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Attorneys for Plaintiff MORIS ORELLANA, an Individual,
On Behalf of Himself, Other Aggrieved Employees,
and the General Public

SUPERIOR COURT FOR THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

MORIS ORELLANA, an individual, on
behalf of himself, all other aggrieved
employees, and the general public,

Plaintiff,

vs.

MAGNIFIED HEALTH SYSTEMS
WEST LLC; a Delaware limited liability
company; MARIPOSA DETOX
CENTER LLC, a California limited
liability company; MARIPOSA DETOX
CENTER II LLC, a California limited
liability company; PHASE TWO ATC
LLC, a California limited liability
company; and DOES 1 THROUGH 100,
inclusive,

Defendants.

CASE NO. **23STCV18036**

COMPLAINT FOR:

- 1. CIVIL PENALTIES UNDER LABOR CODE
PRIVATE ATTORNEYS GENERAL ACT OF
2004, LABOR CODE 2698, ET. SEQ**

1 Plaintiff MORIS ORELLANA, an individual, hereby files this Complaint (“Complaint”)
2 against Defendants MAGNIFIED HEALTH SYSTEMS WEST LLC; a Delaware limited liability
3 company; MARIPOSA DETOX CENTER LLC, a California limited liability company;
4 MARIPOSA DETOX CENTER II LLC, a California limited liability company; PHASE TWO ATC
5 LLC, a California limited liability company, and DOES 1 THROUGH 25, inclusive (hereinafter
6 collectively referred to as, “Magnified” or “Defendants”). Plaintiff, in his representative capacity, is
7 informed and believes and on the basis of that information and belief alleges as follows:

8 **INTRODUCTION**

9 1. This representative lawsuit challenges Defendants’ employment practices with
10 respect to their non-exempt, hourly workers employed in the State of California who worked at the
11 drug and alcohol rehabilitation centers owned and/or operated by Defendants (hereinafter
12 “Aggrieved Employees” or “Medical Assistants”), based on Defendants’ policy and practice of
13 failing, among other things, to provide legally compliant meal and rest breaks, denying earned
14 wages, including overtime pay, and failing to provide accurate wage statements from May 23, 2022
15 to the present (“Relevant Time Period”). In particular, Defendants fail to provide timely and
16 adequate meal and rest breaks, fail to timely compensate employees for all wages earned, and fail to
17 properly and accurately calculate overtime and report wages earned, hours worked, and wage rates.

18 2. At all times relevant hereto, and with certain defined exceptions, Defendants’
19 compensation scheme did not fully compensate Plaintiff with at least minimum wages and/or
20 designated rates for all hours worked.

21 3. At all times relevant hereto, and with certain defined exceptions, Defendants’
22 compensation scheme did not fully compensate Plaintiff with overtime compensation for all
23 overtime hours worked.

24 4. At all times relevant hereto, and as a matter of policy and/or practice, Defendants
25 failed to provide Plaintiff with adequate off-duty meal periods and meal period compensation in
26 violation of Labor Code sections 226.7, 512, and 516 and IWC Wage Order No. 4 section 11.

27 5. At all times relevant hereto, and as a matter of policy and/or practice, Defendants
28 failed to provide Plaintiff with paid rest periods and rest period compensation in violation of Labor

1 Code sections 226.7 and 516 and IWC Wage Order No. 4 section 12.

2 6. At all times relevant hereto, and as a matter of policy and/or practice, Defendants'
3 knowingly and intentionally utilized a timekeeping system, which failed to compensate Plaintiff for
4 all hours worked.

5 7. At all times relevant hereto, and as a matter of policy and/or practice, Defendants
6 knowingly and intentionally provided Plaintiff with wage statements that, among others, do not
7 show all wages earned, all hours worked, or all applicable rates.

8 8. At all times relevant hereto, and as a matter of policy and/or practice, Defendants
9 failed to maintain documentation of the actual hours worked each day by Plaintiff, all wages earned,
10 and meal breaks taken in violation of Labor Code sections 1174 and IWC Wage Order No. 4 section
11 11.

12 9. At all times relevant hereto, and as a matter of policy and/or practice, Defendants
13 failed to pay Plaintiff all wages due and owing upon termination of employment including, but not
14 limited to, payment of wages for missed meal and rest periods compensation.

15 10. In this case, Plaintiff seeks civil penalties established by Labor Code section 2699,
16 the Private Attorneys General Act ("PAGA"), against Defendants for their unlawful employment
17 practices.

18 PARTIES

19 ***Plaintiff Moris Orellana***

20 11. Plaintiff Moris Orellana is an individual over the age of eighteen (18) and is now
21 and/or at all relevant times mentioned in this Complaint was a resident and domiciliary of the State
22 of California. Plaintiff commenced his employment with Defendants in or around March of 2010
23 and separated from Defendants in or around March of 2023. Throughout his employment with
24 Magnified, Plaintiff was categorized and classified as a non-exempt, hourly employees.

25 ***Defendants Magnified Health Systems West LLC, Mariposa Detox Center LLC, Mariposa*** 26 ***Detox Center II LLC, and Phase Two ATC LLC***

27 12. Plaintiff is informed and believes and based thereon alleges that Defendants
28 MAGNIFIED HEALTH SYSTEMS WEST LLC, MARIPOSA DETOX CENTER LLC,

1 MARIPOSA DETOX CENTER II LLC, and PHASE TWO ATC LLC, at all times herein
2 mentioned, are companies conducting business in the State of California as “Mariposa Detox
3 Center.” Defendants operate several Mariposa Detox Centers, which are drug and alcohol
4 rehabilitation centers and clinics located in the greater Los Angeles area and each location is
5 registered as a separate business entity with the California Secretary of State’s website. Upon
6 information and belief, all identified business entities share or are affiliated with the same top-level
7 management.

8 13. The degree of control exercised by Magnified Health over Mariposa Detox and Phase
9 Two ATC LLC is enough to reasonably deem Mariposa Detox and Phase Two ATC LLC as agents
10 of Magnified Health under traditional agency principles. Mariposa Detox and Phase Two ATC LLC
11 can legitimately be described as only a means through which Magnified Health acts and conducts its
12 nationwide business. Defendants Magnified Health, Mariposa Detox, and Phase Two ATC LLC
13 have such a unity of interest and ownership that the separate personalities do not in reality exist and
14 that the corporate structure is just a shield for the alter ego of each other. Plaintiff therefore is
15 informed and believes and thereupon alleges that Magnified Health Systems West LLC, Mariposa
16 Detox Center LLC, Mariposa Detox Center II LLC, and Phase Two ATC LLC and each of them,
17 were his employer under California law, that Defendants herein did acts consistent with the
18 existence of an employer-employee relationship with Plaintiff and that Mariposa Detox and Phase
19 Two ATC LLC were owned, controlled, directly or indirectly, by Magnified Health.

