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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO

MADISON KAPILOFF, on behalf of other
similarly-situated employees of Defendants and
the State of California under the Private
Attorneys General Act,

Plaintiffs,

vs.

NEUROCRINE BIOSCIENCES, INC. and
DOES 1 through 50, inclusive,

Defendants.

Case No. 25CU063420C

Judge: Wendy M. Behan
Department: 66

FIRST AMENDED CLASS AND
REPRESENTATIVE ACTION
COMPLAINT

1. Failure to Pay All Wages Owed/Minimum Wages
2. Failure to Pay All Overtime Wages
3. Meal Period Violations
4. Rest Period Violations
5. Paid Sick Leave Violations
6. Untimely Payment of Wages
7. Wage Statement Violations
8. Failure to Maintain Accurate Records
9. Waiting Time Penalties
10. Unfair Competition
11. Civil Penalties under the Private Attorneys General Act (Labor Code §§ 2698 et seq.)

Action Filed: November 25, 2025

1 Plaintiff MADISON KAPILOFF, on behalf of all other similarly-situated employees of
2 Defendants and the State of California under the Private Attorneys General Act (“Plaintiff”) brings
3 this FIRST AMENDED CLASS AND REPRESENTATIVE ACTION COMPLAINT against
4 Defendants NEUROCRINE BIOSCIENCES, INC. and DOES 1 through 50, inclusive (collectively
5 “Defendants”), alleging as follows:

6 **INTRODUCTION**

7 1. This is a class and representative action filed for wage and hour violations of the
8 California Labor Code.

9 2. Defendants failed to properly calculate the regular rate of pay, resulting in failure to
10 pay all wages at the lawful minimum wage rate for all hours worked, unpaid overtime wages, sick pay,
11 and premiums.

12 3. Plaintiff and the putative class members were not always given adequate opportunities
13 to take compliant meal and rest breaks, yet Defendants did not pay Plaintiff and the putative class
14 members all meal and rest premiums owed.

15 4. Defendants’ employment policies, practices, and payroll administration systems
16 enabled and facilitated these violations on a company-wide basis with respect to the putative class
17 members.

18 5. Defendants are further liable for derivative claims for wage statements, untimely
19 payment, and other associated violations.

20 6. Plaintiff seeks to recover the underpaid damages, plus associated penalties, interests,
21 attorney’s fees and costs.

22 **JURISDICTION & VENUE**

23 7. Jurisdiction of this action is proper in this Court under Article VI, Section 10 of the
24 California Constitution as the causes of action are premised upon violations of California law.

25 8. The monetary damages and restitution sought exceed the minimal jurisdiction limits of
26 the Superior Court.

27 9. This Court has jurisdiction over Defendants because, upon information and belief,
28 Defendants have sufficient minimum contacts in California, or otherwise intentionally avail

1 themselves to the California economy so as to render the exercise of jurisdiction over them by the
2 California courts consistent with traditional notions of fair play and substantial justice.

3 10. Venue is proper in this Court under Code of Civil Procedure sections 393(a), 395,
4 and/or 395.5 because, upon information and belief, Defendants conducted business and committed
5 some of the alleged violations in this County.

6 **PARTIES**

7 **A. Plaintiff Madison Kapiloff**

8 11. Plaintiff Kapiloff is an individual over 18 years of age who worked for Defendants in
9 California as a non-exempt employee from about September 1, 2022 to June 1, 2025. Plaintiff worked
10 as an Associate Specialist in Quality Assurance in San Diego, California.

11 12. The State of California, via the Labor and Workforce Development Agency
12 (“LWDA”), is the real party in interest in this action. (*Kim v. Reins Int’l California, Inc.* (2020) 9 Cal.
13 5th 73, 81 [The “government entity on whose behalf the plaintiff files suit is always the real party in
14 in-terest.”]). To the extent permitted by law, including pursuant *Balderas v. Fresh Start Harvesting,*
15 *Inc.* (2024) 101 Cal. App. 5th 533 and *Rodriguez v. Packers Sanitation Services Ltd., LLC* (2025) 109
16 Cal.App.5th 69, the PAGA claim is brought exclusively as a representative action and does not include
17 arbitrable claims.

18 **B. Defendants**

19 13. Defendant Neurocrine Biosciences, Inc. is a Delaware corporation that maintains
20 operations and conducts business throughout the State of California, including in San Diego County.
21 Neurocrine Biosciences, Inc. is a pharmaceutical company that was founded in 1992, and it has been
22 developing treatments for rare and under-addressed diseases, sometimes in collaboration with other
23 pharmaceutical companies.

24 14. The true names and capacities, whether individual, corporate, or otherwise, of the
25 parties sued as DOES 1 through 50, are presently unknown, unascertainable, or uncertain, and are sued
26 by such fictitious names under Code of Civil Procedure section 474. Upon information and belief,
27 each of DOES 1 through 50 constitutes a legal employer or is otherwise legally responsible in some
28 manner for the acts and omissions alleged herein. This Complaint may be amended to reflect their

1 true names and capacities once ascertained.

2 15. Upon information and belief, Defendants in this action are employers, co-employers,
3 joint employers, and/or part of an integrated employer enterprise, as each of the Defendants exercised
4 control over the wages, hours, and working conditions of the employees, suffered and permitted them
5 to work, and otherwise engaged them as employees under California law.

6 16. Upon information and belief, at least some of the Defendants have common ownership,
7 common management, interrelationship of operations, and centralized control over labor relations and
8 are therefore part of an integrated enterprise and thus jointly and severally responsible for the acts and
9 omissions alleged herein, including pursuant to Labor Code sections 558, 558.1, and 1197.1.

10 17. Upon information and belief, Defendants acted in all respects pertinent to this action as
11 an alter-ego, agent, servant, joint employer, joint venturer, co-conspirator, partner, in an integrated
12 enterprise, or in some other capacity on behalf of all other co-defendants, such that the acts and
13 omissions of each defendant may be legally attributable to all others.

14 **CLASS ALLEGATIONS**

15 18. This action is brought individually and on behalf of the following class pursuant to
16 Code of Civil Procedure section 382:

17 a. All current and former non-exempt employees who worked for Defendants in
18 California at any time from four years prior to the filing of this action through
19 date of class certification.

20 19. Plaintiff reserves the right to establish various subclass definitions as appropriate at the
21 class certification stage, according to proof.

22 20. The class is ascertainable and shares a well-defined community of interest in this
23 litigation:

24 a. Numerosity: The class is estimated to exceed 50 individuals, although the
25 precise membership of the entire class is unknown at this time. The class is so
26 numerous that joinder of all class members is impracticable. The identities of
27 class members are ascertainable by inspection of Defendants' employment and
28 payroll records.

