant from being subjected to similar wage theft and otherwise unlawful working conditions.

II. § 2699, ET SEQ., LABOR CODE VIOLATIONS

Our client has numerous legal claims against Aztec Shops, Ltd. Further investigation and formal discovery will likely uncover other claims and additional facts supporting liability herein.

The details of our client's Labor Code, §2699, claims include, but are not limited to:

A. OFF THE CLOCK WORK

(Labor Code § 203, 226, 510, 558, 1197, 1197.1, and 2699(f)(2); IWC Wage Order No. 4)

Defendant was required to pay their employees for all time worked, even if employees were not clocked in or after they were clocked out. Defendant failed to pay Plaintiff and the Class for any off the clock work they performed.

Defendant required Plaintiff and the Class to regularly perform compensable tasks pre-shift and prior to the end of their meal breaks off-the-clock for which they did not receive any compensation. Specifically, Plaintiff and Class members were required on every shift to go through security checks consisting of showing their employee badges, emptying their pockets, then going through a metal detector at the gate, when coming into work, for 5 minutes. Plaintiff and Class members routinely waited in line between 20-30 minutes to arrive at the security check. After going through the security checks, Plaintiff and Class members were required to walk for between 5-10 minutes to get to their jobsites. Further, Plaintiff and Class members were required to go through the same security checks when returning from their meal breaks. Additionally, Plaintiff and Class members were required to wait in line for between 5-10 minutes off the clock for the Kronos time clock kiosk to become available to clock in for their shifts and also at the end of their meal breaks.

Additionally, Plaintiff and Class members were required to use their personal cell phones both on and off the clock for work-related activities, such as texting/calling supervisors, texting/calling coworkers, checking schedules, obtaining confirmation codes for logging in (2 factor authentication) and downloading work apps for at least 3 hours per day.

As a result, and because they improperly treated such pre-shift and during their meal breaks activities as non-compensable, Defendant failed to compensate Plaintiff and the Class for such time.

Plaintiff and Class members suffered damages in an amount, subject to proof, to the extent they were not paid for their off the clock work.

B. FAILURE TO PAY PREMIUM OVERTIME WAGES DUE
(Cal. Labor Code §§ 510, 511, 1194, 1198; IWC Wage Order No. 4)

Under California law, non-exempt employees as defined by Wage Order No. 4, are entitled to premium wages for overtime worked. Plaintiff and Class members engaged in off the clock work. Plaintiff and Class members were not paid overtime for their off the clock work. Additionally, Defendants failed to properly pay and calculate wages due to excluding extra benefits from regular rate of pay calculations.

As a result, during this period, it was the practice and policy of Defendant to not pay employees at appropriate overtime rates. Monies for unpaid overtime remain due and owing.

Throughout Plaintiff's employment, Defendant failed and refused to pay compensation to Plaintiff and Class Members as required by law. The foregoing overtime compensation is owed and unpaid. As a direct and proximate result of Defendant's failure and refusal to pay overtime, Plaintiff and Class Members suffered damages in an amount to be proven at trial.

C. FAILURE TO PAY MINIMUM WAGES
(Cal. Labor Code §§ 1194, 1194.2, 1997, 1197.1, 1198; IWC Wage Order No. 4)

Defendant failed to satisfy minimum wage requirements. As a result of not being afforded compliant meal breaks and requiring off the clock work, Plaintiff and members of the Class were paid less than minimum wage. This resulted in Defendant's failure to compensate Plaintiff properly for "all hours worked" and consequently underpaid Plaintiff and Class members for the actual hours Plaintiff and Class members worked in violation of *Labor Code* §§ 1197, 1198 and Wage Order No. 4.

D. FAILURE TO PROVIDE MEAL PERIODS
(Cal. Labor Code § 226.7; IWC Wage Order No. 4)

Defendant failed to provide compliant meal periods to Plaintiff and Class members in violation of Labor Code § 226.7 and Wage Order No. 4. At times Plaintiff's and Class members' meal periods were shortened because they were required to wait in line to clock back in prior to the end of their meal breaks and also to go through security checks.

By virtue of Defendant's unlawful failure to provide legally compliant meal periods to Plaintiff and the Class, Plaintiff and the Class have suffered, and will continue to suffer, damages in amounts which are presently unknown to Plaintiff and the Class, but which exceed the jurisdictional limits of the Court and which will be ascertained according to proof at trial.

E. FAILURE TO MAINTAIN RECORDS AND PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS
(Cal. Labor Code §226; IWC Wage Order No. 4)

Defendant intentionally and knowingly provided Plaintiff and other members of the Class with weekly itemized wage statements containing inaccurate information regarding the wages earned by Plaintiff and members of the Class in that the payments owed to Plaintiff and the members of the Class for overtime compensation, minimum wages, meal periods not afforded and reporting time pay, were not included in gross wages earned by Plaintiff and members of the Class.