20 14. Plaintiff is unaware of the true names or capacities whether corporate, associate,
21 individual or otherwise, of defendants DOES 1 through 100, inclusive. Plaintiff is informed and
22 believes, and based on that information and belief alleges, that each of the defendants designated as a
23 DOE is legally responsible for the events and happenings referred to in this Complaint, and
24 unlawfully caused the injuries and damages to Plaintiff and the other class members as alleged in
25 this Complaint. Plaintiffs pray for leave to amend and serve such fictitiously named defendants
26 pursuant to California Code of Civil Procedure Section 474, once their names and capacities have
27 been ascertained.

28 15. At all times herein mentioned, Defendants ratified each and every act or omission

1 complained herein.

2 16. Plaintiffs further allege that Defendants controlled or affected the working conditions,
3 wages, working hours, and conditions of employment of Plaintiff and the other Aggrieved
4 Employees so as to make each of said defendant employers liable under the statutory provisions
5 alleged herein.

6 ***Does 1 through 25***

7 17. DOES 1 through 25 inclusive are now and/or at all times mentioned in this Complaint
8 were, licensed to do business and/or actually doing business in the State of California. Plaintiff does
9 not know the true names or capacities, whether individual, partner, or corporate, of DOES 1 through
10 100, inclusive and for that reason, DOES 1 through 25 are sued under such fictitious names pursuant
11 to California Code of Civil Procedure, section 474. Plaintiff will seek leave of court to amend this
12 Complaint to allege such names and capacities as soon as they are ascertained. DOES 1 through 25
13 are believed to be business entities who were also co-employers of the Plaintiff and the other
14 aggrieved employees.

15 ***All Defendants***

16 18. Plaintiff is informed and believes and based thereon alleges that at all times herein
17 mentioned, all Defendants, and each of them, were and are the agents, servants, employees, joint
18 venturers, and/or partners of each of the other Defendants, and were, at all such times, acting within
19 the course and scope of said employment and/or agency; furthermore, that each and every Defendant
20 herein, while acting as a high corporate officer, director and/or managing agent, principal and/or
21 employer, expressly directed, consented to, approved, affirmed and ratified each and every action
22 taken by the other co-Defendants, as herein alleged and was responsible in whole or in part for the
23 matters referred to herein.

24 19. Plaintiff is informed and believes and based thereon alleges that at all times herein
25 mentioned, Defendants, and each of them, proximately caused Plaintiff, all others similarly situated
26 and the general public to be subjected to the unlawful practices, wrongs, complaints, injuries and/or
27 damages alleged in this Complaint.

28 20. Plaintiff is informed and believes and based thereon alleges that Defendants, and each

1 of them, are now and/or at all times mentioned in this Complaint were members of and/or engaged in
2 a joint venture, partnership, and common enterprise, and were acting within the course and scope of,
3 and in pursuit of said joint venture, partnership, and common enterprise and, as such were co-
4 employers of the Plaintiff and the other aggrieved employees.

5 21. Plaintiff is informed and believes and based thereon alleges that Defendants, and each
6 of them, at all times mentioned in this Complaint, concurred with, contributed to, approved of, aided
7 and abetted, condoned and/or otherwise ratified, the various acts and omissions of each and every
8 one of the other Defendants in proximately causing the injuries and/or damages alleged in this
9 Complaint.

10 **JURISDICTION AND VENUE**

11 22. This Court has jurisdiction over all causes of action herein pursuant to the California
12 Constitution, Article VI, § 10, Code of Civil Procedure § 410.10 and Business and Professions Code
13 § 17203. Venue is proper in this Court under Code of Civil Procedure §§ 395 and 395.5 because
14 Defendants operate in this County, Plaintiff resides in and/or worked in this county and the injuries
15 that are the subject of this lawsuit arose in this county.

16 **FACTUAL ALLEGATIONS**

17 ***Background***

18 23. Plaintiff Moris Orellana commenced his employment with Defendants in or around
19 February 2020 and separated from Magnified in or around September 2022. Throughout his tenure
20 with Defendants, Mr. Orellana was employed as a Medical Assistant and worked at Magnified's
21 drug and alcohol treatment centers in Encino, California and Hollywood, California. Plaintiff
22 typically worked six days a week and his shifts were scheduled to be 8 hours in length. Throughout
23 his employment with Defendants, Plaintiff was paid by the hour, eligible for overtime payment, and
24 entitled to other forms of protections and benefits to California hourly employees.

25 ***Defendants' Failure to Provide Adequate and Timely Meal and Rest Breaks***

26 24. Aggrieved Employees, including Plaintiff, are not provided with legally compliant
27 meal periods and rest breaks, as they were often not made available due to the press of work and as a
28 result of Defendants' scheduling practices. With respect to rest breaks, Mr. Orellana and other

1 similarly situated Medical Assistants are not provided any training about statutory breaks under
2 California law, are not scheduled to take rest breaks, and in fact, rest breaks are not made available
3 to them. Medical Assistants, including Mr. Orellana, are instructed not to leave their posts, to
4 maintain coverage, and to tend to patients' needs at a moment's notice and at the expense of
5 violating mandated meal and rest break provisions. Said differently, Medical Assistants, including
6 Plaintiff, take their mandated breaks on premises. As a result, rest breaks are truly never "duty free"
7 and likewise are cut short due to the press of work.

8 25. Defendants also engaged in an unlawful act of "shaving time" by automatically
9 deducting a 30-minute meal period from the hours worked by Medical Assistants, even though the
10 Company's time records show that Medical Assistants were punched out for less than thirty minutes,
11 skipped a meal period, or punched out late for a statutory mandated meal period. Medical Assistants,
12 who worked over 12 hours in a day are also not provided with a mandated second meal period.

13 26. Plaintiff is further informed and believes and based thereon alleges that Defendants
14 rarely, if ever, issue any compensation to Medical Assistants for missed, late or shortened meal
15 and/or rest breaks.

