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Case #25CV478939
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Bevin Allen Pike (SBN 221936)
Bevin.Pike@capstonelawyers.com
Daniel S. Jonathan (SBN 262209)
Daniel.Jonathan@capstonelawyers.com
Trisha K. Monesi (SBN 303512)
Trisha.Monesi@capstonelawyers.com
Shealene P. Mancuso (SBN 331740)
Shealene.Mancuso@capstonelawyers.com
Jeffrey Jimenez (SBN 338228)
Jeff.Jimenez@capstonelawyers.com
Capstone Law APC
1875 Century Park East, Suite 1000
Los Angeles, California 90067
Telephone: (310) 556-4811
Facsimile: (310) 943-0396

Attorneys for Plaintiff Edward Carlos II

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SANTA CLARA

EDWARD CARLOS II, individually, and
on behalf of other members of the general
public similarly situated, and as an
aggrieved employee pursuant to the Private
Attorneys General Act ("PAGA"),

Plaintiff,

vs.

RESTORATION HARDWARE, INC., a
Delaware corporation; RH WHICH WILL
DO BUSINESS IN CALIFORNIA AS
RESTORATION HARDWARE
HOLDINGS, INC., a Delaware corporation;
RH CA HOSPITALITY, LLC, a California
limited liability company; and DOES 1
through 10, inclusive,

Defendants.

Case No.: 25CV478939

**FIRST AMENDED CLASS ACTION
COMPLAINT & ENFORCEMENT
ACTION UNDER THE PRIVATE
ATTORNEYS GENERAL ACT,
CALIFORNIA LABOR CODE §§ 2698, ET
SEQ.**

- (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime);
- (2) Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 (Unpaid Minimum Wages);
- (3) Violation of California Labor Code §§ 226.7, 516, and 1198 (Failure to Authorize and Permit Rest Periods);
- (4) Violation of California Labor Code §§ 226(a), 1174(d), and 1198 (Non-Compliant Wage Statements and Failure to Maintain Payroll Records);
- (5) Violation of California Labor Code § 227.3 (Failure to Pay Vested Vacation Time Upon Termination);
- (6) Violation of California Labor Code §§ 201 and 202 (Wages Not Timely Paid Upon Termination);
- (7) Violation of California Labor Code § 204 (Failure to Timely Pay Wages During Employment);

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- (8) Violation of California Labor Code § 2802 (Unreimbursed Business Expenses);
- (9) Civil Penalties for Violations of California Labor Code, Pursuant to PAGA, §§ 2698, *et seq.*;
- (10) Violation of California Business & Professions Code §§ 17200, *et seq.* (Unlawful Business Practices); and
- (11) Violation of California Business & Professions Code §§ 17200, *et seq.* (Unfair Business Practices)

Jury Trial Demanded

1 Plaintiff Edward Carlos II, individually and on behalf of all other members of the public
2 similarly situated, and as an aggrieved employee and on behalf of all aggrieved employees,
3 alleges as follows:

4 JURISDICTION AND VENUE

5 1. This class action is brought pursuant to California Code of Civil Procedure
6 section 382 and California Labor Code sections 2698, *et seq.* (“PAGA”) to recover civil
7 penalties and any other available relief on behalf of Plaintiff, the State of California, and other
8 current and former employees who worked for Defendants in California as non-exempt, hourly
9 paid employees and received at least one wage statement and against whom one or more
10 violations of any provision in Division 2 Part 2 Chapter 1 of the Labor Code or any provision
11 regulating hours and days of work in the applicable Industrial Welfare Commission (“IWC”)
12 Wage Order were committed, as set forth in this complaint. The monetary damages, penalties,
13 and restitution sought by Plaintiff exceed the minimal jurisdiction limits of the Superior Court
14 and will be established according to proof at trial. This Court has jurisdiction over this action
15 pursuant to the California Constitution, Article VI, section 10. The statutes under which this
16 action is brought do not specify any other basis for jurisdiction. Plaintiff’s share of damages,
17 penalties, and other relief sought in this action does not exceed \$75,000.

18 2. This Court has jurisdiction over Defendants because Defendants are either
19 citizens of California, have sufficient minimum contacts in California, or otherwise
20 intentionally avail themselves of the California market so as to render the exercise of jurisdiction
21 over them by the California courts consistent with traditional notions of fair play and substantial
22 justice. There is no basis for federal diversity jurisdiction in this action because there is no
23 complete diversity, and this case falls within the statutory exceptions to “minimal diversity”
24 jurisdiction under the Class Action Fairness Act, 28 U.S.C. § 1332(d)(4). Upon information
25 and belief, two-thirds or more of the class members and Defendants are citizens of California
26 and/or (a) two-thirds of the class members and Defendants are citizens of California; (b) the
27 alleged wage and hour violations occurred in California; (c) significant relief is being sought
28 against Defendants whose violations of California wage and hour laws form a significant basis

1 for Plaintiff's claims; and (d) no other class action has been filed within the past three (3) years
2 on behalf of the same proposed class against Defendants asserting the same or similar factual
3 allegations.

4 3. Venue is proper in this Court, because Defendants employ persons within the
5 County of Santa Clara, and have violated the requirements of the California Labor Code and
6 applicable IWC Wage Order in this county which give rise to the penalties sought in this action.
7 Cal. Code Civ. P. § 393. Specifically, Defendants have violated the requirements of the
8 California Labor Code and applicable IWC Wage Order in at least one location within the
9 County of Santa Clara, including Defendants' location in Palo Alto (180 El Camino Real,
10 Building B, Palo Alto, California 94304). Pursuant to California Civil Code of Procedure
11 section 393, venue is proper for the recovery of a penalty or forfeiture imposed by statute in the
12 county in which the cause, or some part of the cause, arose. Because Defendants have
13 employees in Santa Clara County and Plaintiff could bring this action to recover penalties in
14 Santa Clara County, venue is proper.

15 **THE PARTIES**

16 4. Plaintiff Edward Carlos II is a resident of Ventura, in Ventura County, California.
17 Defendants employed Plaintiff as an hourly paid, non-exempt employee from approximately
18 November 2024 to April 2025. Plaintiff worked for Defendants as a Server at their RH
19 Firehouse Grill at Montecito restaurant located at 1486 E. Valley Road, Santa Barbara,
20 California 93108. During his employment, Plaintiff typically worked seven (7) hours or more
21 per day and five (5) days per week. Plaintiff's primary job duties included, without limitation,
22 serving food and beverages, providing customer service, and maintaining cleanliness of his
23 work area.

24 5. RESTORATION HARDWARE, INC. was and is, upon information and belief,
25 a Delaware corporation, and at all times hereinafter mentioned, an employer whose employees
26 are engaged throughout this county and the State of California.

27 6. RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION
28 HARDWARE HOLDINGS, INC. was and is, upon information and belief, a Delaware

1 corporation, and at all times hereinafter mentioned, an employer whose employees are engaged
2 throughout this county and the State of California.

3 7. RH CA HOSPITALITY, LLC was and is, upon information and belief, a
4 California limited liability company, and at all times hereinafter mentioned, an employer whose
5 employees are engaged throughout this county and the State of California.

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

10 9. Plaintiff is informed and believes, and thereon alleges, that DOES 1 through 10
11 were the partners, agents, owners, or managers of RESTORATION HARDWARE, INC.; RH
12 WHICH WILL DO BUSINESS IN CALIFORNIA AS RESORATION HARDWARE
13 HOLDINGS, INC.; and RH HOSPITALITY, LLC at all relevant times.

14 10. Plaintiff is informed and believes, and thereon alleges, that each and all of the
15 acts and omissions alleged herein was performed by, or is attributable to RESTORATION
16 HARDWARE, INC.; RH WHICH WILL DO BUSINESS IN CALIFORNIA AS
17 RESTORATION HARDWARE HOLDINGS, INC.; RH HOSPITALITY, LLC; and/or DOES
18 1 through 10 (collectively, "Defendants" or "RH HOSPITALITY"), each acting as the agent,
19 employee, alter ego, and/or joint venturer of, or working in concert with, each of the other co-
20 Defendants and was acting within the course and scope of such agency, employment, joint
21 venture, or concerted activity with legal authority to act on the others' behalf. The acts of any
22 and all Defendants were in accordance with, and represent, the official policy of Defendants.

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

27 12. Plaintiff is informed and believes, and thereon alleges, that each of said
28 Defendants is in some manner intentionally, negligently, or otherwise responsible for the acts,

omissions, occurrences, and transactions alleged herein.

13. Under California law, Defendants are jointly and severally liable as employers for the violations alleged herein because they have each exercised sufficient control over the wages, hours, working conditions, and employment status of Plaintiff and class members. Each Defendant had the power to hire and fire Plaintiff and class members, supervised and controlled their work schedule and/or conditions of employment, determined their rate of pay, and maintained their employment records. Defendants suffered or permitted Plaintiff and class members to work and/or “engaged” Plaintiff and class members so as to create a common-law employment relationship. As joint employers of Plaintiff and class members, Defendants are jointly and severally liable for the civil penalties and all other relief available to Plaintiff and class members under the law.

14. Plaintiff is informed and believes, and thereon alleges, that at all relevant times, Defendants, and each of them, have acted as joint employers with respect to Plaintiff and class members because Defendants have:

- (a) jointly exercised meaningful control over the work performed by Plaintiff and class members;
- (b) jointly exercised meaningful control over Plaintiff’s and class members’ wages, hours, and working conditions, including the quantity, quality standards, speed, scheduling, and operative details of the tasks performed by Plaintiff and class members;
- (c) jointly required that Plaintiff and class members perform work which is an integral part of Defendants’ businesses; and
- (d) jointly exercised control over Plaintiff and class members as a matter of economic reality in that Plaintiff and class members were dependent on Defendants, who shared the power to set the wages of Plaintiff and class members and determined their working conditions, and who jointly reaped the benefits from the underpayment of their wages and noncompliance with other statutory provisions governing their

employment.

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

16. RESTORATION HARDWARE, INC.; RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC.; RH HOSPITALITY, LLC; and DOES 1 through 10 are therefore alter egos of each other.

17. Adherence to the fiction of the separate existence of Defendants would permit an abuse of the corporate privilege, and would promote injustice by protecting Defendants from liability for the wrongful acts committed by them under the name “RH HOSPITALITY.”

