

BY FAX

1 Robert Drexler (SBN 119119)
2 Robert.Drexler@CapstoneLawyers.com
3 Molly DeSario (SBN 230763)
4 Molly.DeSario@CapstoneLawyers.com
5 Jonathan Lee (SBN 267146)
6 Jonathan.Lee@CapstoneLawyers.com
7 Capstone Law APC
8 1875 Century Park East, Suite 1000
9 Los Angeles, California 90067
10 Telephone: (310) 556-4811
11 Facsimile: (310) 943-0396

12 Attorneys for Plaintiff Francis Tapia

13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO

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

Plaintiff,

vs.

MENDOCINO FARMS, LLC, a
Delaware limited liability company;
MENDOCINO FARMS, INC., a
Delaware corporation; and DOES 1
through 10, inclusive,

Defendants.

Case No.:

**COMPLAINT – PAGA ENFORCEMENT
ACTION**

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

Jury Trial Demanded

Filed
Superior Court of California,
Sacramento
07/31/2023
mocanua
By _____, Deputy
23CV005733

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

3 JURISDICTION AND VENUE

4 1. This is an enforcement action under the Labor Code Private Attorneys General
5 Act of 2004, California Labor Code sections 2698, *et seq.* (“PAGA”) to recover civil penalties
6 and any other available relief on behalf of Plaintiff, the State of California, and other current
7 and former employees who worked for Defendants in California as a non-exempt, hourly paid
8 employee and received at least one wage statement and against whom one or more violations
9 of any provision in Division 2 Part 2 Chapter 1 of the Labor Code or any provision regulating
10 hours and days of work in the applicable Industrial Welfare Commission (“IWC”) Wage
11 Order were committed, as set forth in this complaint, at any time between one year prior to the
12 filing of the pre-filing written notice to the Labor and Workforce Development Agency
13 (“LWDA”) in this case on May 26, 2023, until judgment (“non-party Aggrieved Employees”).
14 Plaintiff’s share of civil penalties sought in this action does not exceed \$75,000.

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

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

4. Venue is proper in this Court, because Defendants employ persons within the County of Sacramento, and have violated the requirements of the California Labor Code and applicable Wage Order in this county which give rise to the penalties sought in this action. Cal. Code Civ. P. § 393. Specifically, Defendants have violated the requirements of the California Labor Code and applicable Wage Order in at least three locations within the County of Sacramento, including Defendants' locations in Sacramento (4730 Freeport Boulevard, Sacramento, California 95822; 1610 R Street, Sacramento, California 95811) and Roseville (1210 Roseville Parkway, Roseville, California 95678). Pursuant to California Civil Code of Procedure section 393, venue is proper for the recovery of a penalty imposed by statute in the county in which the cause, or some part of the cause, arose. Because Defendants have employees in Sacramento County and Plaintiff could bring an action filed under PAGA in any county in which an aggrieved employee worked and Labor Code violations occurred, venue is proper. *Crestwood Behavioral Health, Inc. v. Superior Court of Alameda County*, 60 Cal. App. 5th 1069 (2021).

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

THE PARTIES

6. Plaintiff Francis Tapia is a resident of Sun Valley, in Los Angeles County, California. Defendants employed Plaintiff as an hourly paid, non-exempt employee from approximately September 2022 to March 2023. Plaintiff worked as a Team Member (Salad Maker) for Defendants at their location in Burbank, California. Plaintiff typically worked up to eight (8) hours or more per day, and four (4) to six (6) days per week. At the time Plaintiff's employment with Defendants ended, he was compensated approximately \$16.00 per hour. Plaintiff's job duties included, without limitation, preparing salads to order, preparing catering orders, cutting and preparing ingredients, washing dishes, and cleaning kitchen stations.

1 7. On information and belief, Defendants required some employees, including
2 Plaintiff, to execute an arbitration agreement at the time of their hire or during their
3 employment. On further information and belief, Defendants' arbitration agreement was and is
4 both procedurally and substantively unconscionable. Specifically, Defendants presented
5 employees with a "CALIFORNIA EMPLOYEE ARBITRATION AGREEMENT"
6 ("Arbitration Agreement") which had to be reviewed and acknowledged immediately.
7 Specifically, the Arbitration Agreement was one of several documents presented to employees
8 for signature during the orientation process, including the Electronic Statement
9 Acknowledgement, Meal and Rest Period Limited Waiver, Image Release, and Tip Pool
10 Policy. Also, employees did not have a meaningful opportunity to negotiate the terms of the
11 Arbitration Agreement. Rather, it was provided to Defendants' employees for them to sign on
12 a take-it or leave-it basis, along with other onboarding documents. Further, Defendants did
13 not set forth in the agreement or otherwise provide employees with the rules which will
14 govern the arbitration, instead forcing employees to seek this information out on their own
15 ("A copy of the current JAMS Rules can be obtained at the following website:
16 <https://www.jamsadr.com/rules-employment-arbitration/english> or by requesting in writing a
17 copy from the Company.").

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

21 9. MENDOCINO FARMS, INC. was and is, upon information and belief, a
22 Delaware corporation, and at all times hereinafter mentioned, an employer whose employees
23 are engaged throughout this county and the State of California.

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

28 11. Plaintiff is informed and believes, and thereon alleges, that DOES 1 through 10

1 were the partners, agents, owners, or managers of MENDOCINO FARMS, LLC and
2 MENDOCINO FARMS, INC. at all relevant times.

3 12. Plaintiff is informed and believes, and thereon alleges, that each and all of the
4 acts and omissions alleged herein was performed by, or is attributable to, MENDOCINO
5 FARMS, LLC; MENDOCINO FARMS, INC.; and/or DOES 1 through 10 (collectively,
6 “Defendants” or “MENDOCINO FARMS”), each acting as the agent, employee, alter ego,
7 and/or joint venturer of, or working in concert with, each of the other co-Defendants and was
8 acting within the course and scope of such agency, employment, joint venture, or concerted
9 activity with legal authority to act on the others’ behalf. The acts of any and all Defendants
10 were in accordance with, and represent, the official policy of Defendants.

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

15 14. Plaintiff is informed and believes, and thereon alleges, that each of said
16 Defendants is in some manner intentionally, negligently, or otherwise responsible for the acts,
17 omissions, occurrences, and transactions alleged herein.

18 15. Under California law, Defendants are jointly and severally liable as employers
19 for the violations alleged herein because they have each exercised sufficient control over the
20 wages, hours, working conditions, and employment status of Plaintiff and other non-party
21 Aggrieved Employees. Each Defendant had the power to hire and fire Plaintiff and other non-
22 party Aggrieved Employees, supervised and controlled their work schedule and/or conditions
23 of employment, determined their rate of pay, and maintained their employment records.
24 Defendants suffered or permitted Plaintiff and other non-party Aggrieved Employees to work
25 and/or “engaged” Plaintiff and other non-party Aggrieved Employees so as to create a
26 common-law employment relationship. As joint employers of Plaintiff and other non-party
27 Aggrieved Employees, Defendants are jointly and severally liable for the civil penalties
28 available to Plaintiff and other non-party Aggrieved Employees under the law.

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

- 4 (a) jointly exercised meaningful control over the work performed by
5 Plaintiff and other non-party Aggrieved Employees;
6 (b) jointly exercised meaningful control over Plaintiff's and other non-party
7 Aggrieved Employees' wages, hours, and working conditions, including
8 the quantity, quality standards, speed, scheduling, and operative details
9 of the tasks performed by Plaintiff and other non-party Aggrieved
10 Employees;
11 (c) jointly required that Plaintiff and other non-party Aggrieved Employees
12 perform work which is an integral part of Defendants' businesses; and
13 (d) jointly exercised control over Plaintiff and other non-party Aggrieved
14 Employees as a matter of economic reality in that Plaintiff and other
15 non-party Aggrieved Employees were dependent on Defendants, who
16 shared the power to set the wages of Plaintiff and other non-party
17 Aggrieved Employees and determined their working conditions, and
18 who jointly reaped the benefits from the underpayment of their wages
19 and noncompliance with other statutory provisions governing their
20 employment.

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

24 18. Defendants MENDOCINO FARMS, LLC; MENDOCINO FARMS, INC.;
25 and/or DOES 1 through 10 are therefore alter egos of each other.