- b. Typicality: Plaintiff's claims are typical of the claims of the other class members. They were subject to the same policies and practices of Defendants, which resulted in losses to the class. Proof of common unlawful business practices, which Plaintiff experienced, will establish the right of the class to recover on the causes of action alleged herein.
- c. Adequacy: Plaintiff is an adequate class representative; will take all necessary steps to protect the class members' interests adequately and fairly; has no interest antagonistic to other class members; and is represented by attorneys who have substantial experience prosecuting, defending, resolving, and litigating wage and hour class, collective, and representative actions in California state and federal courts.
- d. Superiority: A class action is superior to other means for adjudicating this dispute. Individual joinder is impractical. Class treatment will allow for common issues to be resolved in a single forum, simultaneously, and without duplication of effort and expense.
- e. Public Policy Considerations: Certification of this lawsuit as a class action advances the State of California's strong public interest in ensuring its approximately millions of employed residents are properly paid the wages they earned for the hours they worked. Class actions provide a mechanism for enforcement of labor laws and allow for vindication of employee rights by unnamed class members.

21. Common questions of law and fact as to the putative class members predominate over questions affecting only individual members. The common questions of law and fact exist as to whether the employment policies and practices formulated by Defendants and applied to the putative class members constitute violations of California law.

GENERAL ALLEGATIONS

22. Plaintiff and the putative class members worked for Defendants as non-exempt employees and were compensated on an hourly basis.

23. Defendants failed to pay Plaintiff and the putative class members at the lawful minimum wage rate for all hours worked, resulting in unpaid minimum wages.

24. Defendants employed a practice of interrupting Plaintiff's and putative class members' breaks by messaging them with urgent work-related tasks. Plaintiff and putative class members would have to respond to these requests immediately or face repercussions in the form of being accused of non-productivity. Since these interruptions sometimes occurred while Plaintiff and the putative class members were off-the-clock for a meal break, this practice resulted in unpaid hours worked.

25. In addition, Defendants failed to pay Plaintiff and the putative class members overtime wages and the lawful rate of pay for overtime hours worked, resulting in unpaid overtime wages. Specifically, as mentioned above, Defendants frequently interrupted Plaintiff's and the putative class members' meal breaks. To the extent that this practice resulted in Plaintiff and the putative class members working more than eight hours in a day or forty hours in a week, Defendants failed to pay all overtime wages earned.

26. Plaintiff further alleges that each time her meal periods, or those of the putative class members, were delayed, shortened, or otherwise interrupted, they became entitled to a meal period premium to be paid at the lawful regular rate of pay. Defendants, however, failed to pay the required meal premiums and, when premiums were paid at all, failed to calculate them using the correct regular rate, thereby undercompensating Plaintiff and the putative class members in violation of California law.

27. Plaintiff further alleges that, similar to their treatment of meal periods, Defendants maintained a practice of interrupting Plaintiff and the putative class members during their rest periods with urgent work-related tasks. Plaintiff and the putative class members were required to respond to these matters or risk being accused of non-productivity. Each time Plaintiff or the putative class members were required to work through all or part of a rest period, or were otherwise interrupted and forced to take a shortened rest break, they became entitled to a rest period premium to be paid at the lawful regular rate of pay.

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1 28. Each time Plaintiff or the putative class members were required to work through all or
2 part of a rest period, or were otherwise interrupted and forced to take a shortened rest break, they
3 became entitled to a rest period premium to be paid at the lawful regular rate of pay.

4 29. Plaintiff further alleges that Defendants failed to comply with California's paid sick
5 leave laws as to all putative class members. Specifically, Defendants failed to pay sick leave at the
6 required regular rate of pay by omitting incentive bonuses, restricted stock unit compensation, and
7 other forms of remuneration from the calculation of the hourly rate used to determine paid sick leave
8 wages.

9 30. Plaintiff's paystubs reflect that she earned an incentive bonus and two RSU payouts
10 during the same pay period in which she received one hour of sick pay. These additional payments
11 constitute non-excludable earnings that Defendants were required, but failed, to incorporate into the
12 calculation of the paid sick leave rate, resulting in the underpayment of sick leave wages. Plaintiff
13 further alleges, on information and belief, that Defendants' failure to pay sick leave at the lawful
14 regular rate of pay was carried out as a uniform policy and practice applicable to all putative class
15 members.

16 31. These violations create derivative liability for failure to timely pay all wages owed each
17 payday or upon separation of employment.

18 32. Plaintiff alleges that Defendants failed to pay her and the putative class members all
19 wages owed for regular hours worked, overtime, and paid sick leave. As a result of these
20 underpayments, Defendants failed to timely pay all wages due in violation of Labor Code section
21 204(a.).

22 33. Defendants failed to provide accurate itemized wage statements to the putative class
23 members each pay period as a result of the policies and practices set forth in this notice. Defendants
24 violated Labor Code section 226(a)(1) and (5) by not listing the correct "gross wages earned" or "net
25 wages earned," as the employees earned wages and premiums that were not paid, resulting in an
26 inaccurate reflection and recording of "gross wages earned" on those wage statements.

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34. Likewise, in violation of Labor Code section 226(a)(9), Defendants failed to state on employee wage statements each pay period the applicable hourly rates in effect and the number of hours worked at that rate, as Defendants failed to pay all wages and premiums owed to employees. The amounts stated are instead depreciated and underpaid, resulting in an inaccurate reflection on the pay stub.

35. Plaintiff and other putative class members cannot promptly and easily determine from the wage statement alone the wages paid or earned without reference to other documents or information. Indeed, these wage statement violations are significant because they sow confusion among Plaintiff and other putative class members with respect to what amounts were owed and paid, at what rates, the number of hours worked, and how those amounts were or should be calculated. The wage statements reflect a false statement of earnings and conceal the underlying problems and underpayments of employee wages.

36. Because of these policies and practices set forth above, Defendants failed to accurately maintain records in accordance with Labor Code section 1174 and the IWC Wage Orders.

FIRST CAUSE OF ACTION

FAILURE TO PAY ALL WAGES OWED/MINIMUM WAGES

Violation of Labor Code §§ 200, 218, 1194, 1194.2, 1197, 1198, IWC WAGE ORDERS

(All Claims Alleged by Plaintiff and Putative Class Members Against All Defendants)

37. All outside paragraphs of this Complaint are incorporated into this section.

38. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code §§ 200, 218, 1182.12, 1194, 1194.2, 1197, 1197.1 and 1198 and the IWC Wage Orders (the “Hours and Days of Work” and “Minimum Wages” sections of the applicable orders), which require non-exempt employees be timely paid at least the state or local minimum wage (if higher) for each hour of work, and further provide a private right of action for an employer’s failure to pay all minimum wages (plus liquidated damages). In addition to minimum wages, Labor Code § 200 states that “‘wages’ includes all amounts for labor performed by employees of every description, whether the amount is fixed or ascertained by the standard of time, task, piece, commission basis, or other method of calculation.”

39. Defendants willfully failed in their affirmative obligation to pay Plaintiff and putative class members at least the lawful minimum wage for each hour worked in violation of Labor Code sections 1182.12, 1194, 1194.2, 1197, 1197.1 and 1198 and the IWC Wage Orders (the “Hours and Days of Work” and “Minimum Wages” sections of the applicable orders), including payment at the lawful local and county minimum wage ordinances in effect. As a result, Defendants are liable for all associated damages, including liquidated damages for the minimum wage violations pursuant to Labor Code § 1194.2.