18. Plaintiff further alleges, upon information and belief, that Defendants RESTORATION HARDWARE, INC.; RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC.; and RH HOSPITALITY, LLC are alter egos of each other for the following reasons:

(a) On the California Secretary of State’s website (<https://bizfileonline.sos.ca.gov/>), RESTORATION HARDWARE, INC.; RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC.; and RH HOSPITALITY, LLC have the same principal address and mailing address, “15 KOCH ROAD SUITE K CORTE MADERA, CA 94925”;

(b) According to their most recent “Statement of Information” forms filed with the California Secretary of State, RESTORATION HARDWARE, INC. and RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC. share the same officers, including, but not limited to, Gary Friedman, who serves as Chief Executive Officer of RESTORATION HARDWARE, INC. and RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC.; and Jack Preston,

1 who serves as Chief Financial Officers and Secretary of RESTORATION
2 HARDWARE, INC. and RH WHICH WILL DO BUSINESS IN
3 CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC.;

4 (c) On the California Secretary of State's website, RESTORATION
5 HARDWARE, INC.; RH WHICH WILL DO BUSINESS IN
6 CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC.;

7 and RH HOSPITALITY, LLC, share the same agent for service of
8 process, "CSC – Lawyers Incorporating Service"; and

9 (d) On information and belief, RESTORATION HARDWARE, INC.; RH
10 WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION
11 HARDWARE HOLDINGS, INC.; and/or RH HOSPITALITY, LLC
12 utilize the same standardized employment forms and issue the same
13 employment policies.

14 **GENERAL ALLEGATIONS**

15 19. Defendants are a leading retailer and luxury lifestyle brand operating 21
16 restaurants and wine bars globally, including six (6) restaurants in California. Upon information
17 and belief, Defendants maintain a single, centralized Human Resources ("HR") department at
18 their company headquarters in Corte Madera, California, which is responsible for the recruiting
19 and hiring of new employees, and communicating and implementing Defendants' company-
20 wide policies, including timekeeping policies and meal and/or rest period policies, to employees
21 throughout California.

22 20. In particular, Plaintiff and class members, on information and belief, received
23 the same standardized documents and/or written policies. Upon information and belief, the
24 usage of standardized documents and/or written policies, including new-hire documents,
25 indicate that Defendants dictated policies at the corporate level and implemented them
26 company-wide, regardless of their employees' assigned locations or positions. Upon
27 information and belief, Defendants set forth uniform policies and procedures in several
28 documents provided at an employee's time of hire.

1 21. Upon information and belief, Defendants maintain a centralized Payroll
2 department at their company headquarters in Corte Madera, California, which processes payroll
3 for all non-exempt, hourly paid employees working for Defendants at their various locations in
4 California, including Plaintiff and class members. Based upon information and belief,
5 Defendants issue the same formatted wage statements to all non-exempt, hourly paid employees
6 in California, irrespective of their work locations. Upon information and belief, Defendants
7 process payroll for departing employees in the same manner throughout the State of California,
8 regardless of the manner in which each employee's employment ends.

9 22. Defendants continue to employ non-exempt or hourly-paid employees in
10 California.

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

15 24. Plaintiff is informed and believes, and thereon alleges, that Plaintiff and class
16 members were not paid for all hours worked because all hours worked were not recorded.

17 25. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
18 should have known that Plaintiff and class members were entitled to receive certain wages for
19 overtime compensation and that they were not receiving certain wages for overtime
20 compensation.

21 26. Plaintiff is informed and believes, and thereon allege, that Defendants knew or
22 should have known that Plaintiff and class members were entitled to receive at least minimum
23 wages for compensation and that they were not receiving at least minimum wages for work that
24 was required to be done off-the-clock. In violation of the California Labor Code, Plaintiff and
25 class members were not paid at least minimum wages for work done off-the-clock.

26 27. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
27 should have known that Plaintiff and class members were entitled to rest periods in accordance
28 with the California Labor Code and applicable IWC Wage Order or payment of one (1)

1 additional hour of pay at their regular rates of pay when they were not authorized and permitted
2 to take a compliant rest period and that Plaintiff and class members were not authorized and
3 permitted to take compliant rest periods or provided with payment of one (1) additional hour of
4 pay at their regular rates of pay when they were not authorized and permitted to take a compliant
5 rest period.

6 28. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
7 should have known that Plaintiff and class members were entitled to receive complete and
8 accurate wage statements in accordance with California law. In violation of the California
9 Labor Code, Plaintiff and class members were not provided complete and accurate wage
10 statements.

11 29. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
12 should have known that they had a duty to maintain accurate and complete payroll records in
13 accordance with the California Labor Code and applicable IWC Wage Order, but willfully,
14 knowingly, and intentionally failed to do so.

15 30. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
16 should have known that they were required to pay departing employees all vested vacation
17 wages that were owed to them at the end of their employment. In violation of the California
18 Labor Code, Defendants failed to pay Plaintiff and class members all vested vacation time at
19 the end of their employment, causing a forfeiture of vested vacation wages.

20 31. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
21 should have known that Plaintiff and class members were entitled to timely payment of all
22 wages earned upon termination of employment. In violation of the California Labor Code,
23 Plaintiff and class members did not receive payment of all wages due, including, but not limited
24 to, overtime wages, minimum wages, rest period premiums, and/or vested vacation wages,
25 within permissible time periods.

26 32. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
27 should have known that Plaintiff and class members were entitled to timely payment of wages
28 during their employment. In violation of the California Labor Code, Plaintiff and class members

1 did not receive payment of all wages, including, but not limited to, overtime wages, minimum
2 wages, and/or rest period premiums, within permissible time periods.

3 33. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
4 should have known that Plaintiff and class members were entitled to receive full reimbursement
5 for all business-related expenses and costs they incurred during the course and scope of their
6 employment and that they did not receive full reimbursement of applicable business-related
7 expenses and costs incurred.

8 34. Plaintiff is informed and believes, and thereon alleges, that at all times herein
9 mentioned, Defendants knew or should have known that they had a duty to compensate Plaintiff
10 and class members for all hours worked, and that Defendants had the financial ability to pay
11 such compensation, but willfully, knowingly, and intentionally failed to do so, and falsely
12 represented to Plaintiff and class members that they were properly denied wages, all in order to
13 increase Defendants' profits.

14 **PAGA REPRESENTATIVE ALLEGATIONS**

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

21 36. PAGA defines an "aggrieved employee" in Labor Code section 2699(c)(1) as
22 "any person who was employed by the alleged violator and personally suffered each of the
23 violations alleged."

24 37. Plaintiff and other current and former employees of Defendants are "aggrieved
25 employees" as defined by Labor Code section 2699(c)(1) in that they are all Defendants' current
26 or former employees and each of the alleged violations were committed against them.

27 38. Pursuant to California Labor Code sections 2699.3 and 2699.5, an aggrieved
28 employee, including Plaintiff, may pursue a civil action arising under PAGA after the following

requirements have been met:

- (a) The aggrieved employee or representative shall give written notice by online filing with the LWDA and by certified mail to the employer of the specific provisions of the California Labor Code alleged to have been violated, including the facts and theories to support the alleged violation.
- (b) An aggrieved employee's notice filed with the LWDA pursuant to 2699.3(a) and any employer response to that notice shall be accompanied by a filing fee of seventy-five dollars (\$75).
- (c) The LWDA shall notify the employer and the aggrieved employee or representative by certified mail that it does not intend to investigate the alleged violation ("LWDA Notice") within sixty (60) calendar days of the postmark date of the aggrieved employee's notice. Upon receipt of the LWDA Notice, or if no LWDA Notice is provided within sixty-five (65) calendar days of the postmark date of the aggrieved employee's notice, the aggrieved employee may commence a civil action pursuant to California Labor Code section 2699 to recover civil penalties.

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

- (a) The aggrieved employee or representative shall give written notice by online filing with the LWDA and by certified mail to the employer of the specific provisions of the California Labor Code alleged to have been violated (other than those listed in Section 2699.5), including the facts and theories to support the alleged violation.
- (b) An aggrieved employee's notice filed with the LWDA pursuant to 2699.3(c) and any employer response to that notice shall be accompanied by a filing fee of seventy-five dollars (\$75).
- (c) The employer may cure the alleged violation within thirty-three (33)

1 calendar days of the postmark date of the notice sent by the aggrieved
2 employee or representative. The employer shall give written notice
3 within that period of time by certified mail to the aggrieved employee or
4 representative and by online filing with the LWDA if the alleged violation
5 is cured, including a description of actions taken, and no civil action
6 pursuant to Section 2699 may commence. If the alleged violation is not
7 cured within the 33-day period, the aggrieved employee may commence
8 a civil action pursuant to Section 2699.

9 40. On November 7, 2025, Plaintiff provided written notice by online filing to the
10 LWDA and by Certified Mail to Defendants of the specific provisions of the California Labor
11 Code alleged to have been violated, including facts and theories to support the alleged
12 violations, in accordance with California Labor Code section 2699.3. Plaintiff's written notice
13 was accompanied with the applicable filing fee of seventy-five dollars (\$75). The LWDA
14 PAGA Administrator confirmed receipt of Plaintiff's written notice and assigned Plaintiff
15 PAGA Case Number LWDA-CM-1136834-25. A true and correct copy of Plaintiff's written
16 notice to the LWDA and Defendants is attached hereto as "Exhibit 1."

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

20 42. Thus, Plaintiff has satisfied the administrative prerequisites under California
21 Labor Code sections 2699.3(a) and 2699.3(c) to recover civil penalties against Defendants for
22 violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 227.3, 510, 516,
23 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2802.

24 43. Labor Code section 558(a) provides "[a]ny employer or other person acting on
25 behalf of an employer who violates, or causes to be violated, a section of this chapter or any
26 provision regulating hours and days of work in any order of the Industrial Welfare Commission
27 shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for
28 each underpaid employee for each pay period for which the employee was underpaid (2)

1 For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for
2 each pay period for which the employee was underpaid” Labor Code section 558(c)
3 provides “[t]he civil penalties provided for in this section are in addition to any other civil or
4 criminal penalty provided by law.”

5 44. Defendants, at all times relevant to this complaint, were employers or persons
6 acting on behalf of an employer(s) who violated Plaintiff’s and other aggrieved employees’
7 rights by violating various sections of the California Labor Code as set forth above.

8 45. As set forth below, Defendants have violated numerous provisions of both the
9 Labor Code sections regulating hours and days of work as well as the applicable IWC Wage
10 Order.

11 46. Pursuant to PAGA, and in particular, California Labor Code sections 1194.5.
12 2699(a), 2699(k), 2699.3(a), 2699.3(c), and 2699.5, and section 558, Plaintiff, acting in the
13 public interest as a private attorney general, seeks assessment and collection of civil penalties
14 and injunctive relief for himself, all other aggrieved employees, and the State of California
15 against Defendants for violations of California Labor Code sections 201, 202, 204, 226(a),
16 226.7, 227.3, 510, 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2802.

17 **CLASS ACTION ALLEGATIONS**

18 47. Plaintiff brings this action on his own behalf, as well as on behalf of each and all
19 other persons similarly situated, and thus seeks class certification under California Code of Civil
20 Procedure section 382.