26 19. Adherence to the fiction of the separate existence of Defendants would permit
27 an abuse of the corporate privilege, and would promote injustice by protecting Defendants
28 from liability for the wrongful acts committed by them under the name MENDOCINO

1 FARMS.

2 20. Plaintiff further alleges, upon information and belief, that the Defendants
3 MENDOCINO FARMS, LLC and MENDOCINO FARMS, INC. are alter egos of each other
4 for the following reasons:

- 5 (a) On the California Secretary of State's website
6 (<https://bizfileonline.sos.ca.gov/>), MENDOCINO FARMS, LLC and
7 MENDOCINO FARMS, INC. have the same principal office address
8 and mailing address, "2004-H EAST PARK PLACE, EL SEGUNDO,
9 CA 90245";
- 10 (b) According to their most recent "Statement of Information" forms filed
11 with the California Secretary of State, MENDOCINO FARMS, LLC
12 and MENDOCINO FARMS, INC. share the same officers, managers,
13 and/or members, including, but not limited to, Chief Executive Officer
14 and Manager/Member Kevin Miles;
- 15 (c) According to the California Secretary of State's website, MENDOCINO
16 FARMS, LLC and MENDOCINO FARMS, INC. share the same agent
17 for service of process, CORPORATE CREATIONS NETWORK INC.;
18 and
- 19 (d) On information and belief, MENDOCINO FARMS, LLC and
20 MENDOCINO FARMS, INC. utilize the same standardized
21 employment forms and issue the same employment policies.

22 **PAGA REPRESENTATIVE ALLEGATIONS**

23 21. Defendants are a fast-casual restaurant chain serving gourmet sandwiches,
24 salads, and soups, operating approximately 47 locations in California. Upon information and
25 belief, Defendants maintain a single, centralized Human Resources (HR) department at their
26 corporate headquarters in El Segundo, California, for all non-exempt, hourly paid employees
27 working for Defendants in California, which is responsible for the recruiting and hiring of new
28 employees, and communicating and implementing Defendants' company-wide policies,

1 including timekeeping policies and meal and rest period policies, to employees throughout
2 California.

3 22. In particular, Plaintiff and other non-party Aggrieved Employees, on
4 information and belief, received the same standardized documents and/or written policies.
5 Upon information and belief, the usage of standardized documents and/or written policies,
6 including new-hire documents, indicate that Defendants dictated policies at the corporate level
7 and implemented them company-wide, regardless of their employees' assigned locations or
8 positions. Upon information and belief, Defendants set forth uniform policies and procedures
9 in several documents provided at an employee's time of hire.

10 23. Upon information and belief, Defendants maintain a centralized Payroll
11 department at their corporate headquarters in El Segundo, California, which processes payroll
12 for all non-exempt, hourly paid employees working for Defendants at their various locations
13 in California, including Plaintiff and other non-party Aggrieved Employees. Based upon
14 information and belief, Defendants issue the same formatted wage statements to all non-
15 exempt, hourly paid employees in California, irrespective of their work locations. Upon
16 information and belief, Defendants process payroll for departing employees in the same
17 manner throughout the State of California, regardless of the manner in which each employee's
18 employment ends.

19 24. Defendants continue to employ non-exempt or hourly paid employees in
20 California.

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

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

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

1 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
2 rest periods in accordance with the California Labor Code and applicable IWC Wage Order or
3 payment of one (1) additional hour of pay at their regular rates of pay when they were not
4 authorized and permitted to take a compliant rest period and that Plaintiff and other non-party
5 Aggrieved Employees were not authorized and permitted to take compliant rest periods or
6 provided with payment of one (1) additional hour of pay at their regular rates of pay when
7 they were not authorized and permitted to take a compliant rest period.

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

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

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

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

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

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

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

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

19 35. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
20 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
21 receive itemized wage statements or separate written statements showing the amount of paid
22 sick leave. In violation of the California Labor Code, Defendants failed to provide Plaintiff
23 and other non-party Aggrieved Employees with written itemized wage statements showing
24 this information.

25 36. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
26 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
27 receive reimbursement for all business-related expenses and costs they incurred during the
28 course and scope of their employment and that they did not receive reimbursement of

1 applicable business-related expenses and costs incurred.

2 37. Plaintiff is informed and believes, and thereon alleges, that at all times herein
3 mentioned, Defendants knew or should have known that Defendants had a duty to provide
4 Plaintiff and other non-party Aggrieved Employees with written notice of the material terms
5 of their employment with Defendants as required by the California Wage Theft Prevention
6 Act, but failed to do so.

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

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

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

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

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

28 (a) The aggrieved employee shall give written notice by online filing

(hereinafter “Employee’s Notice”) to 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 violations.

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

43. Pursuant to California Labor Code section 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 to 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).

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

9 44. On May 26, 2023, 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
13 notice was accompanied with the applicable filing fee of seventy-five dollars (\$75). The
14 LWDA PAGA Administrator has confirmed receipt of Plaintiff's written notice and assigned
15 Plaintiff PAGA Case Number LWDA-CM-95774-23. A true and correct copy of Plaintiff's
16 written notice to the LWDA and Defendants dated May 26, 2023, is attached hereto as
17 "Exhibit 1."

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

21 46. Thus, Plaintiff has satisfied the administrative prerequisites under California
22 Labor Code sections 2699.3(a) and 2699.3(c) to recover civil penalties against Defendants for
23 violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 248.6, 510, 512(a),
24 516, 1174(d), 1182.12, 1194, 1197, 1198, 2802, and 2810.5.

25 47. Labor Code section 558(a) provides "[a]ny employer or other person acting on
26 behalf of an employer who violates, or causes to be violated, a section of this chapter or any
27 provision regulating hours and days of work in any order of the Industrial Welfare
28 Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty

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

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

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

20 50. Pursuant to PAGA, and in particular, California Labor Code sections 2699(a),
21 2699.3(a), 2699.3(c), 2699.5, and section 558, Plaintiff, acting in the public interest as a
22 private attorney general, seeks assessment and collection of civil penalties for himself, all
23 other non-party Aggrieved Employees, and the State of California against Defendants for
24 violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 248.6, 510, 512(a),
25 516, 1174(d), 1182.12, 1194, 1197, 1198, 2802, and 2810.5.

26 //

27 //

28 //

1 **FIRST CAUSE OF ACTION**

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

3 **(Against all Defendants)**

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

6 52. California Labor Code §§ 2698, *et seq.* (“PAGA”) permits Plaintiff to recover
7 civil penalties for the violation(s) of the Labor Code sections enumerated in Labor Code
8 section 2699.5. Section 2699.5 enumerates Labor Code sections 201, 202, 204, 226(a), 226.7,
9 510, 512(a), 1174(d), 1194, 1197, 1198, and 2802. Labor Code section 2699.3(c) permits
10 aggrieved employees, including Plaintiff, to recover civil penalties for violations of those
11 Labor Code sections not found in section 2699.5, including sections 248.6, 516, 1182.12, and
12 2810.5.

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

- 15 (a) Violation of Labor Code sections 226.7, 516, and 1198, and the
16 applicable IWC Wage Order for Defendants’ failure to authorize and
17 permit Plaintiff and other non-party Aggrieved Employees to take rest
18 periods, as set forth below;
- 19 (b) Violation of Labor Code sections 226.7, 512(a), 516, and 1198, and the
20 applicable IWC Wage Order for Defendants’ failure to provide other
21 non-party Aggrieved Employees with meal periods, as set forth below;
- 22 (c) Violation of Labor Code sections 510 and 1198, and the applicable IWC
23 Wage Order for Defendants’ failure to compensate other non-party
24 Aggrieved Employees with all required overtime pay, as set forth
25 below;
- 26 (d) Violation of Labor Code sections 1182.12, 1194, 1197, and 1198, and
27 the applicable IWC Wage Order for Defendants’ failure to compensate
28 other non-party Aggrieved Employees with at least minimum wages for

all hours worked, as set forth below;

- (e) 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 non-party Aggrieved Employees, as set forth below;
- (f) Violation of Labor Code sections 1174(d) and 1198, and the applicable IWC Wage Order for failure to maintain payroll records, as set forth below;
- (g) Violation of Labor Code sections 204 for failure to pay all earned wages during employment, as set forth below;
- (h) Violation of Labor Code section 201 and 202 for failure to pay all earned wages upon termination, as set forth below;
- (i) Violation of Labor Code section 248.6 for failure to provide written notice of paid sick leave to Plaintiff and other non-party Aggrieved Employees, as set forth below;
- (j) Violation of Labor Code sections 2802 for failure to reimburse Plaintiff and other non-party Aggrieved Employees for all business expenses necessarily incurred, as set forth below; and
- (k) Violation of Labor Code section 2810.5 for failure to provide notice of material terms of employment, as set forth below.

FAILURE TO AUTHORIZE AND PERMIT REST PERIODS

VIOLATION OF LABOR CODE SECTIONS 226.7, 516, AND 1198

54. 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 other non-party Aggrieved Employees' employment by Defendants.