40. Defendants’ unlawful acts and omissions deprived Plaintiff and putative class members of minimum, regular and overtime wages in amounts to be determined at trial. Plaintiff and putative class members are entitled to recover the full amount of the unpaid wages, plus liquidated damages in an amount equal to the wages unlawfully unpaid (and interest thereon), in addition to interest, attorneys’ fees, and costs to the extent permitted by law, including under Labor Code sections 1194 and 1194.2, 218.6 and any other applicable statutes.

SECOND CAUSE OF ACTION

FAILURE TO PAY ALL OVERTIME WAGES

Violation of Labor Code §§ 510 and 1194

41. All outside paragraphs of this Complaint are incorporated into this section.

42. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code §§ 204, 510, 558, 1194, and 1198, which require non-exempt employees be timely paid overtime wages all overtime hours worked, and which further provide a private right of action for an employer’s failure to pay all overtime compensation for overtime hours worked.

43. Defendants failed in their affirmative obligation to pay Plaintiff and putative class members no less than one and one-half times their respective “regular rate of pay” for all hours worked in excess of eight hours in one day, 40 hours in one week, or the first eight hours worked on the seventh day of work in any one workweek, and no less than twice their respective “regular rate of pay” for all hours over 12 hours in one day and any work in excess of eight hours on any seventh day of a workweek for such hours worked, in violation of Labor Code sections 204, 510, 558, 1194, and 1198 and the IWC Wage Orders (the “Hours and Days of Work” sections of the applicable orders).

1 44. Plaintiff and putative class members are entitled to recover the full amount of the
2 unpaid overtime, in addition to interest, statutory and civil penalties, and attorneys' fees, and costs to
3 the extent permitted by law.

4 **THIRD CAUSE OF ACTION**

5 **MEAL PERIOD VIOLATIONS**

6 **Violation of Labor Code §§ 226.7 and 512**

7 45. All outside paragraphs of this Complaint are incorporated into this section.

8 46. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code
9 §§ 226.7, 558 and 512, which require non-exempt employees be provided complaint meal periods (or
10 meal period premiums in lieu thereof), and which further provide a private right of action for an
11 employer's failure to lawfully provide all meal periods and/or pay meal period premiums at the lawful
12 regular rate of compensation.

13 47. Defendants willfully failed in their affirmative obligation to consistently provide
14 Plaintiff and putative class members compliant, duty-free meal periods of not less than 30 minutes
15 beginning before the fifth hour of hour for each work period of more than five hours per day and a
16 second duty-free meal period of not less than 30 minutes beginning before the tenth hour of hour of
17 work in violation of Labor Code sections 226.7, 512, 558, 1198 and the IWC Wage Orders (the "Meal
18 Periods" sections of the applicable orders).

19 48. Further, Defendants willfully failed in their affirmative obligation to consistently pay
20 Plaintiff and putative class members one additional hour of pay at the respective regular rate of
21 compensation for each workday that a fully compliant meal period was not provided, in violation of
22 Labor Code sections 226.7, 512, 558, and 1198 and the IWC Wage Orders (the "Meal Periods"
23 sections of the applicable orders).

24 49. Plaintiff and putative class members are entitled to recover the full amount of the meal
25 period premiums owed, in addition to interest, statutory and civil penalties, and attorneys' fees, and
26 costs to the extent permitted by law.

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1 **FOURTH CAUSE OF ACTION**

2 **REST PERIOD VIOLATIONS**

3 **Violation of Labor Code §§ 226.7 and 516**

4 50. All outside paragraphs of this Complaint are incorporated into this section.

5 51. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code
6 §§ 226.7 and 516, which require non-exempt employees be authorized to take complaint rest periods
7 (or rest period premiums in lieu thereof), and which further provide a private right of action for an
8 employer's failure to lawfully provide all rest periods and/or pay rest period premiums at the lawful
9 regular rate of compensation.

10 52. Defendants willfully failed in their affirmative obligation to consistently authorize and
11 permit Plaintiff and putative class members to receive compliant, duty-free rest periods of not less
12 than ten (10) minutes for every four hours worked (or major fraction thereof) in violation of Labor
13 Code sections 226.7, 516, 558, and 1198 and the IWC Wage Orders (the "Rest Periods" sections of
14 the applicable orders).

15 53. Further, Defendants willfully failed in their affirmative obligation to consistently pay
16 Plaintiff and putative class members one additional hour of pay at the respective regular rate of
17 compensation for each workday that a fully compliant rest period was not provided, in violation of
18 Labor Code sections 226.7, 516, 558, and 1198 and the IWC Wage Orders.

19 **FIFTH CAUSE OF ACTION**

20 **FAILURE TO PAY ALL PAID SICK LEAVE WAGES**

21 **Violation of Labor Code §§ 200, 218, 246 *et seq.***

22 54. All outside paragraphs of this Complaint are incorporated into this section.

23 55. Defendants knowingly and intentionally failed in their affirmative obligation to pay
24 sick leave wages to Plaintiff and a paid sick leave subclass in violation of Labor Code section 246
25 *et seq.* Paid sick leave earnings constitute wages for purposes of California wage and hour law.
26 (*Murphy v. Kenneth Cole Productions, Inc.* (2007) 40 Cal.4th 1094, 1103 ["Courts have recognized
27 that 'wages' also include those benefits to which an employee is entitled as a part of his or her
28 compensation, including money, room, board, clothing, vacation pay, and sick pay"].)

56. Labor Code section 246(1), in conjunction with Labor Code section 248 *et seq.*, 248.1, 248.2, and 248.6, in addition to the applicable County sick pay ordinances in locales worked by putative class members, govern how Defendants were required to calculate paid sick leave.

57. Defendants failed to pay Plaintiff and putative class members their paid sick leave wages at one of the lawful rates set forth in the statute or ordinance because Defendants failed to include in their sick leave calculation the additional remuneration received by Plaintiff and putative class members (i.e., at the regular rate of pay and/or calculated based on total wages earned).

58. Furthermore, to the extent the paid sick leave paid constitutes Covid-related paid sick leave, Defendants knowingly and intentionally failed in their affirmative obligation to pay Covid-19 Supplemental Sick Leave wages to putative class members at the correct accrual rate or hourly pay rate in violation of Labor Code sections 246, 248.1, 248.2, and 248 *et seq.*

59. As a result, Defendants violated the Labor Code and are liable to Plaintiff and putative class members for underpaid sick leave wages, in addition to interest, attorneys' fees, and costs.

SIXTH CAUSE OF ACTION

UNTIMELY PAYMENT OF WAGES

Violation of Labor Code §§ 204, 210, 218

60. All outside paragraphs of this Complaint are incorporated into this section.

61. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code §§ 204, 204b, and 210 which require non-exempt employees be timely paid all wages owed each pay period, and which further provide a private right of action for an employer's failure to comply with this obligation. Labor Code § 218 authorizes individuals to sue directly for wages and penalties due under these sections, including Labor Code § 210(c)'s statutory late payment penalties.

62. Defendants willfully failed in their affirmative obligation to timely pay all wages, including paid sick leave and meal and rest premiums, earned by Plaintiff and putative class members twice during each calendar month on days designated in advance by the employer as regular paydays (for employees paid on a non-weekly basis) and on the regularly-scheduled weekly payday for weekly employees, if any, in violation of Labor Code sections 204 and 204b and the IWC Wage Orders (the “Minimum Wages” sections of the applicable orders).