21 48. All claims alleged herein arise under California law for which Plaintiff seeks
22 relief authorized by California law.

23 49. Plaintiff’s proposed class consists of and is defined as follows:

24 All persons who worked for Defendants as non-exempt, hourly
25 paid employees in California, who worked at one of Defendants’
hospitality locations at any time from November 5, 2023, until the
date of trial (“Class”).

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1 50. Plaintiff's proposed subclass consists of and is defined as follows:

2 All persons who worked for Defendants as non-exempt, hourly
3 paid employees in California, who worked at one of Defendants'
4 hospitality locations, and who received at least one wage
 statement within one (1) year prior to the filing of the initial
 complaint until the date of trial ("Subclass").

5 51. Members of the Class and Subclass are referred to herein as "class members."

6 52. Plaintiff reserves the right to redefine the Class and Subclass and to add
7 additional subclasses as appropriate based on further investigation, discovery, and specific
8 theories of liability.

9 53. There are common questions of law and fact as to class members that
10 predominate over questions affecting only individual members, including, but not limited to:

- 11 (a) Whether Defendants required Plaintiff and class members to work over
12 eight (8) hours per day, over twelve (12) hours per day, or over forty (40)
13 hours per week and failed to pay all legally required overtime
14 compensation to Plaintiff and class members
- 15 (b) Whether Defendants failed to pay Plaintiff and class members at least
16 minimum wages for all hours worked;
- 17 (c) Whether Defendants failed to authorize and permit Plaintiff and class
18 members to take rest periods;
- 19 (d) Whether Defendants provided Plaintiff and class members with complete
20 and accurate wage statements as required by California Labor Code
21 section 226(a);
- 22 (e) Whether Defendants maintained accurate payroll records as required by
23 California Labor Code section 1174(d);
- 24 (f) Whether Defendants failed to pay Plaintiff and class members all vested
25 vacation time as wages at their final rate in accordance with the terms and
26 conditions of Defendants' employment contract and/or policy;
- 27 (g) Whether Defendants failed to pay earned overtime wages, minimum
28 wages, rest period premiums, and/or vested vacation wages due to

1 Plaintiff and class members upon their discharge;

- 2 (h) Whether Defendants failed timely to pay overtime wages, minimum
3 wages, and/or rest period premiums due to Plaintiff and class members
4 during their employment;
- 5 (i) Whether Defendants failed to reimburse Plaintiff and class members for
6 necessary and required business-related expenditures and/or losses
7 incurred by them in the scope of their employment;
- 8 (j) Whether Defendants engaged in unlawful and unfair business practices in
9 violation of California Business & Professions Code sections 17200, *et*
10 *seq.*; and
- 11 (k) The appropriate amount of damages, restitution, or monetary penalties
12 resulting from Defendants' violations of California law.

13 54. There is a well-defined community of interest in the litigation and the class
14 members are readily ascertainable:

- 15 (a) Numerosity: The class members are so numerous that joinder of all
16 members would be unfeasible and impractical. The membership of the
17 entire class is unknown to Plaintiff at this time; however, the class is
18 estimated to be greater than one hundred (100) individuals and the
19 identity of such membership is readily ascertainable by inspection of
20 Defendants' employment records.
- 21 (b) Typicality: Plaintiff is qualified to, and will, fairly and adequately protect
22 the interests of each class member with whom he has a well-defined
23 community of interest, and Plaintiff's claims (or defenses, if any) are
24 typical of all class members as demonstrated herein.
- 25 (c) Adequacy: Plaintiff is qualified to, and will, fairly and adequately protect
26 the interests of each class member with whom he has a well-defined
27 community of interest and typicality of claims, as demonstrated herein.
28 Plaintiff acknowledges that he has an obligation to make known to the

1 Court any relationship, conflicts or differences with any class member.
2 Plaintiff's attorneys, the proposed class counsel, are versed in the rules
3 governing class action discovery, certification, and settlement. Plaintiff
4 has incurred, and throughout the duration of this action, will continue to
5 incur costs and attorneys' fees that have been, are, and will be necessarily
6 expended for the prosecution of this action for the substantial benefit of
7 each class member.

8 (d) Superiority: The nature of this action makes the use of class action
9 adjudication superior to other methods. A class action will achieve
10 economies of time, effort, and expense as compared with separate
11 lawsuits, and will avoid inconsistent outcomes because the same issues
12 can be adjudicated in the same manner and at the same time for the entire
13 class.

14 (e) Public Policy Considerations: Employers in the State of California violate
15 employment and labor laws every day. Current employees are often
16 afraid to assert their rights out of fear of direct or indirect retaliation.
17 Former employees are fearful of bringing actions because they believe
18 their former employers might damage their future endeavors through
19 negative references and/or other means. Class actions provide the class
20 members who are not named in the complaint with a type of anonymity
21 that allows for the vindication of their rights while simultaneously
22 protecting their privacy.

23 **FIRST CAUSE OF ACTION**

24 **Violation of California Labor Code §§ 510 and 1198—Unpaid Overtime**

25 **(Against all Defendants)**

26 55. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
27 and every allegation set forth above.

28 56. Labor Code section 1198 makes it illegal to employ an employee under

1 conditions of labor that are prohibited by the applicable wage order. California Labor Code
2 section 1198 requires that “. . . the standard conditions of labor fixed by the commission shall
3 be the . . . standard conditions of labor for employees. The employment of any employee . . .
4 under conditions of labor prohibited by the order is unlawful.”

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

9 58. Specifically, the applicable IWC Wage Order provides that Defendants are and
10 were required to pay Plaintiff and class members working more than eight (8) hours in a day or
11 more than forty (40) hours in a workweek, at the rate of time and one-half (1 ½) for all hours
12 worked in excess of eight (8) hours in a day or more than forty (40) hours in a workweek.

13 59. The applicable IWC Wage Order further provides that Defendants are and were
14 required to pay Plaintiff and class members working more than twelve (12) hours in a day,
15 overtime compensation at a rate of two (2) times their regular rate of pay. An employee’s
16 regular rate of pay includes all remuneration for employment paid to, or on behalf of, the
17 employee, including nondiscretionary bonuses and incentive pay.

18 60. California Labor Code section 510 codifies the right to overtime compensation
19 at one and one-half (1 ½) times the regular rate of pay for hours worked in excess of eight (8)
20 hours in a day or forty (40) hours in a week or for the first eight (8) hours worked on the seventh
21 (7th) day of work, and to overtime compensation at twice the employee’s regular rate of pay for
22 hours worked in excess of twelve (12) hours in a day or in excess of eight (8) hours in a day on
23 the seventh (7th) day of work.

24 61. During the relevant time period, Defendants willfully failed to pay all overtime
25 wages owed to Plaintiff and class members. During the relevant time period, Plaintiff and class
26 members were not paid overtime premiums for all of the hours they worked in excess of eight
27 (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty (40) hours
28 in a week, because all hours worked were not recorded.

1 62. Defendants had, and continue to have, a company-wide policy and/or practice
2 requiring Plaintiff and class members to perform work-related tasks while off-the-clock outside
3 of their shifts, because Defendants did not provide a means to account for this time.

4 63. For instance, upon information and belief, Defendants had, and continue to have,
5 a company-wide policy and/or practice of requiring Plaintiff and class members to complete
6 mandatory training modules, but did not permit them to complete them during their shifts. For
7 example, Plaintiff was required to complete Defendants' internal training program while off-
8 the-clock, which included watching videos and completing training modules on Defendants'
9 alcohol policies, hygiene standards, and food handling practices. Plaintiff was required to
10 complete Defendants' internal training program within 30 days of beginning his employment,
11 while on his days off or when he was at home, which took at least three (3) hours total to
12 complete. Thus, Defendants failed to track all the time Plaintiff and class members spent
13 performing work-related tasks outside of their scheduled shifts, and Plaintiff and class members
14 received no compensation for this time.

15 64. Additionally, Defendants had, and continue to have, a company-wide policy
16 and/or practice of requiring employees with food handling duties to obtain California Food
17 Handler Cards, and to keep their certificates and/or trainings up-to-date, but Defendants failed
18 to compensate Plaintiff and other non-party Aggrieved Employees for this time spent doing so.
19 For example, Plaintiff was required to take an online training course to renew his Food Handler
20 Card while he was at home, which took approximately one (1) hour to complete, but was not
21 compensated for this time worked. Thus, Defendants failed to track the time Plaintiff and class
22 members spent completing the mandatory trainings, and Plaintiff and class members received
23 no compensation for this time.

24 65. Defendants knew or should have known that as a result of these company-wide
25 practices and/or policies, Plaintiff and class members were performing their assigned duties off-
26 the-clock outside of their shifts, and were suffered or permitted to perform work for which they
27 were not paid. Because Plaintiff and class members sometimes worked shifts of eight (8) hours
28 a day or more or forty (40) hours a week or more, some of this off-the-clock work qualified for

1 overtime premium pay. Therefore, Plaintiff and class members were not paid overtime wages
2 for all of the overtime hours they actually worked.

3 66. Defendants' failure to pay Plaintiff and class members the balance of overtime
4 compensation as required by California law, violates the provisions of California Labor Code
5 sections 510 and 1198. Pursuant to California Labor Code section 1194, Plaintiff and class
6 members are therefore entitled to recover from Defendants their unpaid overtime compensation,
7 as well as interest, costs, and attorneys' fees.

8 **SECOND CAUSE OF ACTION**

9 **Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198—Unpaid** 10 **Minimum Wages** 11 **(Against all Defendants)**

12 67. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
13 and every allegation set forth above.

14 68. At all relevant times, California Labor Code sections 1182.12, 1194, 1197,
15 1197.1, and 1198 provide that the minimum wage for employees fixed by the IWC is the
16 minimum wage to be paid to employees, and the payment of a wage less than the minimum so
17 fixed is unlawful. Compensable work time is defined in IWC Wage Order No. 5-2001 as "the
18 time during which an employee is subject to the control of an employer, and includes all the
19 time the employee is suffered or permitted to work, whether or not required to do so." Cal.
20 Code Regs. tit. 8, § 11050(2)(M) (defining "Hours Worked"). Moreover, California Health and
21 Safety Code section 113948(i)(1) provides that "[a]n employer shall consider the time that it
22 takes for the employee to complete the [food handler] training and the examination as
23 compensable 'hours worked,' for which the employer shall pay."

24 69. As set forth above, Defendants required Plaintiff and class members to perform
25 work off-the-clock outside of their scheduled shifts and on their days off, including completing
26 mandatory online training modules and obtaining their food handler cards. As a result,
27 Defendants failed to track this time that Plaintiff and class members spent working off-the-
28 clock, and thus, Plaintiff and class members received no compensation for this time.

70. Defendants did not pay minimum wages for all hours worked by Plaintiff and class members. To the extent that these off-the-clock hours did not qualify for overtime premium payment, Defendants 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.