55. 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

1 based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4)
2 hours or major fraction thereof” unless the total daily work time is less than three and one-half
3 (3 ½) hours.

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

12 57. Pursuant to the applicable IWC Wage Order and California Labor Code section
13 226.7(c), Plaintiff and other non-party Aggrieved Employees are entitled to recover from
14 Defendants one (1) additional hour of pay at their regular rates of pay for each work day that a
15 required rest period was not authorized and permitted.

16 58. During the relevant time period, Defendants regularly failed to authorize and
17 permit Plaintiff and other non-party Aggrieved Employees to take a ten (10) minute rest
18 period per each four (4) hour period worked or major fraction thereof. During the relevant
19 time period, on information and belief, Defendants had, and continue to have, a company-
20 wide policy and/or practice of strictly staffing their restaurant locations based on the labor
21 hours allocated by each location’s labor or payroll budget set by corporate. Defendants’ use
22 of labor budgets, combined with the assignment of heavy workloads, resulted in understaffing
23 and a lack of rest period coverage. As stated, Defendants had, and continue to have, a policy
24 of understaffing their locations, including adopting a single-staffing model for some of their
25 positions, such as Salad Makers, and thereby failed to provide adequate rest period coverage
26 to permit those employees to take compliant rest periods. Additionally, Defendants failed to
27 schedule and/or adhere to a schedule for rest periods, which, coupled with Defendants’ failure
28 to provide adequate rest period coverage, further led to Plaintiff and other non-party

1 Aggrieved Employees not being authorized and permitted to take rest periods.

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

10 60. As a result of Defendants' practices and policies, Plaintiff and other non-party
11 Aggrieved Employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in
12 excess of 10 hours without receiving all uninterrupted 10-minute rest periods to which they
13 were entitled. For example, Plaintiff had to forego at least one (1) of his rest periods per shift
14 because of the heavy workload and lack of coverage resulting from being the only Salad
15 Maker staffed on his shift.

16 61. Defendants has also engaged in a company-wide practice and/or policy of not
17 paying all rest period premiums owed when rest periods are not authorized and permitted. As
18 a result of this practice and/or policy, Plaintiff and other non-party Aggrieved Employees have
19 not received premium pay for all missed rest periods.

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

25 **FAILURE TO PROVIDE AND RECORD MEAL PERIODS**

26 **VIOLATION OF LABOR CODE SECTIONS 226.7, 512(a), 516, AND 1198**

27 63. At all relevant times herein set forth, the applicable IWC Wage Order and
28 California Labor Code sections 226.7, 512(a), 516, and 1198 were applicable to Plaintiff's and

1 non-party Aggrieved Employees' employment by Defendants.

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

9 65. At all relevant times herein set forth, California Labor Code sections 226.7,
10 512(a), 516, and 1198 provide that no employer shall require an employee to work during any
11 meal period mandated by an applicable order of the IWC.

12 66. At all relevant times herein set forth, Labor Code sections 226.7, 512(a), 1198,
13 and the applicable IWC Wage Order also require employers to provide a second meal period
14 of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay
15 an employee one (1) additional hour of pay at the employee's regular rate, except that if the
16 total hours worked is no more than twelve (12) hours, the second meal period may be waived
17 by mutual consent of the employer and the employee only if the first meal period was not
18 waived.

19 67. As stated above, during the relevant time period, Defendants had, and continue
20 to have, company-wide policies and/or practices of understaffing their locations due to labor
21 budgeting, including adopting a single-staffing model for certain positions, which, combined
22 with the assignment of heavy workloads, resulted in a lack of meal period coverage and
23 prevented other non-party Aggrieved Employees from taking all timely, uninterrupted meal
24 periods to which they were entitled. As a result, other non-party Aggrieved Employees would
25 be forced to work in excess of five (5) hours before taking a meal period and, at times, had
26 their meal periods cut short and/or had to forgo their meal periods altogether.

27 68. Additionally, Defendants' company-wide timekeeping system prevented non-
28 party Aggrieved Employees from recording all hours worked when their meal periods were

1 shortened or interrupted, because the system locked out other non-party Aggrieved Employees
2 once they clocked out for a meal period, and would not permit them to clock back in from a
3 meal period before 30 minutes had elapsed.

4 69. Moreover, Defendants did not provide other non-party Aggrieved Employees
5 with second 30-minute meal periods on days that they worked in excess of ten (10) hours in
6 one day. Other non-party Aggrieved Employees did not sign valid meal period waivers on
7 days that they were entitled to meal periods and were not relieved of all duties.

8 70. At all times herein mentioned, Defendants knew or should have known that, as
9 a result of these policies, other non-party Aggrieved Employees were prevented from being
10 relieved of all duties and required to perform some of their assigned duties during meal
11 periods. Defendants further knew or should have known that they did not pay other non-party
12 Aggrieved Employees meal period premiums when meal periods were late, interrupted,
13 shortened, and/or missed.

14 71. Moreover, Defendants engaged in a company-wide practice and/or policy of
15 not paying all meal period premiums owed when compliant meal periods are not provided.
16 Because of this practice and/or policy, other non-party Aggrieved Employees have not
17 received premium pay for missed, late, and interrupted meal periods.

18 72. Defendants' conduct violates the applicable IWC Wage Order, and California
19 Labor Code sections 226.7, 512(a), 516, and 1198. Other non-party Aggrieved Employees are
20 therefore entitled to recover civil penalties pursuant to Labor Code sections 558 and/or
21 2699(a), (f), and (g).

22 **FAILURE TO PAY OVERTIME**

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

24 73. Labor Code section 1198 makes it illegal to employ an employee under
25 conditions of labor that are prohibited by the applicable IWC Wage Order. California Labor
26 Code section 1198 requires that “. . . the standard conditions of labor fixed by the commission
27 shall be the . . . standard conditions of labor for employees. The employment of any employee
28 . . . under conditions of labor prohibited by the order is unlawful.”

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

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

10 76. The applicable IWC Wage Order further provides that Defendants are and were
11 required to pay Plaintiff and other non-party Aggrieved Employees working more than twelve
12 (12) hours in a day, overtime compensation at a rate of two (2) times their regular rate of pay.
13 An employee's regular rate of pay includes all remuneration for employment paid to, or on
14 behalf of, the employee, including shift differential pay, nondiscretionary bonuses, and
15 incentive pay.

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

22 78. During the relevant time period, Defendants willfully failed to pay all overtime
23 wages owed to other non-party Aggrieved Employees. During the relevant time period, other
24 non-party Aggrieved Employees were not paid overtime premiums for all of the hours they
25 worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in
26 excess of forty (40) hours in a week, because all hours worked were not recorded.

27 79. As stated, Defendants' policies and/or practices of understaffing their
28 restaurants and/or single-staffing certain positions while assigning heavy workloads resulted

1 in a failure to provide other non-party Aggrieved Employees with adequate meal period
2 coverage, and thus, other non-party Aggrieved Employees were not always afforded
3 uninterrupted 30-minute meal periods during shifts when they were entitled to receive a meal
4 period. Consequently, other non-party Aggrieved Employees worked through meal periods
5 and/or had meal periods interrupted in order to complete their assigned workloads. Moreover,
6 as stated, Defendants' company-wide timekeeping system prevented other non-party
7 Aggrieved Employees from recording all hours worked when their meal periods were
8 shortened or interrupted, because the system locked out other non-party Aggrieved Employees
9 once they clocked out for a meal period, and would not permit them to clock back in from a
10 meal period before 30 minutes had elapsed. Thus, Defendants did not record all hours worked
11 during meal periods and other non-party Aggrieved Employees performed work during meal
12 periods for which they were not paid.

13 80. Defendants knew or should have known that as a result of these company-wide
14 practices and/or policies, other non-party Aggrieved Employees were performing their
15 assigned duties off-the-clock during meal periods, and were suffered or permitted to perform
16 work for which they were not paid. Because other non-party Aggrieved Employees worked
17 shifts of eight (8) hours or more a day, or forty (40) hours a week or more, some of this off-
18 the-clock work qualified for overtime premium pay. Therefore, other non-party Aggrieved
19 Employees were not paid overtime wages for all of the overtime hours they actually worked.

20 81. Defendants' failure to pay other non-party Aggrieved Employees the balance of
21 overtime compensation as required by California law, violates the provisions of California
22 Labor Code sections 510 and 1198. Other non-party Aggrieved Employees are therefore
23 entitled to recover civil penalties pursuant to Labor Code sections 558 and/or 2699(a), (f), and
24 (g).