63. Plaintiff and putative class members are entitled to recover the full amount of the unpaid wages, in addition to a statutory penalty in the amount of \$100 for the initial violation for each failure to pay each employee and \$200 for all subsequent violations and for all willful or intentional violations for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld under provided in Labor Code § 210, in addition to interest, attorneys' fees, and costs to the extent permitted by law.

SEVENTH CAUSE OF ACTION
WAGE STATEMENT VIOLATIONS
Violation of Labor Code § 226

64. All outside paragraphs of this Complaint are incorporated into this section.

65. This cause of action is brought by a wage statement subclass pursuant to Labor Code § 226(a), which requires non-exempt employees be provided accurate itemized wage statements each pay period, and which further provides a private right of action for an employer's failure to comply with this obligation.

66. Defendants knowingly and intentionally failed in their affirmative obligation to provide accurate itemized wage statements to Plaintiff and putative class members, resulting in injury to Plaintiff and putative class members. Specifically, the wage statements issued to Plaintiff and putative class members did not accurately state each pay period all of the information required by Labor Code § 226(a)(1)-(9).

67. Defendants' unlawful acts and omissions deprived Plaintiff and putative class members of accurate itemized wage statements, causing confusion and concealing wage and premium underpayments.

68. As a result, Plaintiff and putative class members are entitled to recover the statutory penalty of \$50 per employee for the initial pay period in which a violation occurred and \$100 per employee for each violation in a subsequent pay period, up to an aggregate penalty of \$4,000 per employee, in addition to interest, attorneys' fees, and costs to the extent permitted by law, including under Labor Code section 226(e).

1 **EIGHTH CAUSE OF ACTION**

2 **FAILURE TO MAINTAIN ACCURATE RECORDS**

3 **Violation of Labor Code § 1174; IWC Wage Orders**

4 69. All outside paragraphs of this Complaint are incorporated into this section.

5 70. Defendants violated Labor Code sections 1174 and the IWC Wage Orders by failing to
6 maintain accurate employee payroll records with respect to Plaintiff and the putative class members.

7 71. Labor Code section 1174 requires that employers maintain accurate “payroll records
8 showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned
9 by and any applicable piece rate paid to, employees employed at the respective plants or
10 establishments.” Section 7(A) of the IWC Wage Orders, which may be enforced through Labor Code
11 section 1198, mandates similar recordkeeping obligations.

12 72. Because of the policies and practices set forth in this notice, including the failure to
13 accurately account for wages earned or hours worked, Defendants failed to accurately maintain records
14 in accordance with Labor Code section 1174 and the IWC Wage Orders.

15 73. As a result, Plaintiff may recover civil penalties as an individual and on behalf of the
16 State of California and the putative class members, up to the maximum amount allowed as set forth
17 under the Labor Code.

18 **NINTH CAUSE OF ACTION**

19 **WAITING TIME PENALTIES**

20 **Violation of Labor Code §§ 201 *et seq.***

21 74. All outside paragraphs of this Complaint are incorporated into this section.

22 75. This cause of action is brought by a waiting time subclass pursuant to Labor Code
23 §§ 201 through 203, which require an employer to timely pay all wages earned upon termination of
24 employment, and which further provide a private right of action to recover statutory waiting time
25 penalties each day an employer fails to comply with this obligation, up to a maximum of 30 days
26 wages.

27 76. Defendants willfully failed and continue to fail in their affirmative obligation to pay all
28 wages earned and unpaid to Plaintiff and putative class members immediately upon termination of

1 employment or within 72 hours thereafter for employees who did not provide at least 72 hours prior
2 notice of his or her intention to quit, and further failed to pay those sums for 30 days thereafter in
3 violation of Labor Code sections 201 through 203 and the IWC Wage Orders.

4 77. Plaintiff and putative class members are entitled to recover a waiting time penalty for
5 a period of up to 30 days, in addition to interest, attorneys' fees, and costs to the extent permitted by
6 law.

7 **TENTH CAUSE OF ACTION**

8 **UNFAIR COMPETITION**

9 **Violation of Business and Professions Code §§ 17200 et seq.**

10 78. All outside paragraphs of this Complaint are incorporated into this section.

11 79. Defendants have engaged and continue to engage in unfair and/or unlawful business
12 practices in the State of California in violation of California Business and Professions Code § 17200
13 by committing the foregoing wage and hour violations alleged throughout this Complaint.

14 80. Defendants' dependence on these unfair and/or unlawful business practices deprived
15 Plaintiff and continue to deprive other putative class members of compensation to which they are
16 legally entitled, constitutes unfair and/or unlawful competition, and provides an unfair advantage to
17 Defendants over competitors who have been and/or are currently employing workers in compliance
18 with California's wage and hour laws. These failures constitute unlawful, deceptive, and unfair
19 business acts and practices in violation of Business and Professions Code section 17200 et seq.

20 81. Plaintiff is a victim of Defendants' unfair and/or unlawful conduct alleged in this
21 Complaint, and Plaintiff, as an individual and on behalf of others similarly situated, seeks full
22 restitution of the moneys as necessary and according to proof to restore all monies withheld, acquired,
23 and/or converted by Defendants pursuant to Business and Professions Code §§ 17203 and 17208.

24 82. Plaintiff does not have an adequate remedy at law for past or future violations, to the
25 extent the statute of limitations on each of the alleged causes of action do not extend to the four year
26 limitation provided under the UCL or to the extent the underlying Labor Code and IWC Wage Order
27 violations do not provide a private right of action.

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83. Plaintiff and putative class members are entitled to injunctive relief against Defendants, restitution, and other equitable relief to return all funds over which Plaintiff and putative class members have an ownership interest and to prevent future damage and the public interest under Business and Professions Code § 17200 et seq. Plaintiff and putative class members are further entitled to recover interest, attorneys' fees, and costs to the extent permitted by law, including under Code of Civil Procedure § 1021.5.

ELEVENTH CAUSE OF ACTION

CIVIL PENALTIES UNDER THE PRIVATE ATTORNEYS GENERAL ACT

Violation of Labor Code §§ 2698 et seq.

(By Plaintiff on Behalf of the State and the Aggrieved Employees Against All Defendants)

84. All outside paragraphs of this Complaint are incorporated into this section.

85. Plaintiff brings this cause of action as a proxy for the State of California on behalf of the following "aggrieved employees" pursuant to the Private Attorneys General Act ("PAGA"), codified as Labor Code section 2698 et seq.:

- a. All current and former non-exempt employees who worked for Defendants in California at any time from one year prior to the postmark date of the initial PAGA notice through date of trial.

86. Plaintiff reserves the right to amend, supplement, or add to this description of the aggrieved employees, according to proof.

87. The State of California, via the Labor and Workforce Development Agency ("LWDA"), is the real party in interest in this action with respect to this cause of action. (*Kim v. Reins Int'l California, Inc.* (2020) 9 Cal. 5th 73, 81 [The "government entity on whose behalf the plaintiff files suit is always the real party in interest."])