71. Defendants' failure to pay Plaintiff and class members minimum wages as required by California law, violates the provisions of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Pursuant to California Labor Code section 1194.2, Plaintiff and class members are therefore entitled to recover from Defendants liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon.

THIRD CAUSE OF ACTION

Violation of California Labor Code §§ 226.7, 516, and 1198—Rest Period Violations
(Against all Defendants)

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

73. At all relevant times herein set forth, the applicable IWC Wage Order and California Labor Code sections 226.7, 516, and 1198 were applicable to Plaintiff's and class members' employment by Defendants.

74. At all relevant times, 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.

75. 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).

76. During the relevant time period, Defendants regularly failed to authorize and permit Plaintiff and class members to take a ten (10) minute rest period per each four (4) hour period worked or major fraction thereof. Defendants had, and continue to have, a policy and/or practice of pressuring employees to keep up with the high-volume pace of customer demand and maintain Defendants’ intensive customer service expectations, which resulted in a failure to provide Plaintiff and class members with adequate rest period coverage, and thus, Plaintiff and class members were prevented from being relieved of all duty to take rest periods. Defendants also failed to schedule rest periods, which further led to Plaintiff and class members not being authorized and permitted to take compliant rest periods.

77. Furthermore, on information and belief, Defendants maintained a company-wide on-premises rest period policy, which effectively required that Plaintiff and/or class members remain on Defendants’ premises during their rest periods. Because Plaintiff and/or class members 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, Defendants effectively maintained control over Plaintiff and/or class members during rest periods.

78. As a result of Defendants’ practices and policies, Plaintiff and class members worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without receiving all uninterrupted rest periods to which they were entitled. For example, Plaintiff would sometimes forgo his rest periods in order to meet the high-volume pace of customer demand, along with Defendants’ intensive customer service expectations and defendants’ failure to schedule rest periods.

79. Defendants have also engaged in a systematic, company-wide practice and/or policy of not paying rest period premiums owed when compliant rest periods are not authorized and permitted. Because of this practice and/or policy, Plaintiff and class members have not

received premium pay for all missed rest periods.

80. Defendants' conduct violates the applicable IWC Wage Order and California Labor Code sections 226.7, 516, and 1198. Plaintiff and class members are therefore entitled to recover from Defendants one (1) additional hour of pay at the employee's regular rate of compensation for each workday that a compliant rest period was not authorized and permitted.

FOURTH CAUSE OF ACTION

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

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

82. At all relevant times herein set forth, California Labor Code section 226(a) provides that every employer shall furnish each of his or her employees an accurate and complete itemized wage statement in writing, including, but not limited to, the name and address of the legal entity that is the employer, the inclusive dates of the pay period, total hours worked, and all applicable rates of pay.

83. At all relevant times, Defendants have knowingly and intentionally provided Plaintiff and Subclass members with uniform, incomplete, and inaccurate wage statements. For example, Defendants issued uniform wage statements to Plaintiff and Subclass members that fail to correctly list: gross wages earned; net wages earned; and all applicable hourly rates in effect during the pay period, including rates of pay for overtime wages, and the corresponding number of hours worked at each hourly rate. Specifically, Defendants violated sections 226(a)(1), 226(a)(2), 226(a)(5), and 226(a)(9).

84. Because Defendants did not record the time Plaintiff and Subclass members spent working off the clock, Defendants did not list the correct amount of gross wages and net wages earned by Plaintiff and Subclass members in compliance with sections 226(a)(1) and 226(a)(5). For the same reason, Defendants failed to accurately list the total number of hours worked by Plaintiff and Subclass members, in violation of section 226(a)(2), and failed to list the applicable

1 hourly rates of pay in effect during the pay period and the corresponding accurate number of
2 hours worked at each hourly rate, in violation of section 226(a)(9).

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

11 86. California Labor Code section 1174(d) provides that “[e]very person employing
12 labor in this state shall . . . [k]eep a record showing the names and addresses of all employees
13 employed and the ages of all minors” and “[k]eep, at a central location in the state or at the
14 plants or establishments at which employees are employed, payroll records showing the hours
15 worked daily by and the wages paid to, and the number of piece-rate units earned by and any
16 applicable piece rate paid to, employees employed at the respective plants or
17 establishments” At all relevant times, and in violation of Labor Code section 1174(d),
18 Defendants willfully failed to maintain accurate payroll records for Plaintiff and Subclass
19 members showing the daily hours they worked and the wages paid thereto as a result of failing
20 to record the off-the-clock hours that they worked.

21 87. California Labor Code section 1198 provides that the maximum hours of work
22 and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set
23 forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he employment
24 of any employees for longer hours than those fixed by the order or under conditions of labor
25 prohibited by the order is unlawful.” Pursuant to the applicable IWC Wage Order, employers
26 are required to keep accurate records showing when the employee begins and ends each work
27 period and meal period. During the relevant time period, Defendants engaged in company-wide
28 practices and/or policies of failing to record actual hours worked, and thereby failed to keep

1 accurate records of work period start and end times for Plaintiff and Subclass members, in
2 violation of section 1198.

3 88. Plaintiff and Subclass members are therefore entitled to recover from Defendants
4 the greater of their actual damages caused by Defendants' failure to comply with California
5 Labor Code section 226(a), or an aggregate penalty not exceeding four thousand dollars
6 (\$4,000) per employee.

7 **FIFTH CAUSE OF ACTION**

8 **Violation of California Labor Code § 227.3—Failure to Pay All Vested Vacation Time**
9 **Upon Termination**
10 **(Against all Defendants)**

11 89. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
12 and every allegation set forth above.

13 90. At all relevant times herein set forth, California Labor Code section 227.3
14 provides that whenever a contract of employment or employer policy provides for paid
15 vacations, and an employee is terminated without having taken his or her vested vacation time,
16 all vested vacation shall be paid to him or her as wages at his or her final rate in accordance
17 with such contract of employment or employer policy respecting eligibility or time served.

18 91. During the relevant time period, Defendants had a company-wide policy and
19 practice of failing to pay Plaintiff and class members vested vacation wages that were owed to
20 them at the end of their employment, in violation of California Labor Code section 227.3.
21 Specifically, Defendants failed to properly calculate and pay all earned vested vacation time
22 due to the hours Plaintiff and class members worked off-the-clock pursuant to their company-
23 wide policies and/or practices.

24 92. Defendants' failure to pay Plaintiff and class members all vested vacation wages
25 at the end of their employment has caused a forfeiture of vested vacation wages, in violation of
26 California Labor Code section 227.3. Plaintiff and class members are therefore entitled to
27 recover from Defendants their unpaid vested vacation wages due to them, plus interest.

28 ///

SIXTH CAUSE OF ACTION
Violation of California Labor Code §§ 201 and 202—Wages Not Timely Paid Upon
Termination
(Against all Defendants)

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

94. This cause of action is dependent upon, and wholly derivative of, the overtime wages, minimum wages, rest period premiums, and/or vested vacation wages that were not timely paid to Plaintiff and those class members no longer employed by Defendants upon their termination.

95. At all times relevant herein set forth, 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.

96. During the relevant time period, Defendants willfully failed to pay Plaintiff and class members who are no longer employed by Defendants all their earned wages, including, but not limited to, overtime wages, minimum wages, rest period premiums, and/or vested vacation wages, either at the time of discharge, or within seventy-two (72) hours of their leaving Defendants' employ.

97. Defendants' failure to pay Plaintiff and class members who are no longer employed by Defendants their wages earned and unpaid at the time of discharge, or within seventy-two (72) hours of their leaving Defendants' employ, violates Labor Code sections 201 and 202. Plaintiff and class members are therefore entitled to recover from Defendants the statutory penalty wages for each day they were not paid, at their regular rate of pay, up to a thirty (30) day maximum pursuant to California Labor Code section 203.

SEVENTH CAUSE OF ACTION
Violation of California Labor Code § 204—Failure to Timely Pay Wages During
Employment
(Against all Defendants)

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

99. This cause of action is dependent upon, and wholly derivative of, the overtime wages, minimum wages, and/or rest period premiums that were not timely paid to Plaintiff and class members during their employment.

100. At all times relevant herein set forth, Labor Code section 204 provides that all wages earned by any person in any employment between the first (1st) and the fifteenth (15th) days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the sixteenth (16th) and the twenty-sixth (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 sixteenth (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 first (1st) and the tenth (10th) day of the following month.

101. At all times relevant herein, Labor Code section 204 provides 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 times relevant 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.

102. During the relevant time period, Defendants willfully failed to pay Plaintiff and class members all wages due including, but not limited to, overtime wages, minimum wages, and/or rest period premiums, within the time periods specified by California Labor Code section 204.

103. Defendants' failure to pay Plaintiff and class members all wages due violates Labor Code section 204. Plaintiff and class members are therefore entitled to recover from Defendants the statutory penalty wages pursuant to California Labor Code section 210.

EIGHTH CAUSE OF ACTION

Violation of California Labor Code § 2802—Unpaid Business-Related Expenses (Against all Defendants)

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

105. At all times herein set forth, California Labor Code section 2802 provides that an employer must reimburse employees 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." IWC Wage Order No. 5-2001 also provides that: "[w]hen uniforms are required by the employer to be worn by the employee as a condition of employment, such uniforms shall be provided and maintained by the employer." Additionally, California Health and Safety Code section 113948(i)(1) requires that an employer "shall pay [an] employee for any necessary expenditures or losses associated with the employee obtaining a food handler card."

106. First, the relevant time period, Defendants, on a company-wide basis, required that Plaintiff and class members to obtain and pay for California Food Handler Cards, which were required for their continued employment, as well as associated costs such as training and/or examination fees. For example, Plaintiff spent approximately \$25.00 to obtain his food handler card, but, on information and belief, Defendants did not reimburse him for the costs of obtaining

1 it. Thus, Defendants failed to reimburse Plaintiff and class members for the costs of obtaining
2 these food handler cards, including training and/or examination fees.

3 107. Second, during the relevant time period, Defendants, on a company-wide basis,
4 required that Plaintiff and class members use their own personal mobile devices, including, but
5 not limited to, cellular phones, and/or mobile data to carry out their job duties but failed to
6 reimburse them for the costs of their work-related mobile device expenses. For example,
7 Plaintiff was required to review and respond to messages from his managers and coworkers to
8 discuss scheduling and other work-related matters. Although Defendants required Plaintiff and
9 class members to utilize their personal mobile devices and/or mobile data to carry out their
10 work-related responsibilities, Defendants failed to reimburse them for this cost.