25 **FAILURE TO PAY MINIMUM WAGES**

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

27 82. At all relevant times, California Labor Code sections 1182.12, 1194, 1197, and
28 1198 provide that the minimum wage for employees fixed by the IWC is the minimum wage

1 to be paid to employees, and the payment of a wage less than the minimum so fixed is
2 unlawful. Compensable work time is defined in Wage Order No. 5-2001 as “the time during
3 which an employee is subject to the control of an employer, and includes all the time the
4 employee is suffered or permitted to work, whether or not required to do so.” Cal. Code Regs.
5 tit. 8, § 11050(2)(K) (defining “Hours Worked”).

6 83. As set forth above, due to Defendants’ policies and/or practices of
7 understaffing and/or single-staffing, assignment of heavy workloads, and resultant lack of
8 meal period coverage, other non-party Aggrieved Employees were impeded from taking all
9 uninterrupted meal periods to which they were entitled and were required to work off-the-
10 clock during meal periods. As a result, other non-party Aggrieved Employees were not
11 relieved of all duties during unpaid meal periods. Also, as set forth above, during the relevant
12 time period, Defendants systematically failed to pay other non-party Aggrieved Employees for
13 actual hours worked during unpaid meal periods, because Defendants’ timekeeping system
14 locked out other non-party Aggrieved Employees for 30 minutes when they clocked out for a
15 meal period. Thus, Defendants systematically failed to pay other non-party Aggrieved
16 Employees for actual hours worked during unpaid meal periods because these hours were not
17 always correctly recorded.

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

23 85. Defendants’ failure to pay other non-party Aggrieved Employees minimum
24 wages violates California Labor Code sections 1182.12, 1194, 1197, and 1198. Other non-
25 party Aggrieved Employees are therefore entitled to recover civil penalties pursuant to Labor
26 Code sections 2699(a), (f), and (g).

27 //

28 //

FAILURE TO PROVIDE AND MAINTAIN COMPLIANT WAGE STATEMENTS
VIOLATION OF LABOR CODE SECTIONS 226(a), 1174(d), AND 1198

86. At all relevant times herein, 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.

87. During the relevant time period, Defendants have knowingly and intentionally provided Plaintiff and other non-party Aggrieved Employees with uniform, incomplete, and inaccurate wage statements. For example, Defendants issued uniform wage statements to Plaintiff and other non-party Aggrieved Employees that fail to correctly list: gross wages earned; total hours worked; net wages earned; the address of the legal entity that is the employer; 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), 226(a)(8), and 226(a)(9).

88. Because Defendants did not record the time other non-party Aggrieved Employees spent working off-the-clock and deducted time from their records for meal periods that were interrupted and/or missed (and therefore time for which they should have been paid), Defendants did not list the correct amount of gross wages and net wages earned by other non-party Aggrieved Employees in compliance with section 226(a)(1) and section 226(a)(5), respectively. For the same reason, Defendants failed to accurately list the total number of hours worked by other non-party 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).

89. Further, and separate from these violations, Defendants issued uniform wage statements to Plaintiff and other non-party Aggrieved Employees that failed to list the correct

1 address of the legal entity of the actual employer in violation of 226(a)(8). The purpose of
2 section 226(a)(8) is to provide California employees with transparency as to the true identity
3 of their employer, to allow the employee to contact their employer during employment or in
4 the future for various reasons, including filing an administrative claim, judicial claim, or other
5 action to seek relief against their employer, to obtain unemployment benefits, etc. During the
6 relevant time period, Defendants systematically, and on a company-wide basis, issued wage
7 statements to Plaintiff and other non-party Aggrieved Employees that that fail to list the
8 employing entity's correct address. During the relevant time period, Plaintiff's and other non-
9 party Aggrieved Employees' wage statements incorrectly listed the employer MENDOCINO
10 FARMS, LLC's address as "2004-H East Park Place, El Segundo, CA 90245" but, according
11 to the California Secretary of State's website, the correct address was "13103 Ventura
12 Boulevard Suite 100, Studio City, CA 91604." Upon information and belief, this was the true
13 address of the employing entity from May 2021 to June 2023.

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

22 91. California Labor Code section 1174(d) provides that "[e]very person employing
23 labor in this state shall . . . [k]eep a record showing the names and addresses of all employees
24 employed and the ages of all minors" and "[k]eep, at a central location in the state or at the
25 plants or establishments at which employees are employed, payroll records showing the hours
26 worked daily by and the wages paid to, and the number of piece-rate units earned by and any
27 applicable piece rate paid to, employees employed at the respective plants or
28 establishments. . . ." Labor Code section 1174.5 provides that employers are subject to a \$500

1 civil penalty if they fail to maintain accurate and complete records as required by section
2 1174(d). At all relevant times, and in violation of Labor Code section 1174(d), Defendants
3 willfully failed to maintain accurate payroll records for other non-party Aggrieved Employees
4 showing the daily hours they worked and the wages paid thereto as a result of failing to record
5 the off-the-clock hours that they worked.

6 92. California Labor Code section 1198 provides that the maximum hours of work
7 and the standard conditions of labor shall be those fixed by the Labor Commissioner and as
8 set forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he
9 employment of any employees for longer hours than those fixed by the order or under
10 conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC
11 Wage Order, employers are required to keep accurate time records showing when the
12 employee begins and ends each work period and meal period. During the relevant time
13 period, Defendants engaged in company-wide practices and/or policies of failing to record
14 actual hours worked, and thereby failed to keep accurate records of work period and meal
15 period start and stop times for other non-party Aggrieved Employees, in violation of section
16 1198. Also, in light of Defendants’ failure to provide other non-party Aggrieved Employees
17 with second 30-minute meal periods to which they were entitled, Defendants kept no records
18 of meal start and end times for second meal periods.

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

22 **FAILURE TO PAY WAGES DURING EMPLOYMENT**

23 **VIOLATION OF LABOR CODE SECTION 204**

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

any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month.

95. At all relevant times herein, California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. Alternatively, at all relevant times herein, Labor Code section 204 provides that the requirements of this section are deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven (7) calendar days following the close of the payroll period.

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

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

FAILURE TO PAY WAGES UPON TERMINATION

VIOLATION OF LABOR CODE SECTIONS 201 AND 202

98. 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.

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

1 leaving Defendants' employ.

2 100. Defendants' failure to pay Plaintiff and those non-party Aggrieved Employees
3 who are no longer employed by Defendants their wages earned and unpaid at the time of
4 discharge, or within seventy-two (72) hours of their leaving Defendants' employ, violates
5 Labor Code sections 201 and 202. Plaintiff and other non-party Aggrieved Employees are
6 therefore entitled to recover civil penalties pursuant to Labor Code sections 256 and/or
7 2699(a), (f), and (g).

8 **FAILURE TO PROVIDE WRITTEN NOTICE OF PAID SICK LEAVE**
9 **VIOLATION OF LABOR CODE SECTION 248.6**

10 101. At all relevant times herein, California Labor Code section 248.6 provides
11 covered employees with COVID-19 supplemental paid sick leave. Effective through
12 December 31, 2022, Labor Code section 248.6(d) provides that COVID-19 supplemental paid
13 sick leave shall be set forth separately from paid sick days and that an "employer shall provide
14 an employee with written notice that sets forth the amount of COVID-19 supplemental paid
15 sick leave that the employee has used through the pay period in which it was due to be paid on
16 either the employee's itemized wage statement . . . or in a separate written statement provided
17 on the designated pay date with the employee's payment of wages. The employer shall list
18 zero hours used if a worker has not used any COVID-19 supplemental paid sick leave."

19 102. During the relevant time period, Defendants failed, on a company-wide basis,
20 to provide Plaintiff and other non-party Aggrieved Employees with written notice on all wage
21 statements and/or other separate written statements that listed the amount of COVID-19
22 supplemental paid sick leave used by them. Defendants' systematic failure to provide written
23 notice of COVID-19 supplemental paid sick leave benefits to Plaintiff and other non-party
24 Aggrieved Employees violates Labor Code section 248.6(d).

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

27 //

28 //

1 **FAILURE TO REIMBURSE NECESSARY BUSINESS EXPENSES**

2 **VIOLATION OF LABOR CODE SECTION 2802**

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

14 105. During the relevant time period, Plaintiff and other non-party Aggrieved
15 Employees were required to use their personal mobile devices, including, but not limited to,
16 cellular phones, and/or mobile data to carry out their job duties, but Defendants failed to
17 reimburse them for the costs of their work-related mobile device expenses. For example,
18 Plaintiff and other non-party Aggrieved Employees were required to use their personal mobile
19 devices for work-related tasks, including looking up recipes for Defendants’ menu items.
20 Although Defendants required Plaintiff and other non-party Aggrieved Employees to use their
21 personal mobile devices and mobile data to carry out their work-related duties, Defendants
22 failed to reimburse them for their costs incurred.