16 27. Plaintiff is informed and believes and based thereon alleges that as a matter of policy
17 and/or practice, Defendants routinely failed to provide their non-exempt employees, including
18 Plaintiff and other aggrieved Medical Assistants, with meal periods during which they were relieved
19 of all duties. Defendants did this by requiring Plaintiff and the other non-exempt employees to
20 essentially work through their meal periods.

21 28. Specifically, throughout the Relevant Time Period, Defendants regularly:

- 22 a. Failed to provide Plaintiff and the other aggrieved employees with a first meal period
23 of not less than thirty (30) minutes during which they were relieved of all duty before
24 working more than five (5) hours;
- 25 b. Failed to provide Plaintiff and other aggrieved employees with a second meal break
26 of not less than (30) minutes during which they were relieved of all duty before
27 working more than ten (10) hours; and
- 28 c. Failed to pay Plaintiff and the other aggrieved employees one hour of pay at their

1 regular rate of compensation for each workday that a meal period was not provided.

2 29. Plaintiff is further informed and believes and based thereon alleges that as a matter of
3 policy and/or practice, Defendants routinely failed to provide their non-exempt employees, including
4 Plaintiff and other aggrieved Medical Assistants, with rest breaks during which they were relieved of
5 all duties. Defendants did this by requiring Plaintiff and the other non-exempt employees to
6 essentially work through their rest breaks.

7 30. Specifically, throughout the Relevant Time Period, Defendants regularly:

- 8 a. Failed to provide paid rest periods of ten (10) minutes during which Plaintiff and the
9 other aggrieved employees were relieved of all duty for each four (4) hours of work;
10 b. Failed to compensate Plaintiff and the other aggrieved employees for break time
11 when breaks were taken; and
12 c. Failed to pay Plaintiff and the other aggrieved employees one (1) hour of pay at their
13 regular rate of compensation for each workday that a rest period was not permitted.

14 31. At all times relevant hereto, Labor Code section 226.7 and IWC Wage Order, number
15 4, section 12 required employers to authorize, permit, and provide a ten (10) minute paid rest for
16 each four (4) hours of work, during which employees are relieved of all duty.

17 32. At all times relevant hereto, Labor Code Section 226.7(b) and IWC Wage Order,
18 number 4, section 12 required employers to pay one hour of additional pay at the regular rate of
19 compensation for each employee and each workday that a proper rest period is not provided.

20 33. Throughout the Relevant Time Period, Plaintiff and the other aggrieved employees
21 were routinely denied the meal and rest breaks they were entitled to under California law.

22 ***Defendants' Failure to Pay Minimum Wages, including Overtime Payment***

23 34. IWC Wage Order, number 4 defines "hours worked" to mean "the time during which
24 an employee is subject to the control of an employer and includes all the time the employee is
25 suffered or permitted to work, whether or not required to do so."

26 35. Labor Code section 1182.12 and IWC Wage Order, number 4, section 4 formerly
27 provided that on and after January 1, 2008, the minimum wage shall be not less than eight dollars
28 (\$8.00) per hour.

1 36. Labor Code section 1182.12 and IWC Wage Order, number 4, section 4 provide that
2 on and after July 1, 2014, the minimum wage for all industries shall be not less than nine dollars (\$9)
3 per hour, that on and after January 1, 2016, the minimum wage for all industries shall be not less
4 than ten dollars (\$10) per hour, that on and after January 1, 2017, the minimum wage for all
5 industries shall be not less than ten dollars and fifty cents (\$10.50) per hour, and that on and after
6 January 1, 2018, the minimum wage for all industries shall be not less than eleven dollars (\$11) per
7 hour,

8 37. Labor Code section 1194(a) provides in relevant part: “Notwithstanding any
9 agreement to work for a lesser wage, any employee receiving less than the legal minimum wage is
10 entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage,
11 including interest thereon, reasonable attorney’s fees, and costs of suit.”

12 38. Labor Code section 1194.2(a) provides in relevant part: “In any action under Section
13 1193.6 or Section 1194 to recover wages because of the payment of a wage less than the minimum
14 wage fixed by an order of the commission, an employee shall be entitled to recover liquidated
15 damages in an amount equal to the wages unlawfully unpaid and interest thereon.”

16 39. Labor Code section 1197 provides: “The minimum wage for employees fixed by the
17 commission is the minimum wage to be paid to employees, and the payment of a less wage than the
18 minimum so fixed is unlawful.”

19 40. Defendants’ Medical Assistants, including Plaintiff, are paid on an hourly basis for
20 their time spent working. Hours worked include, but are not limited to, all hours that an employee is
21 permitted or suffered to work including, but not limited to, off-the-clock work that an employer
22 either knew or should have known that an employee was performing.

23 41. As a matter of policy and/or practice, Defendants routinely suffered or permitted their
24 Medical Assistants, including Plaintiff, to work portions of the day or night during which they were
25 subject to Defendants’ control, but Defendants failed to compensate them. As a matter of policy
26 and/or practice, Defendants “shave time” by manipulating the time entries on Magnified’s
27 timekeeping system by adjusting work that would qualify as overtime to regular time in an effort to
28 deprive Medical Assistants, including Mr. Orellana, with the overtime rate of pay for work

1 performed in excess of 8 hours in a day and/or 40 hours in a week. Finally, Medical Assistants ,
2 including Plaintiff, are frequently required to perform work during their meal and rest breaks.

3 42. Labor Code Section 1194 further provides that an employee receiving less than the
4 legal overtime compensation is entitled to recover in a civil action the unpaid balance of the full
5 amount of this minimum wage or overtime compensation, including interest thereon, reasonable
6 attorney's fees, and costs of suit.

7 43. Labor Code Section 510(a) states: "Any work in excess of eight hours in one workday
8 and any work in excess of 40 hours in any one workweek and the first eight hours worked on the
9 seventh day of work in any one workweek shall be compensated at the rate of no less than one and
10 one-half times the regular rate of pay for an employee." Labor Code Section 510(a) further states:
11 "Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice
12 the regular rate of pay for an employee." Labor Code Section 510(a) further states: "[A]ny work in
13 excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less
14 than twice the regular rate of pay of an employee."

15 44. Throughout the Relevant Time Period, Wage Order No. 4-2001 provided for payment
16 of overtime wages equal to one and one-half (1 1/2) times an employee's regular rate of pay for all
17 hours worked over eight (8) hours per day and/or forty (40) hours in a workweek, and/or for
18 payment of overtime wages equal to double the employee's regular rate of pay for all hours worked
19 in excess of twelve (12) hours in any workday and/or for all hours worked in excess of eight (8)
20 hours on the seventh (7th) day of work in any one workweek.