Plaintiff and members of the Class were damaged by these failures because, among other things, the failures led them to believe that they were not entitled to overtime compensation, minimum wages, pay for meal periods not provided and reporting time pay, even though they were so entitled and these failures hindered them from determining the amounts of wages owed to them.

F. FAILURE TO PAY WAGES ON TERMINATION
(Cal. Labor Code §§201-203; IWC Wage Order No. 4)

Plaintiff and the Class were discharged and/or resigned from Defendant's employ and Defendant willfully failed to pay Plaintiff and the Class wages due them.

Plaintiff and Class members were not paid for all the wages they were owed when their employment with Defendant ended. Plaintiff and Class members are still owed wages for overtime compensation, minimum wages, premium pay for failure to afford compliant meal breaks, reporting time pay and other wages.

G. FAILURE TO REIMBURSE BUSINESS EXPENSES
(Cal. Labor Code §2802 and Wage Order No. 4)

Defendants were aware that Plaintiff and Class members were using their personal cell phones, but failed to indemnify Plaintiff and Class members for all their business-related expenses, in accordance with Labor Code §2802. Plaintiff is informed and believes and thereon alleges that at all relevant times, Defendants maintained a practice of not fully reimbursing Plaintiff and Class Members for their work-related expenses that they incurred in using their personal cell phones.

Plaintiff and Class Members suffered damages in an amount, subject to proof, to the extent they were not reimbursed for all of their business-related expenses incurred in the discharge of their duties. An employer may never impose a financial burden on employees, with respect to business-related expenses, which would reduce the employees' wage rate below the minimum wage.

H. FAILURE TO PAY REPORTING PAY
(Wage Order No. 4)

Defendant had a policy and practice that required Plaintiff and Class members to be on call and call in. Further, Plaintiff and Class members were at times sent home within the first 2 hours of work because business was slow. Plaintiff and Class members were not paid any reporting time pay.

Plaintiff and Class members suffered damages in an amount, subject to proof, to the extent they were not paid reporting time pay.

I. FAILURE TO ALLOW INSPECTION OF EMPLOYMENT RECORDS
(Cal. Labor Code §1198.5, IWC Wage Order No. 4)

On or about November 14, 2025, Plaintiff's counsel issued a written request to you for copies of her personnel records. You have failed and refused to permit Plaintiff to have access to copies of her records.

As a result of your failure and refusal to permit Plaintiff to have full access to her records, Plaintiff will seek injunctive relief and recovery of statutory penalties.

J. UNFAIR COMPETITION
(Cal. Bus. & Prof. Code §§17200 et seq.)

Defendant, through the unfair and unlawful business practices as described herein, have obtained valuable property, money and services from the Plaintiff and the Class and have deprived them of valuable rights and benefits guaranteed by law all to the detriment of Plaintiff and the Class. All the acts described are violations of, among other things, the Labor Code and applicable Industrial Commission Wage Orders, are unlawful and in violation of public policy; and in addition are immoral, unethical, oppressive, and unscrupulous, and thereby constitute unfair and unlawful business practices in violation of Business & Professions Code §§ 17200 *et seq.*

Plaintiff and the Class are entitled to, and are, seeking such relief as may be necessary to restore to them the money and property which Defendant has acquired, or of which Plaintiff and the Class have been deprived by means of the above-described unfair and unlawful business practices.

Moreover, Plaintiff, and all other similarly aggrieved California employees, intend to seek all penalties for the violations described above. Moreover, Plaintiff also intends to recover the actual wages owed to employees under the Labor Code sections that authorize such recovery, including but not limited to Labor Code §558.

III. CONCLUSION

Please take notice this letter is intended to exhaust the pre-litigation requirements set forth under California Labor Code, §§2699, *et seq.* By law, an employee alleging a violation of one of the above-referenced sections must notify his or her employer and the Labor and Workforce Development Agency (LWDA) before he or she can invoke the provisions of §2699, *et seq.*, by seeking redress in court. (Labor Code § 2699.3(a)(1).) The LWDA must then notify the employer and the employee within 33 calendar days regarding whether it intends to investigate the alleged violation. (Labor Code, §2699.3(a)(2)(B).) If the LWDA advises that it will not investigate, or if no notice is provided within 33 calendar days, the employee may file a lawsuit invoking the provisions under Labor Code, §2699. (Labor Code, §2699.3(a)(2)(A).) It is the intention of this office to file a civil complaint and to bring the appropriate claims under Labor Code, §2699, should your office not address these matters within the proscribed time.

We write this letter subject to and without waiver of our client's rights and remedies, all of which we expressly reserve. This letter is not an express statement of all facts and circumstances concerning this matter.

Sincerely,

LIPELES LAW GROUP, APC

A handwritten signature in blue ink, appearing to read 'K. Lipeles'.

Kevin A. Lipeles, Esq.