23 106. Defendants could have provided Plaintiff and other non-party Aggrieved
24 Employees with the actual equipment for use on the job, such as company mobile devices, or
25 Defendants could have reimbursed employees for their mobile device usage. Instead,
26 Defendants passed these operating costs off onto Plaintiff and other non-party Aggrieved
27 Employees. At all relevant times, Plaintiff did not earn at least two (2) times the minimum
28 wage.

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

**FAILURE TO PROVIDE WRITTEN NOTICE OF MATERIAL TERMS OF
EMPLOYMENT**

VIOLATION OF LABOR CODE SECTION 2810.5(a)(1)(A)-(C)

108. California's Wage Theft Prevention Act was enacted to ensure that employers provide employees with basic information material to their employment relationship at the time of hiring, and to ensure that employees are given written and timely notice of any changes to basic information material to their employment. Codified at California Labor Code section 2810.5, the Wage Theft Prevention Act provides that at the time of hiring, an employer must provide written notice to employees containing basic and material payroll information, including, among other things, the rate(s) of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, the regular payday designated by the employer, and any allowances claims as part of the minimum wage, including meal or lodging allowances. Labor Code § 2810.5(a)(1)(A)-(C).

109. At all relevant times, Defendants failed, on a company-wide basis, to provide written notice to Plaintiff and other non-party Aggrieved Employees that lists the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C).

110. Defendants' failure to provide Plaintiff and other non-party Aggrieved Employees with written notice of basic information regarding their employment with Defendants is in violation of California Labor Code section 2810.5. Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections 2699(a), (f), and (g).

//

1 **REQUEST FOR JURY TRIAL**

2 Plaintiff requests a trial by jury.

3 **PRAYER FOR RELIEF**

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

6 1. For civil penalties and attorneys' fees in excess of twenty-five thousand dollars
7 (\$25,000). Plaintiff reserves the right to amend his prayer for relief to seek a different
8 amount.

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

10 2. That the Court declare, adjudge and decree that Defendants violated the
11 following California Labor Code provisions as to Plaintiff and/or other non-party Aggrieved
12 Employees: 226.7, 516, and 1198 (by failing to authorize and permit all rest periods); 226.7,
13 512(a), 516, 1198 (by failing to provide all meal periods); 510 and 1198 (by failing to pay all
14 overtime compensation); 1182.12, 1194, 1197, and 1198 (by failing to pay at least minimum
15 wages for all hours worked); 226(a), 1174(d), and 1198 (by failing to provide accurate wage
16 statements and maintain accurate payroll records); 204 (by failing to timely pay all earned
17 wages during employment); 201 and 202 (by failing to timely pay all earned wages upon
18 termination); 248.6 (by failing to provide written notice of paid sick leave used); 2802 (by
19 failing to reimburse business expenses); and 2810.5 (by failing to provide written notice of
20 information material to employment);

21 3. For civil penalties, pursuant to California Labor Code sections 210, 226.3,
22 248.5, 256, 558, 1174.5, 2699(a), (f), and (g), for violations of California Labor Code sections
23 201, 202, 204, 226(a), 226.7, 248.6, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1198,
24 2802, and 2810.5;

25 4. For attorneys' fees and costs pursuant to California Labor Code section
26 2699(g)(1), and any and all other relevant statutes, for Defendants' violations of California
27 Labor Code sections 201, 202, 204, 226(a), 226.7, 248.6, 510, 512(a), 516, 1174(d), 1182.12,
28 1194, 1197, 1198, 2802, and 2810.5;

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

- 5. For pre-judgment and post-judgment interest as provided by law; and
- 6. For such other and further relief as the Court may deem equitable and appropriate.

Dated: July 31, 2023

Respectfully submitted,
Capstone Law APC



By: _____
Robert Drexler
Molly DeSario
Jonathan Lee

Attorneys for Plaintiff Francis Tapia

EXHIBIT “1”



1875 Century Park East, Suite 1000
Los Angeles, California 90067
310.556.4811 Main | 310.943.0396 Fax

SAIRAH BUDHWANI
310.929.5455 Direct
Sairah.Budhwani@capstonelawyers.com

May 26, 2023

VIA ONLINE SUBMISSION

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

Subject: *Francis Tapia v. Mendocino Farms, LLC, et al.*

Dear PAGA Administrator:

This office represents Francis Tapia in connection with his claims under the California Labor Code. Mr. Tapia was an employee of MENDOCINO FARMS, LLC and/or MENDOCINO FARMS, INC. For the purposes of this letter, Mr. Tapia collectively refers to these entities as "MENDOCINO FARMS."

The employers may be contacted directly at the addresses below:

MENDOCINO FARMS, LLC
13103 VENTURA BOULEVARD
SUITE 100
STUDIO CITY, CA 91604

MENDOCINO FARMS, INC.
C/O MENDOCINO FARMS BASE CAMP
2004-H EAST PARK PLACE
EL SEGUNDO, CA 90245

Mr. Tapia intends to seek civil penalties, attorney's fees, costs, and other available relief for violations of the California Labor Code, which are recoverable under sections 2698, *et seq.*, the Labor Code Private Attorneys General Act of 2004 ("PAGA"). Mr. Tapia seeks relief on behalf of himself, the State of California, and other persons who are or were employed by MENDOCINO FARMS 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.

MENDOCINO FARMS employed Mr. Tapia as an hourly paid, non-exempt employee from approximately September 2022 to March 2023. Mr. Tapia worked for MENDOCINO FARMS as a Team Member (Salad Maker) at its location in Burbank, California. During his employment, Mr. Tapia worked up to eight (8) or more hours per day and five (5) to six (6) days per week. Mr. Tapia's job duties included, without limitation, preparing salads to order, preparing catering orders, cutting and preparing ingredients, washing dishes, and cleaning kitchen stations.

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

MENDOCINO FARMS’s Company-Wide and Uniform Payroll and HR Practices

MENDOCINO FARMS, LLC is a Delaware limited liability company and MENDOCINO FARMS, INC. is a Delaware corporation. Together, they are a fast-casual restaurant chain serving gourmet sandwiches, salads, and soups. Upon information and belief, MENDOCINO FARMS maintains a single, centralized Human Resources (HR) department at its corporate headquarters in El Segundo or Studio City, California for all non-exempt, hourly paid employees working for MENDOCINO FARMS in California, including Mr. Tapia and other aggrieved employees. At all relevant times, MENDOCINO FARMS issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Mr. Tapia and other aggrieved employees, regardless of their location or position.

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

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 Industrial Welfare Commission (“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.

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

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, MENDOCINO FARMS regularly failed to authorize and permit Mr. Tapia and other aggrieved employees to take a ten (10) minute rest period per each four (4) hour period worked or major fraction thereof. During the relevant time period, on information and belief, MENDOCINO FARMS had, and continues to have, a company-wide policy and/or practice of strictly staffing its restaurant locations based on the labor hours allocated by each location’s labor or payroll budget set by corporate. MENDOCINO FARMS’s use of labor budgets, combined with the assignment of heavy workloads, resulted in understaffing and a lack of rest period coverage. As stated, MENDOCINO FARMS had, and continues to have, a policy of understaffing its locations, including adopting a single-staffing model for some of their positions, such as Salad Makers, and thereby failed to provide adequate rest period coverage to permit those employees to take compliant rest periods. Additionally, MENDOCINO FARMS failed to schedule and/or adhere to a schedule for rest periods, which, coupled with MENDOCINO FARMS’s failure to provide adequate rest period coverage, further led to Mr. Tapia and other aggrieved employees not being authorized and permitted to take rest periods.

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

As a result of MENDOCINO FARMS’s practices and policies, Mr. Tapia and other aggrieved employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without receiving all uninterrupted 10-minute rest periods to which they were entitled. For example, Mr. Tapia had to forego at least one of his rest periods per shift because of the heavy workload and lack of coverage resulting from being the only Salad Maker staffed on his shift.

MENDOCINO FARMS has also engaged in a company-wide practice and/or policy of not paying all rest period premiums owed when compliant rest periods are not authorized and permitted. Because of this practice and/or policy, Mr. Tapia and other aggrieved employees have not received premium pay for all missed rest periods. Alternatively, to the extent that MENDOCINO FARMS did pay other aggrieved employees one (1) additional hour of premium pay for missed rest periods, MENDOCINO FARMS did so at the incorrect rates. In addition to an hourly wage, MENDOCINO FARMS paid other aggrieved employees incentive pay, nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the California Labor Code, MENDOCINO FARMS failed to include all forms of compensation, such as incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay. Therefore, during times when other aggrieved employees received meal period premiums and these other forms of pay, MENDOCINO FARMS failed to pay full rest period premiums by paying a lower rate than required.