21 45. Plaintiff was classified as non-exempt by Defendants and was therefore entitled to
22 payment for all hours worked, including overtime compensation for all hours worked in excess of
23 the hours and time specified in the Wage Order, statutes and regulations identified herein.

24 46. As a matter of policy and/or practice, Plaintiff and Medical Assistants were
25 frequently required to perform work during their meal and rest breaks.

26 47. As a matter of policy and/or practice Defendants utilized a timekeeping system,
27 which failed to compensate Plaintiff and Medical Assistants for all hours worked, whether by
28 rounding, time-shaving, or otherwise.

1 48. Throughout the Relevant Time Period, Defendants did not maintain adequate records
2 of all wages earned, hours worked, and meal and rest breaks taken.

3 49. Accordingly, Defendants failed to properly record the actual hours worked by
4 Plaintiff and Medical Assistants and thus failed to pay minimum wages and overtime wages for the
5 actual amount of minimum and overtime hours worked.

6 ***Defendants' Failure to Provide Accurate, Itemized Wage Statements***

7 50. At all times relevant hereto, Labor Code section 226 and IWC Wage Order, number
8 4, section 7 required employers to maintain adequate employment records and provide employees
9 with accurate itemized wage statements showing gross wages, total hours worked, all applicable
10 hourly rates worked during each pay period, the corresponding number of hours worked at each
11 hourly rate, and meal breaks taken.

12 51. Defendants' wage statements are facially non-compliant by virtue of the defective
13 meal and rest period policies and practices, the uncompensated work, the unlawful timekeeping
14 systems which does not accurately record the total hours worked by aggrieved Medical Assistants,
15 including Plaintiff.

16 52. Wage statements provided to Plaintiff and the other Medical Assistants by
17 Defendants do not show all wages earned, all hours worked, or all applicable rates, in violation of
18 the Labor Code section 226, and IWC Wage Order number 4, section 7.

19 53. Moreover, Defendants did not maintain adequate records of all wages earned, hours
20 worked, and breaks taken.

21 ***Defendants' Failure to Pay All Wages Due at Termination of Employment***

22 54. At all times relevant hereto, Labor Code § 201 required an employer that discharges
23 an employee to pay compensation due and owing to said employee immediately upon discharge.
24 Labor Code Sections 202 requires an employer to pay an employee who quits any compensation due
25 and owing to said employee within seventy-two (72) hours of an employee's resignation. Labor
26 Code Section 203 provides that if an employer willfully fails to pay compensation promptly upon
27 discharge or resignation, as required under Sections 201 and 202, then the employer is liable for
28 waiting time penalties in the form of continued compensation for up to thirty (30) work days.

1 55. Defendants willfully and knowingly failed to pay Plaintiff and the other aggrieved
2 Medical Assistants , upon termination of employment, all accrued compensation including payment
3 of minimum wage compensation, missed meal and rest periods compensation and for time spent
4 performing work off the clock at Defendants' direction.

5 ***Exhaustion of Administrative Remedies***

6 56. Plaintiff has complied with the procedures for bringing suit specified in California
7 Labor Code Section 2699.3. By letter dated May 23, 2023, Plaintiff, on behalf of himself and the
8 other aggrieved employees, gave written notice by electronic mail and certified mail to the Labor
9 and Workforce Development Agency ("LWDA") and Defendants of the specific provisions of the
10 California Labor Code alleged to have been violated, including the facts and theories to support the
11 alleged violations. Attached as **Exhibit "1"** is a true and correct copy of the referenced letter.

12 57. More than sixty-five (65) calendar days have passed since Plaintiff provided the
13 LWDA with written notice. To date, Plaintiff has not received any written notice nor been notified
14 from the LWDA that it does intend to investigate the violations of the California Labor Code alleged
15 herein.

16 **FIRST CAUSE OF ACTION**

17 **CIVIL PENALTIES UNDER THE PRIVATE ATTORNEYS GENERAL ACT**

18 **(On Behalf of Plaintiff and the Other Aggrieved Employees Against All Defendants)**

19 58. Plaintiff incorporates by reference the allegations set forth above.

20 59. As set forth above, Plaintiff has complied with the procedures for bringing suit
21 specified in California Labor Code Section 2699.3. By letter dated May 23, 2023, Plaintiff, on
22 behalf of himself and the other aggrieved employees, gave written notice by certified mail to the
23 LWDA and to Defendants of the specific provisions of the California Labor Code alleged to have
24 been violated, including the facts and theories to support the alleged violations. More than sixty-five
25 (65) calendar days have passed since Plaintiff provided the LWDA with written notice. To date,
26 Plaintiff has not received any written notice nor been notified from the LWDA that it does intend to
27 investigate the violations of the California Labor Code alleged herein.

28 ////

60. This action arises out of the allegedly unlawful labor practices of Defendants in California. Through this private attorneys' general action, Plaintiff represents himself, and other aggrieved employees of Defendants that were in California, against whom Defendants have allegedly committed labor law violations alleged herein. As a result of the allegedly unlawful conduct described herein, Plaintiff now seeks to recover civil penalties, attorneys' fees, and costs, pursuant to the Labor Code Private Attorneys General Act of 2004, Labor Code Section 2698, *et seq.*

61. Labor Code Section 1198 makes it unlawful for an employer to employ an employee under conditions that violate the applicable Wage Order.

62. Plaintiff is informed and believes that throughout the Relevant Time Period, Defendants have applied centrally devised policies and practices to Plaintiff and the other aggrieved employees with respect to wages, hours, and working conditions.

Failure to Pay Overtime Compensation

63. At all relevant times, California Labor Code sections 1194, 1197 and 1197.1 provide that the minimum wage for employees fixed by the IWC is the minimum wage to be paid to employees and the payment of a wage less than the minimum so fixed is unlawful. Additionally, Code Section 1198 makes it unlawful for an employer to employ an employee under conditions that violate the applicable Wage Order.

64. Where any statute or contract requires an employer to maintain the designated wage scale, Labor Code Section 223 makes it unlawful for an employer to secretly pay a lower wage while purporting to pay the wage designated by statute or by contract.

65. Labor Code Section 1194 provides that an employee receiving less than the legal overtime compensation is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees, and costs of suit.