88. Labor Code section 2699(a) provides: "Notwithstanding any other provision of law,, any provision of this code that provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency or any of its departments, divisions, commissions, boards, agencies, or employees, for a violation of this code, may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of the employee and other current or former

employees against whom a violation of the same provision was committed pursuant to the procedures specified in Section 2699.3. “

89. Any allegations regarding violations of the IWC Wage Orders are enforceable as violations of Labor Code section 1198, which states: “[t]he employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.”

90. Labor Code section 2699.3 sets forth the procedure for commencing an action for civil penalties under the PAGA.

91. On or about **November 14, 2025**, Plaintiff paid the requisite PAGA filing fee and provided written notice (by online electronic filing with the LWDA and by certified mail to Defendants) of Defendants’ alleged Labor Code violations, including the facts and theories to support the alleged violations.

92. A true and correct copy of Plaintiff’s written PAGA notice, entitled “Notice of Labor Code Violations,” is attached hereto as Exhibit 1 and incorporated by reference as though fully set forth herein (the “PAGA notice”).

93. To date, neither Plaintiff nor Plaintiff’s counsel has received a response to Plaintiff’s written PAGA notice from the LWDA.

94. Within 33 calendar days of the postmark date of the notice sent by Plaintiff, neither Plaintiff nor Plaintiff’s counsel has received written notice by certified mail from any defendant providing a description of any actions taken to cure the alleged violations.

95. Now that at least 65 days have passed from Plaintiff notifying Defendants of these violations, without notice of cure from Defendants or notice from the LWDA of its intent to investigate the alleged allegations and issue the appropriate citations to Defendants, Plaintiff exhausted all prerequisites and commenced this civil action under Labor Code section 2699 *et seq.*

96. As set forth in the PAGA notice attached as Exhibit 1 and incorporated into this Complaint, Defendants committed the following violations and are liable for all corresponding civil penalties:

- a. ***Unpaid Hours Worked/Minimum Wage.*** Violation of Labor Code §§ 1194, 1197, 1198; IWC Wage Orders.

- b. ***Unpaid Overtime.*** Violation of Labor Code §§ 510, 1194, 1198; IWC Wage Orders.
- c. ***Unpaid Paid Sick Leave.*** Violation of Labor Code §§ 246 through 248.7.
- d. ***Unpaid Meal Period Premium Wages.*** Violation of Labor Code §§ 226.7, 512, 1198; IWC Wage Orders.
- e. ***Unpaid Rest Period Premium Wages.*** Violation of Labor Code §§ 226.7, 516, 1198; IWC Wage Orders.
- f. ***Untimely Payment of Wages During Employment.*** Violation of Labor Code §§ 204, 204b, 210.
- g. ***Untimely Payment of Wages Upon Separation of Employment.*** Violation of Labor Code §§ 201, 202, 203, 256.
- h. ***Non-Compliant Wage Statements.*** Violation of Labor Code §§ 226, 226.3.
- i. ***Failure to Maintain Accurate Records.*** Violation of Labor Code § 1174; IWC Wage Orders.

97. Plaintiff seeks to collect all recoverable civil penalties for the Labor Code violations alleged in this Complaint and the PAGA notice (including amendments thereto) against Defendants pursuant to Labor Code section 2699(a) and (f), in addition to attorneys' fees, costs, and interest to the extent permitted by law, including under Labor Code section 2699(k).

PRAYER

Plaintiff prays for judgment as follows:

- a. For certification of this action as a class action;
- b. For the appointment of Plaintiff as the class representative;
- c. For appointment of above-captioned counsel for Plaintiff as Class Counsel;
- d. For division of putative class members into appropriate classes and/or subclasses according to proof;
- e. For recovery of all statutory penalties and liquidated damages;
- f. For disgorgement of all amounts wrongfully obtained to the extent permitted by law;
- g. For restitution and injunctive relief;

- 1 h. For attorneys' fees and costs of suit, including expert fees, to the extent permitted by
2 law, including (without limitation) under Labor Code §§ 218.5, 226, 1194 and Code of
3 Civil Procedure § 1021.5.
- 4 i. For recovery of damages in amount according to proof;
- 5 j. For all recoverable pre- and post-judgment interest;
- 6 k. For this action to be maintained as a representative action under the PAGA;
- 7 l. For Plaintiff and counsel of record to be provided with all enforcement capability as if
8 the action were brought by the State of California or the California Division of Labor
9 Enforcement;
- 10 m. For recovery of all civil penalties and other recoverable amounts under the PAGA;
- 11 n. For reasonable attorneys' fees and costs of suit, including expert fees, to the extent
12 permitted by law, associated with the PAGA claims pursuant to Labor Code § 2699,
13 and Code of Civil Procedure section 1021.5 and any other applicable sections; and
- 14 o. For such other relief the Court deems just and proper.

15
16 Dated: January 27, 2026

Ferraro Vega Employment Lawyers, Inc.

17 
18 _____
19 Nicholas J. Ferraro
Dorota A. James

20 *Attorneys for Plaintiff Madison Kapiloff*

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EXHIBIT 1
Notice of Labor Code Violations

FERRARO VEGA

SAN DIEGO EMPLOYMENT LAWYERS

Nicholas J. Ferraro
nick@ferrarovega.com
Lauren N. Vega
lauren@ferrarovega.com

ATTORNEYS AT LAW
3333 Camino del Rio South, Suite 300
San Diego, California 92108

619-693-7727
619-350-6855 fax
ferrarovega.com

November 14, 2025

NOTICE OF LABOR CODE VIOLATIONS CALIFORNIA LABOR CODE SECTIONS 2698 *et seq.*

VIA CERTIFIED U.S. MAIL
- Electronic Return Receipt -

Neurocrine Biosciences, Inc.
12780 El Camino Real
San Diego, California 92130

- PAGA Notice & Filing Fee -
Submitted electronically to the Labor and
Workforce Development Agency

Neurocrine Biosciences, Inc.
6027 Edgewood Bend Ct.
San Diego, California 92130

Dear LWDA Officer and Company Representatives:

This letter serves as written notice under Labor Code section 2699.3 on behalf of **MADISON KAPILOFF** (“Plaintiff(s)”) and all other “aggrieved employees” of the following “Defendant(s)”:

NEUROCRINE BIOSCIENCES, INC.;

Defendant(s) shall mean and include the foregoing in addition to any other related employer entities, individuals under Labor Code sections 558 and 558.1, and all others who may be later added upon further investigation and discovery as liable employers.

This office serves as legal counsel for Plaintiff. If the California Labor and Workforce Development Agency (“LWDA”) does not investigate the facts, allegations, and violations set forth in this notice within the statutorily prescribed 65-day period under Labor Code section 2699.3, Plaintiff intends to commence a civil action against Defendants as a proxy and agent of the State of California under the Private Attorneys General Act (“PAGA”). “PAGA allows an ‘aggrieved employee’—a person affected by at least one Labor Code violation committed by an employer—to pursue penalties for all the Labor Code violations committed by that

employer.” *Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal.App.5th 745, 751; *Kim v. Reins International California, Inc.* (2020) 9 Cal.5th 73, 79. Plaintiff maintains standing to pursue these claims against Defendants as an aggrieved employee.