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

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

California Labor Code sections 226.7, 512(a), 516, and 1198, and the applicable IWC Wage Order require employers to provide meal periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. Pursuant to Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order, an employer may not require, cause or permit an employee to work for a period of more than five (5) hours per day without providing the employee with an uninterrupted meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is not more than six (6) hours, the meal period may be waived by mutual consent of both the employer and the employee. Under California law, first meal periods must start after no more than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (2012). Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order also require employers to provide a second meal period of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay an employee one (1) additional hour of pay at the employee's regular rate, except that if the total hours worked is no more than twelve (12) hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

As stated above, MENDOCINO FARMS had, and continues to have, company-wide policies and/or practices of understaffing its locations due to labor budgeting by adopting a single-staffing model for certain positions, which, combined with the assignment of heavy workloads, resulted in a lack of meal period coverage and prevented other aggrieved employees from taking all timely, uninterrupted meal periods to which they were entitled. As a result, other aggrieved employees would be forced to work in excess of five (5) hours before taking a meal period and, at times, had their meal periods cut short and/or had to forgo their meal periods altogether. Additionally, MENDOCINO FARMS did not provide other aggrieved employees with second 30-minute meal periods on days that they worked in excess of ten (10) hours in one day. Other aggrieved employees did not sign valid meal period waivers on days that they were entitled to meal periods and were not relieved of all duties.

Moreover, MENDOCINO FARMS had a company-wide policy of requiring all newly hired employees to sign blanket meal period waivers at or near their time of hire. MENDOCINO FARMS took the position that non-exempt, hourly paid employees had waived their rights to first and/or second meal periods for the entirety of their employment and, on that basis, did not provide them with all meal periods to which they were entitled. Moreover, MENDOCINO FARMS's meal period waiver form requires employees provide advance notice should they wish to revoke the waiver. MENDOCINO FARMS's presumption that meal periods would not be provided for shifts in excess of five (5) hours but less than six (6) hours and for shifts in excess of ten (10) hours but less than twelve (12) hours, due to blanket meal period waivers signed at or near the time of hire, and imposition on employees to revoke the waivers in advance, discouraged and impeded other aggrieved employees from taking all meal periods to which they were entitled.

Furthermore, an employer's obligation to provide a meal period is only "triggered" when the employer "employs an employee for a work period of more than five hours per day." *Brinker*, 53

Cal. 4th at 1039 (“If an employer engages, suffers, or permits anyone to work for a full five hours, its meal break obligation is triggered.”).

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

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

Additionally, MENDOCINO FARMS’s company-wide timekeeping system prevented other aggrieved employees from recording all hours worked when their meal periods were shortened or interrupted, because the system locked out other aggrieved employees once they clocked out for a meal period, and would not permit them to clock back in from a meal period before 30 minutes had elapsed.

At all times mentioned herein, MENDOCINO FARMS knew or should have known that as a result of its policies, other aggrieved employees were not actually relieved of all duties to take timely, uninterrupted meal periods. MENDOCINO FARMS further knew or should have known that it did not pay other aggrieved employees meal period premiums when meal periods were late, interrupted, shortened, or missed.

Furthermore, MENDOCINO FARMS engaged in a company-wide practice and/or policy of not paying all meal period premiums owed when compliant meal periods are not provided. Because of this practice and/or policy, other aggrieved employees have not received premium pay for missed, late, and interrupted meal periods. Alternatively, to the extent that MENDOCINO FARMS did pay other aggrieved employees premium pay for missed, late, and interrupted meal periods, MENDOCINO FARMS did not pay other aggrieved employees at the correct rate of pay for premiums because MENDOCINO FARMS systematically failed to include all forms of compensation, such as incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.

Accordingly, MENDOCINO FARMS failed to provide all meal periods in violation of California Labor Code sections 226.7, 512(a), 516, and 1198. Other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

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

California Labor Code sections 510 and 1198 and the applicable IWC Wage Order require employers to pay employees working more than eight (8) hours in 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 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.

MENDOCINO FARMS willfully failed to pay all overtime wages owed to other aggrieved employees. During the relevant time period, 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.

As stated, MENDOCINO FARMS's policies and/or practices of understaffing its restaurants and/or single-staffing certain positions while assigning heavy workloads resulted in a failure to provide other aggrieved employees with adequate meal period coverage, and thus, other aggrieved employees were not always afforded uninterrupted 30-minute meal periods during shifts when they were entitled to receive a meal period. Consequently, other aggrieved employees missed meal periods and/or had meal periods interrupted in order to complete their assigned workloads. Moreover, as stated, MENDOCINO FARMS's company-wide timekeeping system prevented other aggrieved employees from recording all hours worked when their meal periods were shortened or interrupted, because the system locked out other aggrieved employees once they clocked out for a meal period, and would not permit them to clock back in from a meal periods before 30 minutes had elapsed. Thus, MENDOCINO FARMS did not record all hours worked during meal periods and other aggrieved employees performed work during meal periods for which they were not paid.

MENDOCINO FARMS knew or should have known that as a result of these company-wide practices and/or policies, other aggrieved employees were working during their meal periods, and were suffered or permitted to perform work for which they were not paid. Because other aggrieved employees 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.

Furthermore, MENDOCINO FARMS did not pay other aggrieved employees the correct overtime rate for the recorded overtime hours that they generated. MENDOCINO FARMS failed to incorporate all compensation, including incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, into the calculation of the regular rate of pay for purposes of calculating the overtime wage rate. Therefore, during times when other aggrieved employees worked overtime and received these other forms of pay, MENDOCINO FARMS failed to pay all overtime wages by paying a lower overtime rate than required.

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

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

California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 require employers to pay employees the minimum wage fixed by the IWC. The payment of a lesser wage than the minimum so fixed is unlawful. Compensable work time is defined in IWC Wage Order No. 5-2001 as "the time during which an employee is subject to the control of an employer, and includes all the time the

employee is suffered or permitted to work, whether or not required to do so.” Cal. Code Regs. tit. 8, § 11050(2)(K) (defining “Hours Worked”).

As stated above, due to MENDOCINO FARMS’s uniform practice of understaffing and/or single-staffing, assignment of heavy workloads, and resultant lack of meal period coverage, other aggrieved employees were impeded from taking all uninterrupted meal periods to which they were entitled and were required to work off-the-clock during meal periods. As a result, other aggrieved employees were not relieved of all duties during unpaid meal periods. Also, as set forth above, during the relevant time period, MENDOCINO FARMS systematically failed to pay other aggrieved employees for actual hours worked during unpaid meal periods, because MENDOCINO FARMS’s timekeeping system locked out other aggrieved employees for 30 minutes when they clocked out for a meal period. Thus, MENDOCINO FARMS systematically failed to pay other aggrieved employees for actual hours worked during unpaid meal periods because these hours were not always correctly recorded.

Thus, MENDOCINO FARMS did not pay at least minimum wages for all hours worked by and other aggrieved employees. To the extent that these off-the-clock hours did not qualify for overtime premium payment, MENDOCINO FARMS 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, MENDOCINO FARMS regularly failed to pay at least minimum wages to 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. Other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226(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. MENDOCINO FARMS has not provided Mr. Tapia 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, MENDOCINO FARMS has knowingly and intentionally provided Mr. Tapia and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, MENDOCINO FARMS issued uniform wage statements to Mr. Tapia and other aggrieved employees that fail to correctly list: gross wages earned; total hours worked; net wages earned; the address of the legal entity that is the employer; and all applicable hourly rates in effect during the pay period, including rates of pay for overtime wages, meal and rest period premiums, and/or paid sick leave, and the corresponding number of hours worked at each hourly rate.

Specifically, MENDOCINO FARMS violated sections 226(a)(1), 226(a)(2), 226(a)(5), 226(a)(8), and 226(a)(9).