66. Labor Code Section 510(a) states: “Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee.” Labor Code Section 510(a) further states:

1 “Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice
2 the regular rate of pay for an employee.” Labor Code Section 510(a) further states: “[A]ny work in
3 excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less
4 than twice the regular rate of pay of an employee.”

5 67. Throughout the Relevant Time Period, Wage Order No. 4-2001 provided for payment
6 of overtime wages equal to one and one-half (1 1/2) times an employee’s regular rate of pay for all
7 hours worked over eight (8) hours per day and/or forty (40) hours in a workweek, and/or for
8 payment of overtime wages equal to double the employee’s regular rate of pay for all hours worked
9 in excess of twelve (12) hours in any workday and/or for all hours worked in excess of eight (8)
10 hours on the seventh (7th) day of work in any one workweek.

11 68. Defendants’ failure to pay Plaintiff and other aggrieved Medical Assistants minimum
12 wages and designated violates California Labor Code sections 223, 1182.12, 1194, and 1197.
13 Plaintiff and other aggrieved employees are entitled to recover civil penalties pursuant to sections
14 1197.1 and 2699(a), (f), and (g).

15 69. Plaintiff and the other aggrieved employees were classified as non-exempt by
16 Defendants and were therefore entitled to overtime compensation for all hours worked in excess of
17 the hours and time specified in the Wage Order, statutes and regulations identified herein.

18 70. As a matter of policy and/or practice, Plaintiff and the other aggrieved employees
19 were frequently required to performed work during meal and rest breaks.

20 71. As a matter of policy and/or practice, Defendants utilized a timekeeping practice to of
21 “shaving time” by manipulating the time entries on Magnified’s timekeeping system by adjusting
22 work that would qualify as overtime to regular time in an effort to deprive Medical Assistants,
23 including Mr. Orellana, with the overtime rate of pay for work performed in excess of 8 hours in a
24 day and/or 40 hours in a week. This has resulted in Plaintiff and other Aggrieved Employees not
25 being compensated for all hours worked.

26 72. Accordingly, Defendants failed to properly record the actual hours worked by
27 Plaintiff and other aggrieved employees, failed to pay them at the correct overtime rate for such
28 work exceeding 8 hours in a day or 40 hours in a week, and thus failed to pay overtime wages for the

1 actual amount of overtime hours worked.

2 **Failure to Provide Timely and Adequate Meal and Rest Breaks**

3 73. Labor Code Section 512 and Section 11 of the Wage Order impose an affirmative
4 obligation on employers to provide non-exempt employees with uninterrupted, duty-free, meal
5 periods of at least thirty (30) minutes for each work period of five (5) or more hours, and to provide
6 them with two uninterrupted, duty-free, meal periods of at least thirty (30) minutes for each work
7 period of more than ten (10) hours.

8 74. Labor Code Section 226.7 and Section 11 of the Wage Order prohibit employers from
9 requiring employees to work during required meal periods and require employers to pay non-exempt
10 employees an additional hour of premium wages on each workday that the employee is not provided
11 with a required meal period.

12 75. At relevant times during the applicable limitations period, Defendants failed to
13 provide Plaintiff and Medical Assistants with uninterrupted meal periods of at least thirty
14 (30) minutes on each day that they worked five (5) or more hours, as required by Labor Code
15 Section 512 and the Wage Order, as a result of duties and schedules that do not permit them to take
16 all legally required meal periods. Plaintiff is informed, believes, and thereon alleges that, at relevant
17 times during the applicable limitations period, Defendants maintained a policy or practice of not
18 providing the other aggrieved employees with uninterrupted meal periods of at least thirty
19 (30) minutes for each five (5) hour work period, as required by Labor Code Section 512 and the
20 Wage Order, as a result of duties and schedules that do not permit them to take all legally required
21 meal periods.

22 76. Section 12 of the Wage Order imposes an affirmative obligation on employers to
23 permit and authorize employees to take required rest periods at a rate of no less than ten (10) minutes
24 of net rest time for each four (4) hour work period, or major portion thereof, that must be in the
25 middle of each work period insofar as is practicable.

26 77. Labor Code Section 226.7 and Section 12 the Wage Order prohibit employers from
27 requiring employees to work during required rest periods and require employers to pay non-exempt
28 employees an additional hour of premium wages on each workday that the employee is not provided

1 with the required rest period.

2 78. At relevant times during the applicable limitations period, Defendants failed to
3 provide Plaintiff and Medical Assistants with a net rest period of at least ten (10) minutes for each
4 four (4) hour work period, or major portion thereof, as required by the Wage Order, as a result of
5 duties and schedules that do not permit Plaintiff and Medical Assistants to take all legally required
6 rest breaks.

7 79. Plaintiff is informed, believes, and thereon alleges that, at relevant times during the
8 applicable limitations period, Defendants maintained a policy or practice of not providing the other
9 aggrieved employees with net rest periods of a least ten (10) minutes for each four (4) hour work
10 period, or major portion thereof, as required by the Wage Order, as a result of duties and schedules
11 that do not permit them to take all legally required rest breaks.

12 80. Plaintiff is further informed, believes, and thereon alleges that Defendants rarely, if
13 ever, issues any compensation to Medical Assistants for missed, late or shortened meal and/or rest
14 breaks.

15 **Failure to Provide and Maintain Compliant Wage Statements**

16 81. Labor Code Section 1174 requires that every person employing labor in this state
17 shall keep (1) a record showing the names and addresses of all employees employed and the ages of
18 all minors; (2) at a central location in the state or at the plants or establishments at which employees
19 are employed, payroll records showing the hours worked daily by and the wages paid to, and the
20 number of piece-rate units earned by and any applicable piece rate paid to, employees employed at
21 the respective plants or establishments; (3) such records in accordance with rules established for this
22 purpose by the commission, but in any case, on file for not less than three years. This statute also
23 prevents an employer from prohibiting an employee from maintaining a personal record of hours
24 worked, or, if paid on a piece-rate basis, piece-rate units earned. Defendants have willfully failed to
25 keep the records required by Section 1174.

26 82. Pursuant to California Labor Code Section 226(a), Plaintiff and the other aggrieved
27 employees were entitled to receive, semimonthly or at the time of each payment of wages, an
28 accurate itemized statement showing: (a) gross wages earned; (b) net wages earned; (c) all applicable

1 hourly rates in effect during the pay period; and (d) the corresponding number of hours worked at
2 each hourly rate by the employee.