11 108. Third, during the relevant time period, Defendants required Plaintiff and class
12 members to wear uniforms, including white, long-sleeved shirts, black dress pants, and waist
13 aprons. Additionally, Defendants' written uniform policy states, in part, "Team Members are
14 responsible for the care and maintenance of all RH-issued uniforms in their possession and for
15 ensuring that their uniforms are kept clean, pressed, and presentable for each work shift."
16 However, Defendants did not provide their employees with sufficient uniforms to wear for their
17 shifts throughout the week. For example, Defendants only provided Plaintiff with two (2) white,
18 long sleeved shirts, three (3) black dress pants, and three (3) waist aprons at the time of hire.
19 Because Defendants failed to provide Plaintiff with an adequate number of uniform items in
20 relation to his scheduled shifts and for the tasks he was required to perform, Plaintiff had to
21 wash his uniforms more frequently than he would otherwise do laundry, and incurred expenses
22 in doing so. Further, due to the nature of restaurant work, Plaintiff's uniform items would
23 become stained with grease, sweaty, soiled, and/or acquire an unpleasant odor such that he was
24 unable to mix these clothes in with other laundry, thus incurring additional laundry and/or utility
25 expenses for the upkeep of his uniform. Thus, Defendants failed to maintain uniforms they
26 required Plaintiff and class members to wear during their shifts and forced them to incur the
27 cost of maintaining employee uniforms.

28 109. Defendants could have provided Plaintiff and class members with the actual

1 equipment for use on the job, such as company mobile devices and an adequate number of
2 uniform items or access to laundering services; or, Defendants could have reimbursed
3 employees for the costs of their food handler cards, mobile device usage and laundering
4 expenses or provided a uniform maintenance allowance. Instead, Defendants passed these
5 operating costs onto Plaintiff and class members. At all relevant times, Plaintiff did not earn at
6 least two (2) times the minimum wage.

7 110. Defendants' company-wide policy and/or practice of not reimbursing employees
8 for expenses necessarily incurred and passing on their operating costs to Plaintiff and class
9 members violates California Labor Code section 2802. Defendants have intentionally and
10 willfully failed to reimburse Plaintiff and class members for necessary business-related
11 expenses and costs.

12 111. Pursuant to California Labor Code section 2802, Plaintiff and class members are
13 entitled to recover from Defendants their business-related expenses incurred during the course
14 and scope of their employment, plus interest, costs, and attorneys' fees.

15 **NINTH CAUSE OF ACTION**

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

17 **(Against all Defendants)**

18 112. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
19 and every allegation set forth above.

20 113. California Labor Code sections 2698, *et seq.* permit Plaintiff to recover civil
21 penalties for the violation(s) of the Labor Code sections enumerated in Labor Code section
22 2699.5. Section 2699.5 enumerates Labor Code sections 201, 202, 204, 1174(d), and 1198.
23 Labor Code section 2699.3(c) permits aggrieved employees, including Plaintiff, to recover civil
24 penalties for violations of those Labor Code sections not found in section 2699.5, including
25 sections 226(a), 226.7, 227.3, 510, 516, 1182.12, 1194, 1197, 1197.1, and 2802.

- 26 (a) Violation of Labor Code sections 510 and 1198, and the applicable IWC
27 Wage Order for Defendants' failure to compensate Plaintiff and other
28 aggrieved employees with all required overtime pay, as alleged herein;

- (b) Violation of Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198, and the applicable IWC Wage Order for Defendants' failure to compensate Plaintiff and other aggrieved employees with at least minimum wages for all hours worked, as alleged herein;
- (c) Violation of Labor Code sections 226.7, 516, and 1198, and the applicable IWC Wage Order for Defendants' failure to authorize and permit Plaintiff and other aggrieved employees to take rest periods, as alleged herein;
- (d) Violation of Labor Code sections 226(a) and 1198, and the applicable IWC Wage Order for failure to provide accurate and complete wage statements to Plaintiff and other aggrieved employees, as alleged herein;
- (e) Violation of Labor Code sections 1174(d) and 1198, and the applicable IWC Wage Order for failure to maintain payroll records, as alleged herein;
- (f) Violation of Labor Code section 227.3 for failure to pay Plaintiff and other aggrieved employees all vested vacation time upon termination, as alleged herein;
- (g) Violation of Labor Code sections 201 and 202 for failure to pay all earned wages upon termination, as alleged herein;
- (h) Violation of Labor Code section 204 for failure to pay all earned wages during employment, as alleged herein; and
- (i) Violation of Labor Code section 2802 for failure to reimburse Plaintiff and other aggrieved employees for all business expenses necessarily incurred, as alleged herein.

114. Therefore, Plaintiff and other aggrieved employees are entitled to recover civil penalties pursuant to Labor Code sections 2699(a), (f), and (k).

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1 **TENTH CAUSE OF ACTION**

2 **Violation of California Business & Professions Code §§ 17200, *et seq.* –**

3 **Unlawful Business Practices**

4 **(Against all Defendants)**

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

7 116. Defendants are “persons” as defined by California Business & Professions Code
8 section 17201, as they are corporations, firms, partnerships, joint stock companies, and/or
9 associations.

10 117. Defendants’ conduct, as alleged herein, has been, and continues to be, unfair,
11 unlawful and harmful to Plaintiff, class members, and to the general public. Plaintiff has
12 suffered injury in fact and has lost money as a result of Defendants’ unlawful business practices.
13 Plaintiff seeks to enforce important rights affecting the public interest within the meaning of
14 Code of Civil Procedure section 1021.5.

15 118. Defendants’ activities, as alleged herein, are violations of California law, and
16 constitute unlawful business acts and practices in violation of California Business & Professions
17 Code sections 17200, *et seq.*

18 119. A violation of California Business & Professions Code sections 17200, *et seq.*
19 may be predicated on the violation of any state or federal law. In the instant case, Defendants’
20 policies and practices have violated state law in at least the following respects:

- 21 (a) Requiring non-exempt, hourly-paid employees, including Plaintiff and
22 class members, to work overtime without paying them proper
23 compensation in violation of California Labor Code sections 510 and
24 1198, and the applicable IWC Wage Order, as alleged herein;
- 25 (b) Failing to pay at least minimum wage to Plaintiff and class members in
26 violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1,
27 and 1198, and the applicable IWC Wage Order, as alleged herein;
- 28 (c) Failing to authorize and permit Plaintiff and class members to take all rest

periods in violation of California Labor Code sections 226.7, 516, and 1198, and the applicable IWC Wage Order, as alleged herein;

(d) Failing to provide Plaintiff and class members with accurate wage statements and failing to maintain accurate payroll records in violation of California Labor Code sections 226(a), 1174(d), and 1198, and the applicable IWC Wage Order, as alleged herein;

(e) Failing to pay all vested vacation wages to Plaintiff and class members upon termination in violation of California Labor Code section 227.3, as alleged herein;

(f) Failing timely to pay all earned wages to Plaintiff and class members in violation of California Labor Code section 204, as alleged herein; and

(g) Failing to reimburse Plaintiff and class members for all business expenses necessarily incurred in violation of California Labor Code section 2802, as alleged herein.

120. As a result of the violations of California law herein described, Defendants unlawfully gained an unfair advantage over other businesses. Plaintiff and class members have suffered pecuniary loss by Defendants' unlawful business acts and practices alleged herein.

121. Pursuant to California Business & Professions Code sections 17200, *et seq.*, Plaintiff and class members are entitled to restitution of the wages withheld and retained by Defendants during a period that commences four years prior to the filing of the initial complaint; a permanent injunction requiring Defendants to pay all outstanding wages due to Plaintiff and class members; and an award of attorneys' fees pursuant to California Code of Civil Procedure section 1021.5 and other applicable laws; and an award of costs.

ELEVENTH CAUSE OF ACTION

Violation of California Business & Professions Code §§ 17200, *et seq.* –

Unfair Business Practices

(Against all Defendants)

122. Plaintiff incorporates by reference and re-alleges as if fully stated herein each

1 and every allegation set forth above.

2 123. Defendants are “persons” as defined by California Business & Professions Code
3 section 17201, as they are corporations, firms, partnerships, joint stock companies, and/or
4 associations.

5 124. Defendants’ conduct, as alleged herein, has been, and continues to be, unfair, and
6 harmful to Plaintiff, class members, and to the general public. Plaintiff has suffered injury in
7 fact and has lost money as a result of Defendants’ unfair business practices. Plaintiff seeks to
8 enforce important rights affecting the public interest within the meaning of Code of Civil
9 Procedure section 1021.5.

10 125. Defendants’ activities, namely Defendants’ company-wide practice and/or policy
11 of not paying Plaintiff and class members all rest period premiums due to them under Labor
12 Code section 226.7, deprived Plaintiff and class members of the compensation guarantee and
13 enhanced enforcement implemented by section 226.7. The statutory remedy provided by
14 section 226.7 is a “‘dual-purpose’ remedy intended primarily to compensate employees, and
15 secondarily to shape employer conduct.” *Safeway, Inc. v. Superior Court*, 238 Cal. App. 4th
16 1138, 1149 (2015). The statutory benefits of section 226.7 were guaranteed to Plaintiff and
17 class members as part of their employment with Defendants, and thus Defendants’ practice
18 and/or policy of denying these statutory benefits constitutes an unfair business practice in
19 violation of California Business & Professions Code sections 17200, *et seq.* (*Id.*)

20 126. A violation of California Business & Professions Code sections 17200, *et seq.*
21 may be predicated on any unfair business practice. In the instant case, Defendants’ policies and
22 practices have violated the spirit of California’s rest period laws and constitute acts against the
23 public policy behind these laws.

24 127. Pursuant to California Business & Professions Code sections 17200, *et seq.*,
25 Plaintiff and class members are entitled to restitution for the class-wide loss of the statutory
26 benefits implemented by section 226.7 withheld and retained by Defendants during a period that
27 commences four years prior to the filing of the initial complaint; a permanent injunction
28 requiring Defendants to pay all statutory benefits implemented by section 226.7 due to Plaintiff

1 and class members; an award of attorneys' fees pursuant to California Code of Civil Procedure
2 section 1021.5 and other applicable laws; and an award of costs.

3 **REQUEST FOR JURY TRIAL**

4 Plaintiff requests a trial by jury.

5 **PRAYER FOR RELIEF**

6 Plaintiff, on behalf of all others similarly situated, prays for relief and judgment against
7 Defendants, jointly and severally, as follows:

8 1. For damages, unpaid wages, penalties, injunctive relief, and attorneys' fees in
9 excess of thirty-five thousand dollars (\$35,000), exclusive of interest and costs. Plaintiff
10 reserves the right to amend his prayer for relief to seek a different amount.

11 **Class Certification**

12 2. That this case be certified as a class action;

13 3. That Plaintiff be appointed as the representative of the Class and Subclass;

14 4. That counsel for Plaintiff be appointed as class counsel.