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

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

Further, and separate from these violations, MENDOCINO FARMS issued uniform wage statements to Mr. Tapia and other aggrieved employees that fail to list the correct address of the legal entity of the actual employer in violation of Labor Code section 226(a)(8). The purpose of section 226(a)(8) is to provide California employees with transparency as to the true identity of their employer, to allow the employee to contact their employer during employment or in the future for various reasons, including filing an administrative claim, judicial claim, or other action to seek relief against their employer, obtain unemployment benefits, etc. During the relevant time period, MENDOCINO FARMS systematically, and on a company-wide basis, issued wage statements to Mr. Tapia and other aggrieved employees that fail to list the employing entity's correct address. Mr. Tapia's and other aggrieved employees' wage statements incorrectly list the employer MENDOCINO FARMS, LLC's address as "2004-H East Park Place, El Segundo, CA 90245" but, according to the California Secretary of State's website, the correct address is "13103 Ventura Boulevard Suite 100, Studio City, CA 91604." *See example paystub below.*

CERIDIAN		Employee Name:	Francis Cornelius Tapia	Check Date:	3/17/2023
		Employee #:	[REDACTED]	Pay Period:	3/6/2023 - 3/19/2023
		Employee Address:	[REDACTED]	Check #:	605497
		Department:	Production	Pay Frequency:	Bi-Weekly
		Job Title:	PROD - Team Member	Pay Rate:	16.0000
		Site:	000043-Toluca Lake	Federal Filing Status:	[REDACTED]
Employer Name:	Mendocino Farms, LLC			Federal 2c/Extra Withholding:	[REDACTED]
Employer Phone:	818-933-7300			State Filing Status:	[REDACTED]
Employer Address:	2004-H East Park Place El Segundo, CA 90245			State Exemptions:	[REDACTED]

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 of the legal entity that is the employer; and/or failing to state all hours worked as a result of not recording or stating the hours they worked off-the-clock.

California Labor Code section 1174(d) provides that “[e]very person employing labor in this state shall . . . [k]eep a record showing the names and addresses of all employees employed and the ages of all minors” and “[k]eep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. . . .” Labor Code section 1174.5 provides that employers are subject to a \$500 civil penalty if they fail to maintain accurate and complete records as required by section 1174(d). During the relevant time period, and in violation of Labor Code section 1174(d), MENDOCINO FARMS willfully failed to maintain accurate payroll records for 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, MENDOCINO FARMS failed, on a company-wide basis, to record actual hours worked, and thereby failed to keep accurate records of work period and meal period start and stop times for other aggrieved employees, in violation of section 1198. Furthermore, in light of MENDOCINO FARMS’s failure to provide other aggrieved employees with second 30-minute meal periods to which they were entitled, MENDOCINO FARMS kept no records of meal start and end times for second meal periods.

Because MENDOCINO FARMS failed to provide the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on wage statements, Mr. Tapia and/or 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. Tapia and/or 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. Tapia and other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f)-(g).

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

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period.

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

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

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

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

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

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

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

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

At all relevant times herein, California Labor Code sections 245.5, 246, 246.5, 247, 247.5, 248.5, and 249 provide employees who have worked in California for 30 or more days from the commencement of employment with paid sick days, to be accrued at least one hour for every 30 hours worked. Pursuant to California Labor Code section 246(b)(4), employers must provide no less than 24 hours or three (3) days of paid sick leave (or equivalent paid leave or paid time off) in each year of the employee's employment. Further, Labor Code section 246(l) provides that an employer shall calculate paid sick leave by using one of two calculations: 1) "[p]aid sick time for nonexempt employees shall be calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek[;]" or 2) "[p]aid sick time for nonexempt employees shall be calculated by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment."

At all relevant times herein, California Labor Code section 248.6 provides covered employees with COVID-19 supplemental paid sick leave. Labor Code section 248.6(d) provides that COVID-19

supplemental paid sick leave shall be set forth separately from paid sick days and that an “employer shall provide an employee with written notice that sets forth the amount of COVID-19 supplemental paid sick leave that the employee has used through the pay period in which it was due to be paid on either the employee’s itemized wage statement . . . or in a separate written statement provided on the designated pay date with the employee’s payment of wages. The employer shall list zero hours used if a worker has not used any COVID-19 supplemental paid sick leave.” Further, California Labor Code section 248.6(b)(3)(A), provides that each hour of COVID-19 supplemental paid sick leave shall be compensated at a rate equal to the following: 1) “[c]alculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek[;]” or 2) “[c]alculated by dividing the employee’s total wages, not including overtime premium pay, by the employee’s total nonovertime hours worked in the full pay periods occurring within the prior 90 days of employment; provided that, for nonexempt employees paid by piece rate, commission or other method that uses all hours to determine the regular rate of pay, total wages, not including overtime premium pay, shall be divided by all hours, to determine the correct amount of COVID-19 supplemental paid sick leave under this subdivision.”

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

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

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

Violation of California Labor Code § 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 further 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.”

During the relevant time period, MENDOCINO FARMS, on a company-wide basis, required Mr. Tapia and other aggrieved employees to 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. Mr. Tapia and other aggrieved employees were required to use their personal mobile devices for work-related tasks, including looking up recipes for MENDOCINO FARMS’s menu items. Although MENDOCINO FARMS required Mr. Tapia and other aggrieved employees to utilize their personal mobile devices and/or mobile data to carry out their work-related responsibilities, MENDOCINO FARMS failed to reimburse them for these costs.

Further, during the relevant time period, MENDOCINO FARMS required other aggrieved employees to wear uniforms bearing MENDOCINO FARMS’s company logo, including a shirt and hat. However, MENDOCINO FARMS did not provide its employees with sufficient uniforms to wear for their shifts throughout the week. Because MENDOCINO FARMS failed to provide other aggrieved employees with an adequate number of uniform items in relation to their scheduled shifts and for the tasks they were required to perform, other aggrieved employees had to wash their uniforms more frequently than they otherwise do laundry, and incur expenses in doing so. For example, due to the nature of food service and restaurant work, other aggrieved employees’ uniform shirts would become sweaty, soiled, and/or acquire an unpleasant odor such that they would be required to wash their uniform shirts more frequently than their regular clothing, thus incurring additional laundry expenses for the upkeep of their uniforms. Thus, MENDOCINO FARMS failed to maintain uniforms they required other aggrieved employees to wear during their shifts and forced them to incur the cost of maintaining employee uniforms.

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

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

Violation of California Labor Code § 2810.5(a)(1)(A)-(C) – Failure to Provide Notice of Material Terms of Employment

California’s Wage Theft Prevention Act was enacted to ensure that employers provide employees with basic information material to their employment relationship at the time of hiring, and to ensure that employees are given written and timely notice of any changes to basic information material to

their employment. Codified at California Labor Code section 2810.5, the Wage Theft Prevention Act provides that at the time of hiring, an employer must provide written notice to employees of the rate(s) of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, the regular payday designated by the employer, and any allowances claims as part of the minimum wage, including meal or lodging allowances. Effective January 1, 2015, an employer's written notice pursuant to section 2810.5 must also include a statement that the employee may accrue and use sick leave; has a right to request and use accrued paid sick leave; may not be terminated or retaliated against for using or requesting the use of accrued paid sick leave; and has the right to file a complaint against an employer who retaliates.

At all relevant times, MENDOCINO FARMS failed, on a company-wide basis, to provide written notice to Mr. Tapia and other aggrieved employees that lists the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C). MENDOCINO FARMS's failure to provide Mr. Tapia and other aggrieved employees with written notice of basic information regarding their employment with MENDOCINO FARMS is in violation of Labor Code section 2810.5.

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

California Labor Code § 558(a)

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

Accordingly, Mr. Tapia seeks the remedies set forth in Labor Code section 558 for himself, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 2699(a), 2699.3(a), 2699.3(c), 2699.5, and 558, Mr. Tapia, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties for himself, all other aggrieved employees, and the State of California against MENDOCINO FARMS for violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 246, 248.6, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5.

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

Pre-Litigation Demand

This notice shall further serve as Mr. Tapia's reasonable attempt to settle his dispute with MENDOCINO FARMS prior to litigation. Pursuant to *Graham v. Daimler Chrysler Corp.*, 34 Cal.

4th 553 (2004), this notice serves to inform MENDOCINO FARMS of Mr. Tapia's aforementioned grievances and the proposed remedies as detailed below, while affording MENDOCINO FARMS a reasonable opportunity to satisfy Mr. Tapia's demands.