3 83. Defendants failed to provide Plaintiff with accurate itemized statements in accordance
4 with California Labor Code Section 226(a) by providing Plaintiff with wage statements with
5 inaccurate entries for hours worked, corresponding rates of pay, and total wages earned as a result of
6 the unlawful labor and payroll practices described herein.

7 84. Plaintiff is informed and believes and thereon alleges that, at all relevant times during
8 the applicable limitations period, Defendants maintained a policy or practice of not providing
9 aggrieved employees with accurate itemized wage statements by providing them with wage
10 statements with inaccurate entries for hours worked, corresponding rates of pay, total wages and
11 deductions from wages earned as a result of the unlawful labor and payroll practices described
12 herein.

13 85. Plaintiff is informed and believes and thereon alleges that Defendants' failure to
14 provide her and the other aggrieved employees with accurate written wage statements is knowing
15 and intentional.

16 86. Plaintiff is informed and believes and thereon alleges that Defendants had the ability
17 to provide her and the aggrieved employees with accurate wage statements, but intentionally
18 provided wage statements that they knew are not accurate.

19 87. As a result of being provided with inaccurate wage statements by Defendants,
20 Plaintiff and the aggrieved employees have suffered an injury. Their legal rights to receive accurate
21 wage statements were violated and they were misled about the amount of wages they had actually
22 earned and were owed. In addition, the absence of accurate information on their wage statements
23 prevented immediate challenges to Defendants' unlawful pay practices, has required discovery and
24 mathematical computations to determine the amounts of wages owed, has caused difficulty and
25 expense in attempting to reconstruct time and pay records, and/or has led to the submission of
26 inaccurate information about wages and amounts deducted from wages to state and federal
27 government agencies.

28 88. California Labor Code sections 2699(a) and (g) authorize an aggrieved employee, on

1 behalf of themselves and other current or former employees, to bring a civil action to recover civil
2 penalties pursuant to the procedures specified in California Labor Code Section 2699.3.

3 **Failure to Pay Wages Upon Termination**

4 89. Labor Code Section 201 provides that all earned and unpaid wages of an employee
5 who is discharged are due and payable immediately at the time of discharge.

6 90. Labor Code Section 202 provides that all earned and unpaid wages of an employee
7 who quits after providing at least 72-hours' notice before quitting are due and payable at the time of
8 quitting and that all earned and unpaid wages of an employee who quits without providing at least
9 72-hours' notice before quitting are due and payable within 72 hours.

10 91. Labor Code Section 203 provides that the wages of an employee continue on a daily
11 basis as a penalty for up to 30 days where an employer willfully fails to timely pay earned and
12 unpaid wages to the employee in accordance with Labor Code Section 201 or Section 202.

13 92. Plaintiff is informed and believes that Defendants' failure to timely pay them all of
14 their earned and unpaid wages, including unpaid minimum wages and overtime wages, and
15 unprovided rest and meal period premium wages, have been willful in that, at all relevant times,
16 Defendants have deliberately maintained policies and practices that violate the requirements of the
17 Labor Code and the Wage Order even though, at all relevant times, they have had the ability to
18 comply with those legal requirements.

19 **Section 558 Penalties**

20 93. The PAGA claims are also brought against Defendants pursuant to provisions of the
21 labor code including § 558 which permits liability of persons or employers who violate or cause to
22 be violated Labor Code and IWC regulations. California Labor Code Section 2699.

23 94. The PAGA states:

24 Notwithstanding any other provision of law, any provision of this code that
25 provides for a civil penalty to be assessed and collected by the Labor and
26 Workforce Development Agency or any of its departments, divisions,
27 commissions, boards, agencies, or employees, for a violation of this code, may, as
28 an alternative, be recovered through a civil action brought by an aggrieved
employee on behalf of himself or himself and other current or former
employees...

95. One provision of law enforceable through PAGA as to civil penalties, though not

1 unpaid wages, is Labor Code § 558, which states the following:

2 (a) Any employer or other person acting on behalf of an employer who violates,
3 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:

4 (1) For any initial violation, fifty dollars (\$50) for each underpaid employee for
5 each pay period for which the employee was underpaid in addition to any amount
sufficient to recover underpaid wages.

6 (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid
7 employee for each pay period for which the employee was underpaid in addition
to an amount sufficient to recover underpaid wages...

8 **Penalties Authorized by PAGA**

9 96. Pursuant to California Labor Code sections 2699(a) and (f), Plaintiff and the other
10 aggrieved employees of Defendants are entitled to, and seek to, recover civil penalties for
11 Defendants' violations of California Labor Code sections 201, 202, 203, 204, 210, 216, 221, 223,
12 225.5, 226, 226.3, 226.7, 510, 511, 512, 551, 552, 558, 1174, 1174.5, 1194-1197.1, 1198, 2800,
13 2802, and 2698 *et seq.*, during the applicable limitations period in the following amounts:

- 14 a. For violations of California Labor Code sections 201, 202, 203, 226.7, 1198, and
15 2802, one hundred dollars (\$100.00) for each aggrieved employee per pay period
16 for each initial violation and two hundred dollars (\$200.00) for each aggrieved
17 employee per pay period for each subsequent violation (penalty amounts established
18 by California Labor Code Section 2699(f)(2));
- 19 b. For violations of California Labor Code Section 1194-1197.1, one hundred
20 dollars (\$100.00) for each aggrieved employee per pay period for each initial
21 violation and two hundred dollars and fifty (\$250.00) for each aggrieved
22 employee per pay period for each subsequent violation regardless of whether the
23 initial violation is intentionally committed (penalty amounts established by
24 California Labor Code § 1197.1);
- 25 c. For violations of California Labor Code Sections 216, 221, 223 one hundred
26 dollars (\$100.00) for each aggrieved employee for each initial violation and two
27 hundred dollars (\$200.00) for each aggrieved employee for each subsequent or
28 willful violation (penalty amounts established by California Labor Code §

1 225.5);

2 d. For violations of California Labor Code Section 1174, five hundred dollars
3 (\$500.00) for each of Defendants' violations in addition to any other penalties or
4 fines permitted by law (penalty amounts established by California Labor Code §
5 1174.5);

6 e. For violations of California Labor Code Section 226, two hundred fifty dollars
7 (\$250.00) per employee for initial violation and one thousand dollars (\$1,000.00)
8 per employee for each subsequent violation (penalty amounts established by
9 California Labor Code Section 226.3);

10 f. For violations of California Labor Code Section 204, one hundred dollars (\$100.00)
11 per employee for initial violation and two hundred dollars (\$200.00) per employee
12 for each subsequent violation, plus 25 percent of the amount unlawfully withheld
13 (penalty amounts established by California Labor Code Section 210);

14 g. For violations of California Labor Code section 510, 511, 512, 551, 552 and,
15 Wage Order 4-2001 Sections 9, 11, and 12, fifty dollars (\$50.00) for each
16 aggrieved employee for each initial violation for pay period for which the
17 employee was underpaid in addition to an amount sufficient to recover unpaid
18 wages and one hundred dollars (\$100.00) for each underpaid employee for each
19 pay period for which the employee was underpaid in addition to an amount
20 sufficient to recover unpaid wages (penalty amounts established by California
21 Labor Code Section 558).