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

16 5. That the Court declare, adjudge, and decree that Defendants violated California
17 Labor Code sections 510 and 1198, and the applicable IWC Wage Order by willfully failing to
18 pay all overtime wages due to Plaintiff and class members;

19 6. For general unpaid wages at overtime wage rates and such general and special
20 damages as may be appropriate;

21 7. For pre-judgment interest on any unpaid overtime compensation commencing
22 from the date such amounts were due, or as otherwise provided by law;

23 8. For reasonable attorneys' fees and for costs of suit incurred herein pursuant to
24 California Labor Code section 1194(a); and

25 9. For such other and further relief as the Court may deem equitable and
26 appropriate.

27 **As to the Second Cause of Action**

28 10. That the Court declare, adjudge, and decree that Defendants violated California

1 Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198, and the applicable IWC Wage
2 Order by willfully failing to pay all minimum wages due to Plaintiff and class members;

3 11. For general unpaid wages and such general and special damages as may be
4 appropriate;

5 12. For pre-judgment interest on any unpaid compensation from the date such
6 amounts were due, or as otherwise provided by law;

7 13. For reasonable attorneys' fees and for costs of suit incurred herein pursuant to
8 California Labor Code section 1194(a); and

9 14. For liquidated damages pursuant to California Labor Code section 1194.2; and

10 15. For such other and further relief as the Court may deem equitable and
11 appropriate.

12 **As to the Third Cause of Action**

13 16. That the Court declare, adjudge and decree that Defendants violated California
14 Labor Code sections 226.7, 516, and 1198, and the applicable IWC Wage Order by willfully
15 failing to authorize and permit Plaintiff and class members to take all rest periods;

16 17. That the Court make an award to the Plaintiff and class members of one (1) hour
17 of pay at each employee's regular rate of pay for each workday that a rest period was not
18 authorized and permitted;

19 18. For all actual, consequential, and incidental losses and damages, according to
20 proof;

21 19. For premiums pursuant to California Labor Code section 226.7(c);

22 20. For pre-judgment interest on any unpaid rest period premiums from the date such
23 amounts were due, or as otherwise provided by law;

24 21. For attorneys' fees pursuant to California Code of Civil Procedure section
25 1021.5, or as otherwise provided by law; and

26 22. For such other and further relief as the Court may deem equitable and
27 appropriate.

28 ///

As to the Fourth Cause of Action

23. That the Court declare, adjudge and decree that Defendants violated the recordkeeping provisions of California Labor Code section 226(a) and the applicable IWC Wage Order as to Plaintiff and Subclass members, and willfully failed to provide accurate itemized wage statements thereto;

24. For all actual, consequential, and incidental losses and damages, according to proof;

25. For injunctive relief pursuant to California Labor Code section 226(h);

26. For statutory penalties pursuant to California Labor Code section 226(e);

27. For attorneys' fees and costs pursuant to California Labor Code section 226(e)(1); and

28. For such other and further relief as the Court may deem equitable and appropriate.

As to the Fifth Cause of Action

29. That the Court declare, adjudge and decree that Defendants violated California Labor Code section 227.3 by willfully failing to pay vested vacation wages owed at the time of termination of the employment of Plaintiff and other terminated class members;

30. For all actual, consequential, and incidental losses and damages, according to proof;

31. For prejudgment interest on any unpaid wages from the date of such amounts were due, or as otherwise provided by law;

32. For attorneys' fees and costs pursuant to California Labor Code section 1021.5, or as otherwise provided by law; and

33. For such other and further relief as the Court may deem equitable and appropriate.

As to the Sixth Cause of Action

34. That the Court declare, adjudge and decree that Defendants violated California Labor Code sections 201 and 202 by willfully failing to pay overtime wages, minimum wages,

rest period premiums, and/or vested vacation wages owed at the time of termination of the employment of Plaintiff and other terminated class members;

35. For all actual, consequential and incidental losses and damages, according to proof;

36. For waiting time penalties according to proof pursuant to California Labor Code section 203 for all employees who have left Defendants' employ;

37. For pre-judgment interest on any unpaid wages from the date such amounts were due, or as otherwise provided by law;

38. For attorneys' fees pursuant to California Code of Civil Procedure section 1021.5, or as otherwise provided by law; and

39. For such other and further relief as the Court may deem equitable and appropriate.

As to the Seventh Cause of Action

40. That the Court declare, adjudge and decree that Defendants violated California Labor Code section 204 by willfully failing to timely pay Plaintiff and class members overtime wages, minimum wages, and/or rest period premiums during their employment;

41. For all actual, consequential and incidental losses and damages, according to proof;

42. For statutory penalties according to proof pursuant to California Labor Code section 210;

43. For pre-judgment interest on any unpaid wages from the date such amounts were due, or as otherwise provided by law;

44. For attorneys' fees pursuant to California Code of Civil Procedure section 1021.5, or as otherwise provided by law; and

45. For such other and further relief as the Court may deem equitable and appropriate.

As to the Eighth Cause of Action

46. That the Court declare, adjudge and decree that Defendants violated California

1 Labor Code section 2802 by willfully failing to reimburse and/or indemnify all business-related
2 expenses and costs incurred by Plaintiff and class members;

3 47. For unpaid business-related expenses and such general and special damages as
4 may be appropriate;

5 48. For pre-judgment interest on any unpaid business-related expenses from the date
6 such amounts were due pursuant to California Labor Code section 2802(b), or as otherwise
7 provided by law;

8 49. For all actual, consequential, and incidental losses and damages, according to
9 proof;

10 50. For attorneys' fees and costs pursuant to California Labor Code section 2802(c),
11 or as otherwise provided by law; and

12 51. For such other and further relief as the Court may deem equitable and
13 appropriate.

14 **As to the Ninth Cause of Action**

15 52. That the Court declare, adjudge and decree that Defendants violated the
16 following California Labor Code provisions as to Plaintiff and other aggrieved employees: 510
17 and 1198 (by failing to pay all overtime compensation); 1182.12, 1194, 1197, 1197.1, and 1198
18 (by failing to pay at least minimum wages for all hours worked); 226.7, 516, and 1198 (by
19 failing to authorize and permit all rest periods); 226(a), 1174(d), and 1198 (by failing to provide
20 accurate wage statements and maintain accurate payroll records); 227.3 (by failing to pay all
21 vested vacation wages upon termination); 201 and 202 (by failing to timely pay all earned wages
22 upon termination); 204 (by failing to timely pay all earned wages during employment); and
23 2802 (by failing to reimburse business expenses);

24 53. For civil penalties pursuant to the California Labor Code sections 210, 226.3,
25 256, 558, 1174.5, and/or 2699(a), (f), and (k), for violations of California Labor Code sections
26 201, 202, 204, 226(a), 226.7, 227.3, 510, 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and
27 2802;

28 54. For injunctive relief pursuant to California Labor Code sections 1194.5 and/or

2699(k) to bring Defendants into compliance with the requirements of California Labor Code sections 201, 202, 204, 226(a), 226.7, 227.3, 510, 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2802;

55. For attorneys' fees and costs pursuant to California Labor Code sections 1194.5 and/or 2699(k)(1), and any and all other relevant statutes, for Defendants' violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 227.3, 510, 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2802;

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

57. For such other and further relief as the Court may deem equitable and appropriate.

As to the Tenth Cause of Action

58. That the Court declare, adjudge and decree that Defendants' conduct of failing to provide Plaintiff and class members all overtime wages due to them; failing to provide Plaintiff and class members all minimum wages due to them; failing to authorize and permit Plaintiff and class members to take all rest periods; failing to provide Plaintiff and class members accurate and complete wage statements; failing to maintain accurate payroll records for Plaintiff and class members; failing to pay Plaintiff and class members all vested vacation wages, failing to timely pay Plaintiff and class members all earned wages during employment; and failing to reimburse Plaintiff and class members for business-related expenses, constitutes an unlawful business practice in violation of California Business and Professions Code sections 17200, *et seq.*;

59. For restitution of unpaid wages to Plaintiff and all class members and prejudgment interest from the day such amounts were due and payable;

60. For the appointment of a receiver to receive, manage, and distribute any and all funds disgorged from Defendants and determined to have been wrongfully acquired by Defendants as a result of violations of California Business & Professions Code sections 17200, *et seq.*;

61. For reasonable attorneys' fees and costs of suit incurred herein pursuant to

1 California Code of Civil Procedure section 1021.5; and

2 62. For such other and further relief as the Court may deem equitable and
3 appropriate.

4 **As to the Eleventh Cause of Action**

5 63. That the Court declare, adjudge and decree that Defendants' conduct of denying
6 Plaintiff and class members the statutory benefits guaranteed under section 226.7 constitutes an
7 unfair business practice in violation of California Business and Professions Code sections
8 17200, *et seq.*;

9 64. For restitution of the statutory benefits under section 226.7 unfairly withheld
10 from Plaintiff and class members and prejudgment interest from the day such amounts were due
11 and payable;

12 65. For the appointment of a receiver to receive, manage, and distribute any and all
13 funds disgorged from Defendants and determined to have been wrongfully acquired by
14 Defendants as a result of violations of California Business & Professions Code sections 17200,
15 *et seq.*;

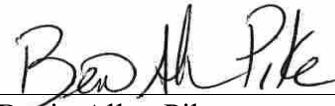
16 66. For reasonable attorneys' fees and costs of suit incurred herein pursuant to
17 California Code of Civil Procedure section 1021.5;
18 For pre-judgment and post-judgment interest as provided by law; and

19 67. For such other and further relief as the Court may deem equitable and
20 appropriate.

21
22 Dated: January 30, 2026

Respectfully submitted,

23 Capstone Law APC

24
25 By: 

Bevin Allen Pike
Daniel S. Jonathan
Trisha K. Monesi
Shealene P. Mancuso
Jeffrey Jimenez

26
27 Attorneys for Plaintiff Edward Carlos II

EXHIBIT “1”



1875 Century Park East, Suite 1860
Los Angeles, California 90067
310.556.4811 Main | 310.943.0396 Fax

ALEXANDER LIMA
310.712.8154 Direct
Alexander.Lima@capstonelawyers.com

November 7, 2025

VIA ONLINE SUBMISSION

California Labor & Workforce Development Agency
ATTN: PAGA Administrator
(<https://dir.govfa.net/411>)

Subject: *Edward Carlos II v. Restoration Hardware, Inc., et al.*

Dear PAGA Administrator:

This office represents Edward Carlos II in connection with his claims under the California Labor Code. Mr. Carlos was an employee of RESTORATION HARDWARE, INC.; RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC.; and/or RH CA HOSPITALITY, LLC. For the purpose of this letter, Mr. Carlos collectively refers to these entities as "RH HOSPITALITY."

