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December 23, 2025

VIA WEBSITE UPLOAD

State of California
Labor and Workforce Development Agency

VIA CERTIFIED MAIL (RETURN RECEIPT REQUESTED)

Shipmates LLC
2110 Artesia Blvd #359
Redondo Beach, CA 90278

Amazon.com Services LLC
410 Terry Avenue North
Seattle, Washington 98109

Re: *Aranda v. Shipmates LLC, et al.*

Dear Shipmates LLC and Amazon.com Services LLC:

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

I. FACTS & NATURE OF THE DISPUTE

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

This action is on behalf of Plaintiff and others similarly situated—all current and former hourly paid drivers and delivery personnel who worked for Defendants in California during the four (4) year period prior to the filing of this action—to recover wages from Defendants due to Defendants' systematic failure to pay overtime wages, to pay minimum wages, to provide meal and rest breaks (or pay the statutory compensation due), to issue accurate wage statements, to pay

wages on termination, to reimburse business expenses, to pay for uniform maintenance, to allow inspection of employment records, and unfair competition.

Plaintiff seeks compensatory, statutory, declaratory, and injunctive relief for himself and all members of the Class, to compensate these workers for the unpaid wages and to protect current and future workers of Defendants from being subjected to similar wage theft and otherwise unlawful working conditions.

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

Our client has numerous legal claims against Shipmates LLC and Amazon.com Services LLC. Further investigation and formal discovery will likely uncover other claims and additional facts supporting liability herein.

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

A. OFF THE CLOCK WORK

(Labor Code §§ 203, 226, 510, 558, 1197, 1197.1, and 2699(f)(2); IWC Wage Order No. 9)

Defendants were required to pay their employees for all time worked, even if employees were not clocked in or after they were clocked out. Employers must compensate non-exempt employees for "off-the-clock" work if the employers knew or should have known that the employees were working those hours.

Defendants required Plaintiff and the Class to regularly perform compensable tasks pre- and post-shift off-the-clock for which they did not receive any compensation. Specifically, at all times relevant, Plaintiff and Class members consistently worked hours for which they were not paid because: (a) Plaintiff and Class members were required to don and doff their Amazon vests approximately 1 minute before clocking in and approximately 1 minute after clocking out, daily; (b) Plaintiff and Class members were required to retrieve their work phone, battery for the phone, and keys to the work vehicle approximately 15 minutes before clocking in, daily, as required by management; (c) Plaintiff and Class members were required to arrive early but not permitted to clock in as required by management; and (d) Plaintiff and Class members were required to use their personal cell phones off the clock for work-related activities, such as texting and calling, for approximately 5 minutes per week.

As a result, and because they improperly treated such off-the-clock work as non-compensable, Defendants failed to compensate Plaintiff and the Class for such time. Defendants' management was aware or should have been aware that Plaintiff and Class members performed this off-the-clock work. Nonetheless, Defendants failed to compensate these employees for this time.

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

B. FAILURE TO PAY PREMIUM OVERTIME WAGES DUE
(Cal. Labor Code §§ 510, 511, 1194, 1198; IWC Wage Order No. 9)

Plaintiff worked approximately six hours of overtime per week and was paid time-and-a-half for such overtime. Plaintiff worked over twelve hours approximately once per month and was paid double time for such hours. However, Plaintiff and Class members engaged in off-the-clock work as described above. Plaintiff and Class members were not paid overtime for their off-the-clock work. Additionally, Plaintiff and Class members were not afforded compliant meal and rest breaks. As a result of the off-the-clock work and the failure to provide compliant meal and rest breaks, Defendants failed to pay Plaintiff and Class members for all hours worked, thereby failing to pay overtime at appropriate rates.

Throughout Plaintiff's employment, Defendants failed and refused to pay and properly calculate overtime compensation to Plaintiff and Class members as required by law. As a result, during this period, it was the practice and policy of Defendants to not pay employees at appropriate overtime rates. Monies for unpaid overtime remain due and owing.

FAILURE TO PAY MINIMUM WAGES
(Cal. Labor Code §§ 1194, 1194.2, 1997, 1197.1, 1198; IWC Wage Order No. 9)

Defendants failed to satisfy minimum wage requirements because Defendants required Plaintiff and the Class to work off-the-clock without compensation, including donning and doffing uniforms, retrieving work equipment, and using personal cell phones for work purposes. Defendants further failed to satisfy minimum wage requirements because Defendants did not provide compliant meal and rest breaks to Plaintiff and the Class. As a result of not being afforded compliant meal breaks and rest breaks, and as a result of the off-the-clock work described above, Plaintiff and members of the Class were paid less than minimum wage. This resulted in Defendants' failure to compensate Plaintiff properly for "all hours worked" and consequently underpaid Plaintiff and Class members for the actual hours Plaintiff and Class members worked in violation of Labor Code §§ 1197, 1198 and IWC Wage Order No. 9.

D. FAILURE TO PROVIDE MEAL PERIODS
(Cal. Labor Code §§ 226.7, 512; IWC Wage Order No. 9)

Defendants failed to provide compliant meal periods to Plaintiff and Class members in violation of Labor Code §§ 226.7, 512 and IWC Wage Order No. 9. Plaintiff and Class members' meal breaks were routinely missed and/or interrupted. Specifically, Plaintiff missed meal breaks approximately twice per week, and his meal breaks were interrupted approximately once per week. Plaintiff recorded the start and end times of his breaks on the time clocks, but he is uncertain whether he was paid for the time he recorded for break time.