Through this notice, Plaintiff requests that Defendants complete an internal investigation and audit of the wage and hour and employment practices at issue and make a good faith effort to correct any violations. Plaintiff attempts to identify the non-compliant policies and practices affecting the aggrieved employees so that the parties may resolve the underlying damages and penalties in judgment or settlement approved by the Superior Court of California under Labor Code section 2699(s). Defendants are notified that any attempt to resolve this case should be conducted in coordination with Plaintiff’s counsel to protect the interests of Plaintiff, the aggrieved employees, and the State of California via the LWDA. Plaintiff advises Defendants this letter should be also considered a reasonable attempt at settlement of this matter, subject to an exchange of additional documents and information. *Graham v. Daimler Chrysler Corp.* (2004) 24 Cal.4th 553, 561.

- BACKGROUND -

Defendants employed Plaintiff during the PAGA Period in the position of Associate Specialist in Quality Assurance from about September 2022 to June 2025. Plaintiff worked at Defendant’s facility located in San Diego, CA. During their employment Plaintiff and the other aggrieved employees were subject to the wage and hour and employment protections set forth in the California Labor Code and IWC Wage Orders.

Through this notice, Plaintiff informs the LWDA of the Labor Code violations set forth herein. The “aggrieved employees” include Plaintiff and the following individuals:

All current and former non-exempt employees who worked for Defendants in the State of California during one-year period preceding the date of this notice through the current date and the date of trial in any pending action (the “aggrieved employees” and the “PAGA Period”).

Plaintiff reserves the right to expand or narrow the definition of the “aggrieved employees” in the forthcoming civil action. Furthermore, Plaintiff seeks all recoverable civil penalties for Defendants’ violations and reserves the right to supplement this notice as further investigation is completed and further facts, witnesses, and violations are uncovered.

- PAGA CLAIMS -

Unpaid Hours Worked/Minimum Wage Violation of Labor Code §§ 1194, 1197, 1198; IWC Wage Orders

Defendants violated Labor Code sections 1194, 1197, and 1198, along with the California Minimum Wage Order, the applicable local minimum wage ordinances, and the “Hours and

Days of Work” and “Minimum Wages” sections of the applicable IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 1194 renders it unlawful for an employee to receive less than the legal minimum wage for hours worked in California. Labor Code section 1197 further mandates that “[t]he minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a lower wage than the minimum so fixed is unlawful.” Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The California Minimum Wage Order and the applicable sections of the IWC Wage Orders further require payment of minimum wages for all hours worked. The “Minimum Wages” sections of the applicable IWC Wage Order provide that “[e]very employer shall pay to each employee, on the established payday for the period involved, not less than the applicable minimum wage for all hours worked in the payroll period, whether the remuneration is measured by time, piece, commission, or otherwise.” The foregoing California wage laws require payment of “not less than the applicable minimum wage *for all hours worked* in the payroll period” and California law does not allow averaging of pay over the hours worked in the pay period, even if the total pay results in an average above the minimum wage. *Armenta v. Osmose, Inc.* (2005) 135 Cal.App.3d 314, 324.

Defendants failed to pay Plaintiff and the aggrieved employees at the lawful minimum wage rate for all hours worked, resulting in unpaid minimum wages. Specifically, Defendants employed a practice of interrupting Plaintiff’s and the aggrieved employees’ breaks by messaging them with urgent work-related tasks. Plaintiff and the aggrieved employees would have to respond to these requests immediately or face repercussions in the form of being accused of non-productivity. Since these interruptions sometimes occurred while Plaintiff and the aggrieved employees were off-the-clock for a meal break, this practice resulted in unpaid hours worked.

Plaintiff alleges, on information and belief, that Defendant failed to pay all hours worked as a matter of policy and practice.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Overtime **Violation of Labor Code §§ 510, 1194, 1198; IWC Wage Orders**

Defendants violated Labor Code sections 510, 1194, and 1198, along with the “Hours and Days of Work” sections of the applicable IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 510 requires “[a]ny work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee;” and “any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee;” and “any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee.” Labor Code section 1194 renders it unlawful for an employee to receive less than the legal overtime rate for overtime hours worked in California. Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The IWC Wage Orders further require payment of overtime wages for all overtime hours worked, including the “Hours and Days of Work” sections.

Defendants failed to pay Plaintiff and the aggrieved employees overtime wages and the lawful rate of pay for overtime hours worked, resulting in unpaid overtime wages. Specifically, as mentioned above, Defendants employed a practice of interrupting Plaintiff’s and the aggrieved employees’ unpaid breaks. To the extent that this practice resulted in Plaintiff and the aggrieved employees working more than eight hours in a day or forty hours in a week, Defendants failed to pay all overtime wages earned.

Plaintiff alleges, based on information and belief, that Defendants failed to pay all overtime wages owed as a matter of policy and practice.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Paid Sick Leave **Violation of Labor Code §§ 246 through 248.7**

Defendants violated Labor Code sections 246 through 248.7 with respect to the aggrieved employees.

Labor Code section 246 requires employers to provide paid sick leave to its workforce on the terms set forth in the statute. Employers must comply with the accrual, use, and notice provisions of Labor Code sections 246, 246.5, 247, and must further ensure that they maintain the paid sick leave records required by Labor Code section 247.5. Employers have the option of providing 40 hours of paid sick leave to employees or to allow employees to accrue paid sick leave each pay period. If an employer chooses the accrual method, employees must accrue sick leave at a rate of one hour for every thirty hours worked in a given pay period as set forth in Labor Code section 246(b)(1). Under the accrual method, employees must begin accruing paid sick leave at the commencement of employment.

Employers must pay sick leave in accordance with one of the three permissible methods provided in Labor Code section 246(l): (1) “the same manner as the regular rate of pay for the workweek;” (2) “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;” or (3) “for exempt employee ... in the same manner as the employer calculates wages for other forms of paid leave time.” Labor Code sections 248.6 and 248.7 similarly require paid sick leave to be paid at a regular rate-based calculation in excess of the base hourly rate and at the lawful accrual rate.

Under Labor Code section 246(i), employers must provide employees “with written notice of the amount of paid sick leave available ... for use on either the employee’s itemized wage statement ... or in a separate writing provided on the designated pay date with the employee’s payment of wages.”

Defendants failed to comply with California’s paid sick leave laws with respect to the aggrieved employees. Specifically, Defendants failed to pay paid sick leave at the regular rate by failing to factor in incentive bonuses, restricted stock unit income, and other forms of remuneration into the paid sick leave rate. Based on Defendants’ noncompliance with the regular rate of pay requirement applicable to meal and rest period premiums, Plaintiff alleges on information and belief that the regular rate miscalculation equally applies to standard and supplemental paid sick leave with respect to the aggrieved employees, resulting in underpayments.