The employers may be contacted directly at the addresses below:

RESTORATION HARDWARE, INC.
15 KOCH ROAD, SUITE K
CORTE MADERA, CA 94925

RH HOSPITALITY, LLC
15 KOCH ROAD, SUITE K
CORTE MADERA, CA 94925

RH WHICH WILL DO BUSINESS IN
CALIFORNIA AS RESTORATION
HARDWARE HOLDINGS, INC.
15 KOCH ROAD, SUITE K
CORTE MADERA, CA 94925

Mr. Carlos intends to seek civil penalties, attorneys' 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. Carlos seeks relief on behalf of himself, the State of California, and other persons who are or were employed by RH HOSPITALITY 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.

RH HOSPITALITY employed Mr. Carlos as an hourly paid, non-exempt employee from approximately November 2024 to April 2025. Mr. Carlos worked for RH HOSPITALITY as a

Server at its RH Firehouse Grill at Montecito restaurant located at 1846 E. Valley Road, Santa Barbara, California 93108. During his employment, Mr. Carlos typically worked seven (7) hours or more per day and five (5) days per week. By the end of his employment, Mr. Carlos was compensated approximately \$16.50 per hour. His job duties included, without limitation, serving food and beverages, providing customer service, and maintaining cleanliness of his work area.

RH HOSPITALITY committed each of the following Labor Code violations against Mr. Carlos, the facts and theories of which follow, making him an “aggrieved employee” pursuant to California Labor Code section 2699(c)(1):¹

RH HOSPITALITY’s Company-Wide and Uniform Payroll and HR Practices

RESTORATION HARDWARE, INC. and RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC. are Delaware corporations; and RH CA HOSPITALITY, LLC, is a California limited liability company. Together, they are a leading retailer and luxury lifestyle brand operating 21 restaurants and wine bars globally, including six (6) restaurants in California. Upon information and belief, RH HOSPITALITY maintains a single, centralized Human Resources (HR) department at its corporate headquarters in Corte Madera, California, for all non-exempt, hourly paid employees working for RH HOSPITALITY in California, including Mr. Carlos and other aggrieved employees. At all relevant times, RH HOSPITALITY issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Mr. Carlos and other aggrieved employees, regardless of their location or position.

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

¹ These facts, theories, and claims are based on Mr. Carlos’s experience and counsel’s review of those records currently available relating to Mr. Carlos’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. Carlos 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.

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.

RH HOSPITALITY willfully failed to pay all overtime wages owed to Mr. Carlos and other aggrieved employees. During the relevant time period, Mr. Carlos 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.

RH HOSPITALITY had, and continues to have, a company-wide policy and/or practice requiring Mr. Carlos and other aggrieved employees to perform work-related tasks while off-the-clock outside of their shifts, because RH HOSPITALITY did not provide a means to account for this time.

For instance, upon information and belief, RH HOSPITALITY had, and continues to have, a company-wide policy and/or practice of requiring Mr. Carlos and other aggrieved employees to complete mandatory training modules, but did not permit them to complete them during their shifts. For example, Mr. Carlos was required to complete RH HOSPITALITY's internal training program while off-the-clock, which included watching videos and completing training modules on RH HOSPITALITY's alcohol policies, hygiene standards, and food handling practices. Mr. Carlos was required to complete RH HOSPITALITY's internal training program within 30 days of beginning his employment, while on his days off or when he was at home, which took at least three (3) hours total to complete. Thus, RH HOSPITALITY failed to track all the time Mr. Carlos and other aggrieved employees spent performing work-related tasks outside of their scheduled shifts, and Mr. Carlos and other aggrieved employees received no compensation for this time.

Additionally, RH HOSPITALITY had, and continues to have, a company-wide policy and/or practice of requiring employees with food handling duties to obtain California Food Handler Cards, and to keep their certificates and/or trainings up-to-date, but RH HOSPITALITY failed to compensate Mr. Carlos and other aggrieved employees for this time spent doing so. For example, Mr. Carlos was required to take an online training course to renew his Food Handler Card while he was at home, which took approximately one (1) hour to complete, but was not compensated for this time worked. Thus, RH HOSPITALITY failed to track the time Mr. Carlos and other aggrieved employees spent completing the mandatory trainings, and Mr. Carlos and other aggrieved employees received no compensation for this time.

RH HOSPITALITY knew or should have known that as a result of these company-wide practices and/or policies, Mr. Carlos and other aggrieved employees were performing their assigned duties off-the-clock outside of their shifts, and were suffered or permitted to perform work for which they were not paid. Because Mr. Carlos and other aggrieved employees sometimes 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. Carlos and other aggrieved employees were not paid overtime wages for all of the overtime hours they actually worked.

RH HOSPITALITY's failure to pay Mr. Carlos 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. Carlos and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH

HOSPITALITY into compliance with the applicable IWC Wage Order and Labor Code sections 510 and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

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, whether or not required to do so.” Cal. Code Regs. Tit. 8, § 11050(2)(M) (defining “Hours Worked”). Moreover, California Health and Safety Code section 113948(i)(1) provides that “[a]n employer shall consider the time that it takes for the employee to complete the [food handler] training and the examination as compensable ‘hours worked,’ for which the employer shall pay.”

As set forth above, RH HOSPITALITY required Mr. Carlos and other aggrieved employees to perform work off-the-clock outside of their scheduled shifts and on their days off, including completing mandatory online training modules and obtaining their food handler cards. As a result, RH HOSPITALITY failed to track this time that Mr. Carlos and other aggrieved employees spent working off-the-clock, and thus, Mr. Carlos and other aggrieved employees received no compensation for this time.

RH HOSPITALITY did not pay at least minimum wages for all hours worked by Mr. Carlos and other aggrieved employees. To the extent that these off-the-clock hours did not qualify for overtime premium payment, RH HOSPITALITY 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, RH HOSPITALITY regularly failed to pay at least minimum wages to Mr. Carlos 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. Carlos and other aggrieved employees are entitled to recover civil penalties, attorneys’ fees, costs, and interest thereon, and seek injunctive relief to bring RH HOSPITALITY into compliance with the applicable IWC Wage Order and Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f), and (k).

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, RH HOSPITALITY regularly failed to authorize and permit Mr. Carlos and other aggrieved employees to take a ten (10) minute rest period per each four (4) hour period worked or major fraction thereof. RH HOSPITALITY had, and continues to have, a policy and/or practice of pressuring employees to keep up with the high-volume pace of customer demand and maintain RH HOSPITALITY’s intensive customer service expectations, which resulted in a failure to provide Mr. Carlos and other aggrieved employees with adequate rest period coverage, and thus, Mr. Carlos and other aggrieved employees were prevented from being relieved of all duty to take rest periods. RH HOSPITALITY also failed to schedule rest periods, which further led to Mr. Carlos and other aggrieved employees not being authorized and permitted to take compliant rest periods.

Furthermore, on information and belief, RH HOSPITALITY maintained a company-wide on-premises rest period policy, which effectively required that Mr. Carlos and/or other aggrieved employees remain on the work premises during their rest periods. Because Mr. Carlos and/or other aggrieved employees were restricted from leaving RH HOSPITALITY’s 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, RH HOSPITALITY effectively maintained control over Mr. Carlos and/or other aggrieved employees during rest periods.

As a result of RH HOSPITALITY’s practices and policies, Mr. Carlos 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 rest periods to which they were entitled. For example, Mr. Carlos would sometimes forgo his rest periods in order to meet the high-volume pace of customer demand, along with RH HOSPITALITY’s intensive customer service expectations and failure to schedule rest periods.

RH HOSPITALITY also has engaged in a company-wide practice and/or policy of not paying rest period premiums owed when compliant rest periods are not authorized and permitted. Because of this practice and/or policy, Mr. Carlos and other aggrieved employees have not received premium pay for all non-compliant rest periods.

Accordingly, RH HOSPITALITY failed to authorize and permit all rest periods in violation of California Labor Code sections 226.7, 516, and 1198. Mr. Carlos and other aggrieved employees are entitled to recover civil penalties, attorneys’ fees, costs, and interest thereon, and seek injunctive relief to bring RH HOSPITALITY into compliance with the applicable IWC Wage Order and Labor Code sections 226.7, 516, and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

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. RH HOSPITALITY has not provided Mr. Carlos 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, RH HOSPITALITY has knowingly and intentionally provided Mr. Carlos and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, RH HOSPITALITY issued uniform wage statements to Mr. Carlos 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, and the corresponding number of hours worked at each hourly rate. Specifically, RH HOSPITALITY violated sections 226(a)(1), 226(a)(2), 226(a)(5), and 226(a)(9).

Because RH HOSPITALITY did not accurately record the time Mr. Carlos and other aggrieved employees spent working off-the-clock, RH HOSPITALITY did not list the correct amount of gross wages and net wages earned by Mr. Carlos and other aggrieved employees in compliance with section 226(a)(1) and section 226(a)(5), respectively. For the same reason, RH HOSPITALITY failed to accurately list the total number of hours worked by Mr. Carlos 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).

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 hours 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), RH HOSPITALITY willfully failed to maintain accurate payroll records for Mr. Carlos 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, RH HOSPITALITY engaged in company-wide practices and/or policies of failing to record actual hours worked and thereby failed to keep accurate records of work period start and end times for Mr. Carlos and other aggrieved employees, in violation of section 1198.

Because RH HOSPITALITY failed to provide the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on wage statements, Mr. Carlos 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. Carlos 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. Carlos and other aggrieved employees are entitled to recover civil penalties, attorneys’ fees, costs, and interest thereon, and seek injunctive relief to bring RH HOSPITALITY into compliance with the applicable IWC Wage Order and Labor Code sections 226(a), 1174(d), and 1198, pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f), and (k).

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, RH HOSPITALITY failed to pay Mr. Carlos and other aggrieved employees all wages due to them, including, but not limited to, overtime wages, minimum wages, and/or rest period premiums, within any time period specified by California Labor Code section 204.

Mr. Carlos and other aggrieved employees are entitled to recover civil penalties, attorneys’ fees, costs, and interest thereon, and seek injunctive relief to bring RH HOSPITALITY into compliance with Labor Code section 204, pursuant to Labor Code sections 210 and/or 2699(a), (f), and (k).

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.

During the relevant time period, RH HOSPITALITY willfully failed to pay Mr. Carlos and other aggrieved employees who are no longer employed by RH HOSPITALITY the earned and unpaid wages set forth above, including but not limited to, overtime wages, minimum wages, rest period premiums, and/or vested vacation wages, either at the time of discharge, or within seventy-two (72) hours of their leaving RH HOSPITALITY's employ.

Mr. Carlos and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH HOSPITALITY into compliance with Labor Code sections 201 and 202, pursuant to Labor Code sections 256 and/or 2699(a), (f), and (k).