22 h. For violations of California Labor Code Section 558, fifty dollars (\$50.00) for
23 initial violation, fifty dollars (\$50.00) for each underpaid employee for each pay
24 period for which the employee was underpaid; for each subsequent violation, one
25 hundred dollars (\$100.00) for each underpaid employee for each pay period for
26 which the employee was underpaid (penalty amounts established by California
27 Labor Code Section 558).

28 97. Pursuant to California Labor Code Section 2699(g), Plaintiff, on behalf of himself

1 and the other Aggrieved Employees, is entitled to an award of reasonable attorneys' fees and costs.

2 **PRAYER FOR RELIEF**

3 Wherefore, Plaintiff on behalf of himself and on behalf of all other Aggrieved
4 Employees, prays for judgment against Defendants as follows:

- 5 a. Civil penalties;
- 6 b. Other penalties and fines permitted by law;
- 7 c. Costs of suit;
- 8 d. Reasonable attorneys' fees;
- 9 e. Pre-judgment and post-judgment interest as provided by law; and
- 10 f. Such other and further relief as the Court deems just and proper.

11 DATED: July 31, 2023

BOYAMIAN LAW, INC.

12
13 By: 

14 Michael H. Boyamian
15 Attorney for Plaintiff MORIS ORELLANA,
16 Other Aggrieved Employees, and the
17 General Public
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EXHIBIT 1



BOYAMIAN LAW

May 23, 2023

SUBMITTED ELECTRONICALLY VIA ONLINE SUBMISSION

Labor and Workforce Development Agency
Attention: PAGA Administrator
455 Golden Gate Avenue, 9th Floor
San Francisco, California 94102

Re: *Orellana adv. Magnified Health Systems West LLC, et al.*
Notice of PAGA Claims Pursuant to Labor Code § 2699.3

To Whom It May Concern:

My office represents Morris Orellana (hereinafter “Claimant”), with respect to claims on behalf of himself and other similarly situated current and former non-exempt, hourly employees (collectively hereinafter referred to as “Medical Assistants”) of Magnified Health Systems West LLC, Phase Two ATC LLC, Mariposa Detox Center LLC, and Mariposa Detox Center II LLC (hereinafter “Magnified”, “Respondent”, or “Company”) who worked in California at the Company’s residential and detox treatment center locations from May 23, 2022 and continuing to the present (“Relevant Time Period”). The purpose of this letter is to satisfy the notice requirements of Labor Code § 2699.3(a). This notice is provided to enable Claimant to proceed in a court of law against the Company as authorized by California Labor Code section 2695, *et seq.*

Below we set forth the facts and theories which we believe support our contention that Magnified has violated and continues to violate various provisions of the California Labor Code including, but not limited to, failures by Magnified to pay minimum wages and overtime wages, to provide statutorily-mandated meal and rest periods, and for related derivative claims of inaccurate wage statements and waiting time penalties.

Facts & Theories About the Case

Respondents Magnified Health Systems West LLC, Mariposa Detox Center LLC, and Mariposa Detox Center II LLC, at all times herein mentioned, are companies conducting business in the State of California as “Mariposa Detox Center.” Defendants operate several Mariposa Detox Centers, which are drug and alcohol rehabilitation centers and clinics located in the greater Los Angeles area and each location is registered as a separate business entity with the California Secretary of State’s website. Upon information and belief, all identified business entities share or are affiliated with the same top-level management.

The degree of control exercised by Magnified Health over Mariposa Detox is enough to reasonably deem Mariposa Detox as agents of Magnified Health under traditional agency principles. Mariposa Detox can legitimately be described as only a

means through which Magnified Health acts and conducts its nationwide business. Defendants Magnified Health and Mariposa Detox have such a unity of interest and ownership that the separate personalities do not in reality exist and that the corporate structure is just a shield for the alter ego of each other. Plaintiff therefore is informed and believes and thereupon alleges that Magnified Health Systems West LLC, Mariposa Detox Center LLC, and Mariposa Detox Center II LLC, and each of them, were his employer under California law, that Defendants herein did acts consistent with the existence of an employer-employee relationship with Plaintiff and that Mariposa Detox was owned, controlled, directly or indirectly, by Magnified Health.

Respondents, jointly and severally, employed Claimant as an hourly-paid, non-exempt employee from approximately February 2020 to approximately September 2022, in the State of California, County of Los Angeles. Claimant maintained the position and title of “Medical Assistant” throughout his employment with Respondent, and worked at Magnified’s drug and alcohol treatment centers in Encino and West Hollywood, California.

Our investigation has revealed that Medical Assistant, including Mr. Orellana, are not provided with legally compliant meal periods and rest breaks. Magnified’s scheduling and staffing practices coupled with the nature of the work does not relieve them from all duty. With respect to rest breaks, Mr. Orellana and other similarly situated Medical Assistants are not provided any training about statutory breaks under California law, are not scheduled to take rest breaks, and in fact, rest breaks are not made available to them. Medical Assistants, including Mr. Orellana, are instructed not to leave their posts, to maintain coverage, and to tend to patients’ needs at a moment’s notice and at the expense of violating mandated meal and rest break provisions.