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

1. MENDOCINO FARMS shall pay Mr. Tapia and all other aggrieved employees employed by MENDOCINO FARMS at any time during the past three years from the date of this notice unpaid wages and compensation for the above-referenced violations.
2. MENDOCINO FARMS shall comply with all California labor laws and ensure that its non-exempt employees are paid overtime wages and minimum wages for all hours worked and provided lawful meal and rest periods.
3. MENDOCINO FARMS shall conduct a survey or interview all current and former aggrieved employees in California who worked for MENDOCINO FARMS in the past three years to obtain information from them regarding the above-referenced violations, including, but not limited to: the number of meal periods which were not provided; the number of rest periods which were not authorized and permitted; and the number of employees who were required to pay for mobile device usage, laundering services, or other expenditures in the discharge of their duties, with the investigation to be completed within 60 days.
4. MENDOCINO FARMS shall pay each aggrieved employee one hour of pay at his or her regular rate of pay for each work day he or she was not provided one or more meal periods, as required by Labor Code sections 226.7, 512(a), 516, and 1198. MENDOCINO FARMS also shall pay Mr. Tapia and each aggrieved employee one hour of pay at his or her regular rate of pay for each work day he or she was not authorized and permitted one or more rest periods, as required by Labor Code sections 226.7, 516, and 1198.
5. MENDOCINO FARMS shall reimburse Mr. Tapia and all aggrieved employees who were required to pay for any business expenses incurred for MENDOCINO FARMS's benefit, including, but not limited to, costs of mobile device usage and/or laundering expenses, as required by Labor Code section 2802.
6. MENDOCINO FARMS shall provide Mr. Tapia and all aggrieved employees employed by MENDOCINO FARMS at any time during the past three years from the date of this notice corrected wage statements that include the requisite information set forth in Labor Code section 226(a).
7. MENDOCINO FARMS shall properly calculate aggrieved employees' rates of pay for overtime, meal and rest period premiums, and/or paid sick leave based on all remuneration paid, pursuant to Labor Code sections 226.7, 510, 246(l), and 248.6(b)(3)(A). Additionally, MENDOCINO FARMS shall provide aggrieved employees with written notice on wage statements and/or other separate written statements that list the amount of COVID-19 supplemental paid sick leave used by them, as required by Labor Code section 248.6(d).
8. MENDOCINO FARMS shall pay accrued legal interest to Mr. Tapia and all aggrieved employees at the rate of 10% per annum for said unpaid wages.

9. MENDOCINO FARMS shall pay waiting time penalties, equal to 30 days of pay, to each former aggrieved employee who was not paid all wages due as described herein.
10. MENDOCINO FARMS shall pay all penalties arising from the violations of the Labor Code and IWC Wage Order sections referenced above and pursuant to PAGA, Labor Code sections 2698, *et seq.*, including, but not limited to, penalties under Labor Code sections 210, 226.3, 248.5, 256, 558, 1174.5, 1197.1, and 2699, and IWC Wage Order No. 5-2001, section 20.

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

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

Best Regards,



Sairah Budhwani

Copy: MENDOCINO FARMS, LLC (via U.S. Certified Mail); MENDOCINO FARMS, INC. (via U.S. Certified Mail)

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



7022 2410 0000 2405 8443

CERTIFIED MAIL

U.S. Postal Service[™]
CERTIFIED MAIL[®] RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com.

OFFICIAL USE

7022 2410 0000 2405 8443

12 11 10 9 8 7 6 5 4 3 2 1

1. Signature of Addressee (Print Name)
2. Signature of Sender (Print Name)
3. Signature of Agent (Print Name)
4. Signature of Addressee (Print Name)
5. Signature of Addressee (Print Name)
6. Signature of Addressee (Print Name)
7. Signature of Addressee (Print Name)
8. Signature of Addressee (Print Name)
9. Signature of Addressee (Print Name)
10. Signature of Addressee (Print Name)
11. Signature of Addressee (Print Name)
12. Signature of Addressee (Print Name)

13. Signature of Addressee (Print Name)
14. Signature of Addressee (Print Name)
15. Signature of Addressee (Print Name)
16. Signature of Addressee (Print Name)
17. Signature of Addressee (Print Name)
18. Signature of Addressee (Print Name)
19. Signature of Addressee (Print Name)
20. Signature of Addressee (Print Name)
21. Signature of Addressee (Print Name)
22. Signature of Addressee (Print Name)
23. Signature of Addressee (Print Name)
24. Signature of Addressee (Print Name)
25. Signature of Addressee (Print Name)
26. Signature of Addressee (Print Name)
27. Signature of Addressee (Print Name)
28. Signature of Addressee (Print Name)
29. Signature of Addressee (Print Name)
30. Signature of Addressee (Print Name)
31. Signature of Addressee (Print Name)
32. Signature of Addressee (Print Name)
33. Signature of Addressee (Print Name)
34. Signature of Addressee (Print Name)
35. Signature of Addressee (Print Name)
36. Signature of Addressee (Print Name)
37. Signature of Addressee (Print Name)
38. Signature of Addressee (Print Name)
39. Signature of Addressee (Print Name)
40. Signature of Addressee (Print Name)
41. Signature of Addressee (Print Name)
42. Signature of Addressee (Print Name)
43. Signature of Addressee (Print Name)
44. Signature of Addressee (Print Name)
45. Signature of Addressee (Print Name)
46. Signature of Addressee (Print Name)
47. Signature of Addressee (Print Name)
48. Signature of Addressee (Print Name)
49. Signature of Addressee (Print Name)
50. Signature of Addressee (Print Name)
51. Signature of Addressee (Print Name)
52. Signature of Addressee (Print Name)
53. Signature of Addressee (Print Name)
54. Signature of Addressee (Print Name)
55. Signature of Addressee (Print Name)
56. Signature of Addressee (Print Name)
57. Signature of Addressee (Print Name)
58. Signature of Addressee (Print Name)
59. Signature of Addressee (Print Name)
60. Signature of Addressee (Print Name)
61. Signature of Addressee (Print Name)
62. Signature of Addressee (Print Name)
63. Signature of Addressee (Print Name)
64. Signature of Addressee (Print Name)
65. Signature of Addressee (Print Name)
66. Signature of Addressee (Print Name)
67. Signature of Addressee (Print Name)
68. Signature of Addressee (Print Name)
69. Signature of Addressee (Print Name)
70. Signature of Addressee (Print Name)
71. Signature of Addressee (Print Name)
72. Signature of Addressee (Print Name)
73. Signature of Addressee (Print Name)
74. Signature of Addressee (Print Name)
75. Signature of Addressee (Print Name)
76. Signature of Addressee (Print Name)
77. Signature of Addressee (Print Name)
78. Signature of Addressee (Print Name)
79. Signature of Addressee (Print Name)
80. Signature of Addressee (Print Name)
81. Signature of Addressee (Print Name)
82. Signature of Addressee (Print Name)
83. Signature of Addressee (Print Name)
84. Signature of Addressee (Print Name)
85. Signature of Addressee (Print Name)
86. Signature of Addressee (Print Name)
87. Signature of Addressee (Print Name)
88. Signature of Addressee (Print Name)
89. Signature of Addressee (Print Name)
90. Signature of Addressee (Print Name)
91. Signature of Addressee (Print Name)
92. Signature of Addressee (Print Name)
93. Signature of Addressee (Print Name)
94. Signature of Addressee (Print Name)
95. Signature of Addressee (Print Name)
96. Signature of Addressee (Print Name)
97. Signature of Addressee (Print Name)
98. Signature of Addressee (Print Name)
99. Signature of Addressee (Print Name)
100. Signature of Addressee (Print Name)

MENDOCINO FARMS, LLC
13103 VENTURA BOULEVARD
SUITE 100
STUDIO CITY, CA 91604

MENDOCINO FARMS, LLC
13103 VENTURA BOULEVARD
SUITE 100
STUDIO CITY, CA 91604

SENDER: COMPLETE THIS SECTION

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

MENDOCINO FARMS, LLC
13103 VENTURA BOULEVARD
SUITE 100
STUDIO CITY, CA 91604



9590 9402 7690 2122 7163 75
Article Number (Transfer from service label)
7022 2410 0000 2405 8443

COMPLETE THIS SECTION ON DELIVERY

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

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

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

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



7022 2410 0000 2405 8436

U.S. Postal Service[™]
CERTIFIED MAIL[®] RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com[®].

OFFICIAL USE

Certified Mail Fee: TA 012

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy)	\$ <u>2.80</u>
☐ Return Receipt (electronic)	\$ <u>0.00</u>
☐ Certified Mail Restricted Delivery	\$ <u>0.00</u>

MENDOCINO FARMS, INC.
C/O MENDOCINO FARMS BASE
CAMP
2004-H EAST PARK PLACE
EL SEGUNDO, CA 90245

7022 2410 0000 2405 8436

MENDOCINO FARMS, INC.
C/O MENDOCINO FARMS BASE
CAMP
2004-H EAST PARK PLACE
EL SEGUNDO, CA 90245

SENDER: COMPLETE THIS SECTION

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

MENDOCINO FARMS, INC.
C/O MENDOCINO FARMS BASE
CAMP
2004-H EAST PARK PLACE
EL SEGUNDO, CA 90245

Article Number (Transfer from service label)
9590 9402 7690 2122 7163 68

7022 2410 0000 2405 8436

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

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent ☐ Addressee

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

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

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
☐ Collect on Delivery Restricted Delivery	☐ Restricted Delivery

Domestic Return Receipt