Violation of California Labor Code § 227.3 – Failure to Pay Vested Vacation Wages

California Labor Code section 227.3 provides that if a contract of employment or employer policy provides that whenever a contract of employment or employer policy provides for paid vacations, and an employee is terminated without having taken his or her vested vacation time, all vested vacation shall be paid to him or her as wages at his or her final rate in accordance with such contract of employment or employer policy respecting eligibility or time served.

During the relevant time period, RH HOSPITALITY had a company-wide policy and practice of failing to pay Mr. Carlos and other aggrieved employees vested vacation wages that were owed to them at the end of their employment, in violation of California Labor Code section 227.3. Specifically, RH HOSPITALITY failed to properly calculate and pay all earned vested vacation time due to the hours Mr. Carlos and other aggrieved employees worked off-the-clock pursuant to their company-wide policies and/or practices.

RH HOSPITALITY's failure to pay other Mr. Carlos and other aggrieved employees all vested vacation wages at the end of their employment has caused a forfeiture of vested vacation wages in violation of California Labor Code section 227.3. Mr. Carlos and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH HOSPITALITY into compliance with Labor Code section 227.3, pursuant to Labor Code sections 2699(a), (f), and (k).

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.” IWC Wage Order No. 5-2001 also provides that: “[w]hen uniforms are required by the employer to be worn by the employee as a condition of employment, such uniforms shall be provided and maintained by the employer.” Additionally, California Health and Safety Code section 113948(i)(1) requires that an employer “shall pay [an] employee for any necessary expenditures or losses associated with the employee obtaining a food handler card.”

First, during the relevant time period, RH HOSPITALITY, on a company-wide basis, required that Mr. Carlos and other aggrieved employees obtain and pay for California Food Handler Cards, which were required for their continued employment, as well as associated costs such as training and/or examination fees. For example, Mr. Carlos spent approximately \$25.00 to obtain his food handler card, but, on information and belief, RH HOSPITALITY did not reimburse him for the costs of obtaining it. Thus, RH HOSPITALITY failed to reimburse Mr. Carlos and other aggrieved employees for the costs of obtaining these food handler cards, including training and/or examination fees.

Second, during the relevant time period, RH HOSPITALITY, on a company-wide basis, required that Mr. Carlos and other aggrieved employees use their own personal mobile devices, including, but not limited to, cellular phones, and/or mobile data to carry out their job duties but failed to reimburse them for the costs of their work-related mobile device expenses. For example, Mr. Carlos was required to review and respond to messages from his managers and coworkers to discuss scheduling and other work-related matters. Although RH HOSPITALITY required Mr. Carlos and other aggrieved employees to utilize their personal mobile devices and/or mobile data to carry out their work-related responsibilities, RH HOSPITALITY failed to reimburse them for this cost.

Third, during the relevant time period, RH HOSPITALITY required Mr. Carlos and other aggrieved employees to wear uniforms, including white, long-sleeved shirts, black dress pants, and waist aprons. Additionally, RH HOSPITALITY’s written uniform policy states, in part, “Team Members are responsible for the care and maintenance of all RH-issued uniforms in their possession and for ensuring that their uniforms are kept clean, pressed, and presentable for each work shift.” However, RH HOSPITALITY did not provide its employees with sufficient uniforms to wear for their shifts throughout the week. For example, RH HOSPITALITY only provided Mr. Carlos with two (2) white, long-sleeved shirts, three (3) black dress pants, and three (3) waist aprons at the time of hire. Because RH HOSPITALITY failed to provide Mr. Carlos with an adequate number of uniform items in relation to his scheduled shifts and for the tasks he was required to perform, Mr. Carlos had to wash his uniforms more frequently than he would otherwise do laundry, and incurred expenses in doing so. Further, due to the nature of restaurant work, Mr. Carlos’s uniform items would become stained with grease, sweaty, soiled, and/or acquire an unpleasant odor such that he was unable to mix these clothes in with other laundry, thus incurring additional laundry and/or utility expenses for the upkeep of his uniforms. Thus, RH HOSPITALITY failed to maintain uniforms they required Mr. Carlos and other aggrieved employees to wear during their shifts and forced them to incur the cost of maintaining employee uniforms.

RH HOSPITALITY could have provided Mr. Carlos and other aggrieved employees with the actual equipment for use on the job, such as company mobile devices and an adequate number of uniform items or access to laundering services; or, RH HOSPITALITY could have reimbursed employees for the costs of their food handler cards, mobile device usage, and laundering expenses or provided a uniform maintenance allowance. Instead, RH HOSPITALITY passed these operating costs onto Mr.

Carlos and other aggrieved employees. At all relevant times, Mr. Carlos did not earn at least two (2) times the minimum wage.

Thus, RH HOSPITALITY 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. Carlos and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH HOSPITALITY into compliance with the applicable IWC Wage Order and Labor Code section 2802, pursuant to Labor Code sections 2699(a), (f), and (k).

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.” RH HOSPITALITY, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Mr. Carlos’s and other aggrieved employees’ rights by violating various sections of the California Labor Code.

Accordingly, Mr. Carlos 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 1194.5, 2699(a), 2699(k), 2699.3(a), 2699.3(c), 2699.5, and 558, Mr. Carlos, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties and injunctive relief for himself, all other aggrieved employees, and the State of California against RH HOSPITALITY for violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 227.3, 510, 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2802.

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

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

Alexander Lima
Capstone Law APC
1875 Century Park East, Suite 1860
Los Angeles, CA 90067
(310) 556-4811

Best Regards,

A handwritten signature in black ink, appearing to read 'Alexander Lima', followed by three dots.

Alexander Lima

Copy: RESTORATION HARDWARE, INC. (via U.S. Certified Mail); RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC. (via U.S. Certified Mail); RH CA HOSPITALITY, LLC (via U.S. Certified Mail)

Capstone Law, APC
1875 Century Park, East, 1860
Los Angeles, CA. 90067



9589 0710 5270 2512 5103 40

RESTORATION HARDWARE, INC.
15 KOCH ROAD, SUITE K
CORTE MADERA, CA 94925

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RESTORATION HARDWARE, INC.
15 KOCH ROAD, SUITE K
CORTE MADERA, CA 94925



9590 9402 9655 5199 1141 68

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

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X

☐ Agent
☐ Addressee

Received by (Printed Name)

C. Date of Delivery

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

3. Service Type

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- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Insured Mail
- ☐ Insured Mail Restricted Delivery
- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Signature Confirmation™
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15 KOCH ROAD, SUITE K
CORTE MADERA, CA 94925

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Capstone Law, APC
1875 Century Park, East, 1860
Los Angeles, CA. 90067



9589 0710 5270 2512 5102 96

RH HOSPITALITY, LLC
15 KOCH ROAD, SUITE K
CORTE MADERA, CA 94925

SENDER: COMPLETE THIS SECTION

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RH HOSPITALITY, LLC
15 KOCH ROAD, SUITE K
CORTE MADERA, CA 94925

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

Received by (Printed Name)

□ Agent
□ Addressee

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



9590 9402 9655 5199 1141 44

2. Article Number (Transfer from sender's label)

9589 0710 5270 2512 5102 96

(over \$500)

Restricted Delivery

3. Service Type
- | | |
|--|---|
| ☐ 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 |
| ☐ Insured Restricted Delivery | |

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

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RH HOSPITALITY, LLC
15 KOCH ROAD, SUITE K
CORTE MADERA, CA 94925

PS Form 3800, January 2023 PSN 7530-02-000-9017 See Reverse for Instructions

Capstone Law, APC
1875 Century Park, East, 1860
Los Angeles, CA. 90067



9589 0710 5270 0211 5972 66

RH WHICH WILL DO BUSINESS IN
CALIFORNIA AS RESTORATION
HARDWARE HOLDINGS, INC.
15 KOCH ROAD, SUITE K
CORTE MADERA, CA 94925

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RH WHICH WILL DO BUSINESS IN
CALIFORNIA AS RESTORATION
HARDWARE HOLDINGS, INC.
15 KOCH ROAD, SUITE K
CORTE MADERA, CA 94925

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

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X
Received by (Printed Name)
C. Date of Delivery

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

1. RH WHICH WILL DO BUSINESS IN
CALIFORNIA AS RESTORATION
HARDWARE HOLDINGS, INC.
15 KOCH ROAD, SUITE K
CORTE MADERA, CA 94925



9589 0710 5270 0211 5972 66

2. Article Number (Transfer from service label)

9589 0710 5270 0211 5972 66

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

Restricted Delivery

Domestic Return Receipt

PROOF OF SERVICE

I am employed in the State of California, County of Los Angeles. I am over the age of 18 and not a party to the within suit; my business address is 1875 Century Park East, Suite 1860 Los Angeles, California 90067.

On **January 30, 2026**, I served the document described as: **FIRST AMENDED CLASS ACTION COMPLAINT & ENFORCEMENT ACTION UNDER THE PRIVATE ATTORNEYS GENERAL ACT, CALIFORNIA LABOR CODE §§ 2698, ET SEQ.** on the interested parties in this action by sending ☐ the original [or] ☒ a true copy thereof ☒ to interested parties as follows [or] ☐ as stated on the attached service list:

David P. Zins (State Bar No. 284919)
DavidZins@dwt.com
Maya Harel (State Bar No. 291990)
MayaHarel@dwt.com
DAVIS WRIGHT TREMAINE LLP
350 South Grand Avenue, 27th Floor
Los Angeles, California 90071
Tel.: (213) 633-6800
Fax: (213) 633-6899

Attorneys for Defendant(s)
RESTORATION HARDWARE, INC., RH
WHICH WILL DO BUSINESS IN
CALIFORNIA AS RESTORATION
HARDWARE HOLDINGS, INC., and RH
CA HOSPITALITY, LLC

Byung-Kwan Park (State Bar No. 306719)
KwanPark@dwt.com
DAVIS WRIGHT TREMAINE LLP
50 California Street, 23rd Floor
San Francisco, CA 94111
Tel.: (415) 276-6500
Fax: (415) 276-6599

☐ **BY MAIL (ENCLOSED IN A SEALED ENVELOPE):** I deposited the envelope(s) for mailing in the ordinary course of business at Los Angeles, California. I am “readily familiar” with this firm’s practice of collection and processing correspondence for mailing. Under that practice, sealed envelopes are deposited with the U.S. Postal Service that same day in the ordinary course of business with postage thereon fully prepaid at Los Angeles, California.

☐ **BY E-MAIL:** I hereby certify that this document was served from Los Angeles, California, by e-mail delivery on the parties listed herein at their most recent known e-mail address or e-mail of record in this action.

☒ **BY ELECTRONIC SERVICE:** I caused the document(s) to be transmitted electronically via One Legal eService to the individuals listed above, as they exist on that database. This will constitute service of the document(s).

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on **January 30, 2026**, at Los Angeles, California.

Xochitl Tapia

Type/Print Name

Signature  _____