An illustrative example of Defendants’ miscalculation of the Plaintiff’s regular rate of pay in regards to sick pay is shown below:

<table border="1"> <tr> <td>CO.</td> <td>FILE</td> <td>DEPT.</td> <td>CLOCK</td> <td>VCHR. NO.</td> <td>070</td> </tr> <tr> <td>6G7</td> <td>002745</td> <td>088000</td> <td></td> <td>0000094970</td> <td>3</td> </tr> </table>					CO.	FILE	DEPT.	CLOCK	VCHR. NO.	070	6G7	002745	088000		0000094970	3	Earnings Statement			
CO.	FILE	DEPT.	CLOCK	VCHR. NO.	070															
6G7	002745	088000		0000094970	3															
NEUROCRINE BIOSCIENCES, INC 12780 EL CAMINO REAL SAN DIEGO, CA 92130						Period Beginning: 02/16/2025 Period Ending: 02/28/2025 Pay Date: 02/28/2025														
Filing Status: Single/Married filing separately Exemptions/Allowances: Federal: Standard Withholding Table						MADISON KAPILOFF 														
Social Security Number: XXX-XX-3576																				
Earnings	rate	hours	this period	year to date																
Regular	35.9200	79.00	2,837.68	11,585.44																
Retro			28.80	28.80																
Sick	35.9200	1.00	35.92	107.04																
Holiday				568.96																
Rsu				9,466.47																
				21,756.71																
Gross Pay			\$2,902.40																	
					Your federal taxable wages this period are \$2,664.26															
					Other Benefits and Information															
					this period	total to date														
					Floating Balanc	16.00														
					Gtl	2.97	11.79													

CO. FILE DEPT. CLOCK VCHR. NO. 070
6G7 002745 088000 0000090939 1

NEUROCRINE BIOSCIENCES, INC
12780 EL CAMINO REAL
SAN DIEGO, CA 92130

Earnings Statement



Period Beginning: 02/22/2025
Period Ending: 02/28/2025
Pay Date: 02/28/2025

Filing Status: Single/Married filing separately
Exemptions/Allowances:
Federal: Standard Withholding Table

MADISON KAPILOFF

Social Security Number: XXX-XX-3576

Earnings	rate	hours	this period	year to date
Bonus			9,035.22	9,035.22
Regular				11,585.44
Holiday				568.96
Retro				28.80
Rsu				9,466.47
Sick				107.04
Gross Pay			\$9,035.22	30,791.93

Your federal taxable wages this period are
\$9,035.22

Other Benefits and Information	this period	total to date
Gtl		11.79
401K Match		737.42

CO. FILE DEPT. CLOCK NUMBER 070
6G7 002745 088000 1

NEUROCRINE BIOSCIENCES, INC
12780 EL CAMINO REAL
SAN DIEGO, CA 92130

Earnings Statement



Period Beginning: 02/16/2025
Period Ending: 02/28/2025
Pay Date: 02/28/2025

Filing Status: Single/Married filing separately
Exemptions/Allowances:
Federal: Standard Withholding Table

MADISON KAPILOFF

Social Security Number: XXX-XX-3576

Earnings	rate	salary/hours	this period	year to date
Rsu			5,609.76	5,609.76
Regular				8,747.76
Holiday				568.96
Sick				71.12
Gross Pay			\$5,609.76	14,997.60

Other Benefits and Information	this period	total to date
Gtl		8.82
401K Match		563.28

Important Notes

COMPANY PHNO :- 858-617-7607

you received.

CO. FILE DEPT. CLOCK NUMBER 070 6G7 002745 088000 2	Earnings Statement	
NEUROCRINE BIOSCIENCES, INC 12780 EL CAMINO REAL SAN DIEGO, CA 92130	Period Beginning: 02/16/2025 Period Ending: 02/28/2025 Pay Date: 02/28/2025	
Filing Status: Single/Married filing separately Exemptions/Allowances: Federal: Standard Withholding Table	MADISON KAPILOFF 	
Social Security Number: XXX-XX-3576		

Earnings	rate	salary/hours	this period	year to date	Other Benefits and Information	this period	total to date
Rsu			3,856.71	9,466.47	Gtl		8.82
Regular				8,747.76	401K Match		563.28
Holiday				568.96			
Sick				71.12			
Gross Pay			\$3,856.71	18,854.31	Important Notes		
					COMPANY PHNO :- 858-617-7607		

Extracts from Plaintiff's Wage Statement on February 28, 2025

Here, Plaintiff earned an incentive bonus of \$9,035.22 and two RSU payouts totaling \$8,926.47. In the same pay period, she earned one hour of sick pay. These additional payments are non-excludable earnings that Defendant should have but failed to incorporate in the paid sick leave rate, resulting in their failure to pay sick leave at the lawful rate, inclusive of all earnings.

Plaintiff alleges, on information and belief, that Defendant failed to pay sick leave at the lawful regular rate of pay as a matter of policy and practice.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Meal Period Premium Wages Violation of Labor Code §§ 226.7, 512, 1198; IWC Wage Orders

Defendants violated Labor Code sections 226.7, 512, and 1198, along with the related sections of the IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 512 and the IWC Wage Orders require that employers provide an uninterrupted 30-minute meal period after no more than five hours of work and a second meal period after no more than 10 hours of work. *See Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1049. Labor Code section 226.7 requires that if a meal period is late, missed, short, or interrupted, the employer must pay one additional hour of pay at the employee's "regular rate" of compensation. *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858, 862 ("We hold that the terms are synonymous: "regular rate of compensation" under section

226.7(c), like “regular rate of pay” under section 510(a), encompasses all nondiscretionary payments, not just hourly wages”). “[T]ime records showing noncompliant meal periods raise a rebuttable presumption of meal period violations, including at the summary judgment stage.” *Donohue v. AMN Services, LLC* (2021) 11 Cal.5th 58, 61. Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The IWC Wage Orders, including Section 11 (Meal Periods), further require one uninterrupted 30-minute meal period after no more than five hours of work and a second meal period after no more than 10 hours of work and an additional hour of pay at the employee’s regular rate of compensation for each workday that a compliant meal period is not provided. Pursuant to Section 11(A) of the IWC Wage Orders, the California Supreme Court has held that the on-duty meal period exception is “exceedingly narrow” and applies only when (1) “the nature of the work prevents the employee from being relieved of all duty” and (2) *both* “the employer and employee have agreed, in writing, to the on-duty meal period.” *Augustus v. AMB Security Services, Inc.* (2016) 2 Cal.5th 257, 266-276 (emphasis added). If these two requirements are not met, then the employer owes the employee one hour of premium pay for each non-compliant meal period taken under the purported on-duty meal arrangement. *Naranjo v. Spectrum Security Services, Inc.* (2019) 40 Cal.5th 444, 459.

Specifically, Defendant maintained a practice of interrupting Plaintiff and the aggrieved employees during their meal breaks with urgent work-related tasks. Plaintiff and the aggrieved employees were required to respond to these urgent matters or risk being accused of non-productivity. Each time Plaintiff or the aggrieved employees were interrupted during, missed, or were forced to take a shortened meal period, they became entitled to a meal premium, to be paid at the lawful regular rate of pay.