California law requires that an employer provides an employee who works more than five hours a meal break that is no less than 30 minutes in duration. 8 CCR 11070(11)(A). Unless an employee is relieved of all duty during the 30-minute meal period, the meal period is considered an on-duty meal period and counted as time worked. *Id.* However, an on-duty meal period is permitted only when the nature of the work prevents an employee from being relieved of all duty and the parties agree in writing to an on-the-job paid meal period. *Id.* If an employer fails to provide an employee a lawful meal period, the employer must pay the employee one hour of pay for each violation. 8 CCR 11070(11)(D). Additionally, California law mandates that an employer must “authorize and permit” an employee to take a duty-free rest period not less than 10 minutes in duration for every four hours of work. 8 CCR 11070(12)(A). Violation of the rest break provisions requires the employer pay the employee one hour of pay for each workday a rest period was not provided. 8 CCR 11070(12)(B). Lastly, in California, the employer is required to keep records of all hours worked. Labor Code § 1174(d). In an explication of employer “control,” the California Supreme Court held, in *Augustus v. ABM Security Services, Inc.*, 2 Cal. 5th 257 (2018), that employees are under employer control when the employer directs them to be ready to respond during breaks. *Augustus*, 2 Cal. 5th. The Court further clarified that employees who must keep

phones with them during allegedly off-duty breaks are under employer control even if the phone never rings during those periods and the employee is never called back to full duty. *Augustus*, 2 Cal. 5th at 271-272 (expressly refusing to adopt an unclear rule that control only exists in on-call situations when the employer actually calls the employee back to work.)

With respect to meal periods, the Company also engaged in an unlawful act of “shaving time” by automatically deducting a 30-minute meal period from the hours worked by Medical Assistants, even though the Company’s time records show that Medical Assistants were punched out for less than thirty minutes, skipped a meal period, or punched out late for a statutory mandated meal period. Claimant therefore seeks to recover the unpaid compensation for all hours worked as defined by the Labor Code and the applicable Industrial Welfare Commission wage order as to the time during which an employee is subject to the control of an employer, and includes all the time the employee is engaged, suffered or permitted to work, whether or not required to do so, or as otherwise set forth in *Dynamex Operations West, Inc. v. Superior Court of Los Angeles*, 4 Cal.5th 903 (2018).

Magnified would also “shave time” by manipulating the time entries on Magnified’s timekeeping system by adjusting work that would qualify as overtime to regular time in an effort to deprive Medical Assistants, including Mr. Orellana, with the overtime rate of pay for work performed in excess of 8 hours in a day and/or 40 hours in a week. California law requires that all hours worked over 8 in a day or 40 in a week or worked on the 7th consecutive day of a work week be paid 1.5 times an employee’s regular rate of pay. *See, e.g.*, Lab. Code §§ 510, 1194; Cal. Code Regs., tit. 8, § 11090, et seq. In addition, hours worked over 12 in a day or hours over 8 worked on the 7th consecutive day in a week are paid at 2 times an employee’s regular rate of pay.

Because Claimant and other similarly situated Medical Assistants were not compensated for all hours worked, were deprived of overtime compensation, and were not provided the statutorily mandated meal and rest breaks, Magnified also failed to provide accurate wage statements in a violation of Labor Code Section 226, and failed to fully compensate former employees in a timely manner when their employment ended, in violation of Labor Code Section 201 *et seq.*

California Labor Code Section 2699.3(a) requires an aggrieved employee to inform the Agency before filing a civil action under the Private Attorneys General Act of 2004 (“PAGA”). Based on the foregoing facts, Claimant is asserting PAGA claims on behalf of himself and on behalf of all other non-exempt, hourly employees employed by Magnified in its residential and detox treatment center locations from May 23, 2022, to the present. Claimant seeks *civil penalties* under PAGA for the following Labor Code violations:

1. Violations of Labor Code sections 216, 1194, 225.5, 558 for failing to pay minimum and overtime wages due. Specifically, does not pay minimum and overtime

wages to Claimant and other non-exempt, hourly Medical Assistant employees for all hours worked, as required by Labor Code sections 216, 510, 511, 558, 1182.1-1182.3, 1194-1197.1 and 1198.

2. Violations of Labor Code section 558 for failing to pay wages due, including those for missed meal and rest periods as required by Labor Code sections 226.7, 512, 551-553. Specifically, with respect to meal breaks, Magnified does not permit Claimant and other non-exempt, hourly Medical Assistants to take an uninterrupted, off-duty, and/or full meal periods, and does not pay one additional hour of pay at their regular rate of compensation for each missed meal period. The Company also does not provide Claimant and other non-exempt, hourly employees with rest periods. Nor does it pay one additional hour of pay at their regular rate of compensation for each missed rest period.

3. Violations of Labor Code sections 226 and 226.3, requiring employers to provide specific information on employees' itemized wage statements, as the Company does not include all hours worked and wages earned on the wage statements of Claimant and other non-exempt, hourly Medical Assistants.

4. Violations of Labor Code sections 204 and 210, based on the Company's failure to pay Claimant and similarly situated non-exempt, hourly employees on the regular pay day all owed wages, and the Company's failure to fully compensate former employees in a timely manner when their employment ended, in violation of Labor Code Section 201 *et seq.*

Accordingly, we believe Magnified has violated, and continues to violate, numerous provisions of California law, including, without limitation Labor Code Sections §§ 201, 202, 203, 204, 210, 216, 221, 223, 225.5, 226, 226.3, 226.7, 510, 511, 512, 551, 552, 558, 1174, 1174.5, 1194-1197.1, 1198, and 2698, *et seq.*, as well as the relevant IWC orders and regulations, and that Claimant and other similarly situated current and former non-exempt, hourly employees are entitled to all damages, restitution and statutory penalties allowed by law. Our investigation is continuing, and there may be more violations uncovered.

We respectfully request that the Labor Workforce Development Agency notify this office within sixty (60) days if it wishes to investigate this matter further or, in the alternative, notify us that you will not pursue an investigation so that we may pursue these penalties under the Private Attorney General Act of 2004. Should you have any questions or concerns or require additional information, please do not hesitate to contact the undersigned. If the Company wishes to resolve these claims without resorting to protracted litigation, please contact the undersigned forthwith to discuss this matter further.

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Thank you for your immediate attention to this matter.

Very truly yours,



Michael H. Boyamian

Cc: Magnified Health Systems West LLC (Sent via Certified Mail, Return Receipt Requested)
Registered Agent, Inc. (Registered Agent for Service of Process)
1401 21st Street, Suite R
Sacramento, CA 95811

Mariposa Detox Center LLC (Sent via Certified Mail, Return Receipt Requested)
Registered Agent, Inc. (Registered Agent for Service of Process)
1401 21st Street, Suite R
Sacramento, CA 95811

Mariposa Detox Center II LLC (Sent via Certified Mail, Return Receipt Requested)
Registered Agent, Inc. (Registered Agent for Service of Process)
1401 21st Street, Suite R
Sacramento, CA 95811

Phase Two ATC LLC (Sent via Certified Mail, Return Receipt Requested)
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