Plaintiff alleges, based on information and belief, that Defendant failed to pay these meal premiums as a matter of policy and practice.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Rest Period Premium Wages **Violation of Labor Code §§ 226.7, 516, 1198; IWC Wage Orders**

Defendants violated Labor Code sections 226.7, 516, and 1198, and the related sections of the IWC Wage Orders with respect to Plaintiff and the aggrieved employees.

Labor Code sections 226.7 and 516 and the IWC Wage Orders require that employers authorize and permit an uninterrupted 10-minute rest period for each four-hour period (or major fraction thereof) that an employee works. Labor Code section 226.7 requires that if a rest period is non-compliant, the employer must pay one additional hour of pay at the employee’s “regular rate” of compensation. *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11

Cal.5th 858, 862 (“We hold that the terms are synonymous: “regular rate of compensation” under section 226.7(c), like “regular rate of pay” under section 510(a), encompasses all nondiscretionary payments, not just hourly wages”). Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The IWC Wage Orders, including Section 12 (Rest Periods), further require one uninterrupted 10-minute rest period for each four-hour period (or major fraction thereof) worked and an additional hour of pay at the employee’s regular rate of compensation for each workday that a compliant rest period is not authorized or permitted.

Specifically, Defendant maintained a practice of interrupting Plaintiff and the aggrieved employees during their rest periods with urgent work-related tasks. Plaintiff and the aggrieved employees were required to respond to these urgent matters or risk being accused of non-productivity. Each time Plaintiff or the aggrieved employees were interrupted during, missed, or were forced to take a shortened rest period, they became entitled to a rest period premium, to be paid at the lawful regular rate of pay.

Plaintiff alleges, based on information and belief, that Defendant failed to pay these rest premiums as a matter of policy and practice.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Untimely Payment of Wages Upon Separation of Employment **Violation of Labor Code §§ 201, 202, 203, 256**

Defendants violated Labor Code sections 201, 202, and 203 with respect to the aggrieved employees by failing to pay all wages and premiums owed upon termination of employment.

Labor Code section 201 requires that if an employer fires an employee, the wages must be paid immediately. Labor Code section 202 requires that if an employee quits without providing 72 hours’ notice, his or her wages must be paid no later than 72 hours thereafter. Labor Code section 202 states that if an employee provides 72 hours’ notice, the final wages are payable upon his or her final day of employment. Labor Code section 203 requires an employer who fails to comply with Labor Code sections 201 or 202 to pay a waiting time penalty for each employee, up to a period of 30 days additional compensation.

Defendants failed to pay all wages and premiums owed to aggrieved employees during their employment as set forth in this notice, and also failed to timely pay those amounts to departing employees upon separation of employment. Defendants did not pay waiting time penalties for the late payments. As a result, Defendants violated Labor Code sections 201, 202, and 203.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Non-Compliant Wage Statements
Violation of Labor Code §§ 226, 226.3

Defendants violated Labor Code sections 226(a) and 226.3 with respect to the aggrieved employees by failing to furnish itemized wage statements each pay period that accurately list all information required by Labor Code section 226(a)(1) through (9).

Labor Code section 226(a) requires an employer to furnish wage statements to employees semimonthly or at the time of each payment of wages, “an accurate itemized statement in writing showing:” (1) gross wages earned, (2) total hours worked, (3) the number of piece rate units earned and applicable piece-rate in effect, (4) all deductions, (5) net wages earned, (6) the inclusive dates of the pay period, (7) the name of the employee and last four digits of SSN or an EIN, (8) the name and address of the legal name of the employer, and (9) all applicable hourly rates in effect during the pay period and the number of hours worked at each hourly rate by the employee.

Defendants failed to provide accurate itemized wage statements to the aggrieved employees each pay period as a result of the policies and practices set forth in this notice. Defendants violated Labor Code section 226(a)(1) and (5) by not listing the correct “gross wages earned” or “net wages earned,” as the employees earned wages and premiums that were not paid, resulting in an inaccurate reflection, and recording of “gross wages earned” on those wage statements. Likewise, in violation of Labor Code section 226(a)(9), Defendants failed to state on employee wage statements each pay period the applicable hourly rates in effect and the number of hours worked at that rate, as Defendants failed to pay all wages and premiums owed to employees. The amounts stated are instead depreciated and underpaid, resulting in an inaccurate reflection on the pay stub.

Plaintiff and other aggrieved employees cannot promptly and easily determine from the wage statement alone the wages paid or earned without reference to other documents or information. Indeed, these wage statement violations are significant because they sow confusion among Plaintiff and other aggrieved employees with respect to what amounts were owed and paid, at what rates, the number of hours worked, and how those amounts were or should be calculated. The wage statements reflect a false statement of earnings and concealed the underlying problems and underpayments of employee wages.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Failure to Maintain Accurate Records
Violation of Labor Code § 1174; IWC Wage Orders

Defendants violated Labor Code sections 1174 and the IWC Wage Orders by failing to maintain accurate employee payroll records with respect to Plaintiff and other aggrieved employees.

Labor Code section 1174 requires that employers maintain accurate “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.” Section 7(A) of the IWC Wage Orders, which may be enforced through Labor Code section 1198, mandates similar recordkeeping obligations.

Because of the policies and practices set forth in this notice, including the failure to accurately account for wages earned or hours worked, Defendants failed to accurately maintain records in accordance with Labor Code section 1174 and the IWC Wage Orders.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Attorneys’ Fees and Costs
Labor Code § 2699(k)(1)

Plaintiff has been compelled to retain the services of counsel to protect the interests of other aggrieved employees and the State of California. Plaintiff continues to incur attorneys’ fees and costs, which are recoverable under California law, including Labor Code section 2699(k)(1).

- LITIGATION HOLD NOTICE -

This letter imposes a duty upon all defendants and their respective employees, officers, directors, executives, attorneys, human resource and payroll personnel, accountants, and other agents to preserve all physical and electronic evidence, including electronically stored information and emails, which relate to the employment of Plaintiff and the aggrieved employees specified in this notice. Evidence includes, but is not limited to, Defendants’ written employment and payroll policies and handbooks; the aggrieved employees’ personnel files and payroll records, such as paystubs, time records, wage statements, compensation reports, as well as the underlying electronically data in Excel or similar format. Memoranda and internal and external correspondence relating to the subject matter of this notice shall also be maintained. Failure to preserve and retain relevant evidence may constitute spoliation of evidence and result in an adverse inference or sanctions.

If you have any questions regarding the scope of your obligations to preserve evidence, please consult your legal counsel and always err on the side of caution. Periodic or regularly scheduled purges or deletions of information covered by this hold must be suspended immediately.

- CONCLUSION -

If the LWDA does not pursue enforcement, Plaintiff intends to bring representative claims on behalf of the State of California and the aggrieved employees seeking civil penalties for violations of the Labor Code and the IWC Wage Orders, along with attorneys' fees, costs, interest, and other appropriate relief.

Please advise if the LWDA intends to investigate any of the factual or legal allegations set forth in this notice. Defendants may contact Plaintiff's counsel with any questions regarding this letter or the forthcoming lawsuit.

Sincerely,



Dorota James

Cc Plaintiff Madison Kapiloff
Timothy O'Leary, Sr. Employment Counsel, toleary@neurocrine.com