By virtue of Defendants' unlawful failure to provide legally compliant meal periods to Plaintiff and the Class, Plaintiff and the Class have suffered, and will continue

to suffer, damages in amounts which are presently unknown to Plaintiff and the Class, but which exceed the jurisdictional limits of the Court and which will be ascertained according to proof at trial.

E. FAILURE TO PROVIDE REST PERIODS
(Cal. Labor Code § 226.7; IWC Wage Order No. 9)

Defendants failed to provide compliant rest periods as required by Labor Code § 226.7 and IWC Wage Order No. 9. Plaintiff and Class members were entitled to two 15-minute rest breaks per shift. Plaintiff missed rest breaks approximately twice per week, and his rest breaks were interrupted approximately 50% of the time. Plaintiff and Class members' rest breaks were interrupted, not afforded, and/or restricted.

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

F. FAILURE TO MAINTAIN RECORDS AND PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS
(Cal. Labor Code §226; IWC Wage Order No. 9)

Defendants have engaged in a uniform practice of refusing to maintain and provide the accurate records and wage statements required by California law. Defendants intentionally and knowingly provided Plaintiff and other members of the Class with itemized wage statements containing inaccurate information regarding the wages earned by Plaintiff and members of the Class in that the payments owed to Plaintiff and the members of the Class for overtime compensation, minimum wages for off-the-clock work, premium pay for untimely or missed meal periods, and premium pay for missed and interrupted rest periods, were not included in gross wages earned by Plaintiff and members of the Class.

Plaintiff and members of the Class were damaged by these failures because, among other things, the failures led them to believe that they were not entitled to overtime compensation, minimum wages for off-the-clock work, pay for meal and rest periods not compliant, and reimbursements for business expenses, even though they were so entitled and these failures hindered them from determining the amounts of wages owed to them. As a result, Plaintiff and members of the Class have been injured by having been deprived of the true facts pertaining to their compensation and employment.

G. FAILURE TO PAY WAGES ON TERMINATION
(Cal. Labor Code §§ 201-203; IWC Wage Order No. 9)

Plaintiff and the Class were discharged and/or resigned from Defendants' employ and Defendants willfully failed to pay Plaintiff and the Class wages due them. Plaintiff was terminated on August 15, 2025, and last worked on July 27, 2025. At the time of

termination, Defendants failed to pay Plaintiff all wages due, including unpaid overtime wages, minimum wages for off-the-clock work, and premium pay for missed meal and rest periods.

Plaintiff and Class members were not paid for all the wages they were owed when their employment with Defendants ended. Plaintiff and Class members are still owed wages for unpaid overtime compensation, minimum wages, meal and rest period premiums, reimbursements for business expenses, and other wages. As a result, Defendants owe Plaintiff and the Class waiting time penalties under Labor Code section 203.

H. FAILURE TO REIMBURSE BUSINESS EXPENSES
(Cal. Labor Code § 2802; IWC Wage Order No. 9)

Defendants required Plaintiff and Class members to use their personal cell phones for work-related activities, such as clocking in and out on the ADP app, texting and calling supervisors and co-workers, and downloading work applications such as Amazon Flex, for approximately six hours per day while on duty. Additionally, Plaintiff and Class members used their personal cell phones off the clock for work-related activities for approximately 5 minutes per week.

Defendants also required Plaintiff and Class members to supply their own work-related items, including gloves, Sharpie markers, phone chargers (because the company chargers did not work), USB-C cords, flashlights, and rain coats. Defendants did not reimburse Plaintiff and Class members for these necessary work-related items.

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

I. FAILURE TO PAY FOR UNIFORM MAINTENANCE ALLOWANCE
(Cal. Labor Code § 2802; IWC Wage Order No. 9)

Defendants required Plaintiff and Class members to wear Amazon-branded vests bearing the company logo. However, Defendants did not maintain the vests and did not provide a cleaning service. Plaintiff and members of the Class paid for maintenance and cleaning themselves.

Plaintiff and Class members suffered damages in an amount, subject to proof, to the extent they were not provided a weekly maintenance allowance or reimbursed for uniform maintenance expenses.

J. FAILURE TO ALLOW INSPECTION OF EMPLOYMENT RECORDS
(Cal. Labor Code §§ 1198.5, 432, 226(b); IWC Wage Order No. 9)

On or about December 19, 2025, Plaintiff's counsel issued a written request to Defendants for copies of Plaintiff's personnel and payroll records. Plaintiff's counsel and Defendants did not enter into an agreement to enlarge the time for Defendants' compliance, and Defendants have failed and refused to permit Plaintiff copies of his records. Defendants' failure to comply with Labor Code section 1198.5 continues.

As a result of Defendants' failure and refusal to permit Plaintiff to have full access to his records, Plaintiff will seek injunctive relief in the form of an order or decree mandating Defendants' compliance with Labor Code section 1198.5(b)(1), compelling Defendants to immediately provide all requested records to Plaintiff and Class members, and recovery of statutory penalties.

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

Defendants, through the unfair and unlawful business practices as described herein, have obtained valuable property, money and services from the Plaintiff and the Class and have deprived them of valuable rights and benefits guaranteed by law all to the detriment of Plaintiff and the Class. All the acts described herein are violations of, among other things, the Labor Code and Industrial Welfare Commission Wage Order No. 9, are unlawful and in violation of public policy; and in addition are immoral, unethical, oppressive, and unscrupulous, and thereby constitute unfair and unlawful business practices in violation of Business & Professions Code sections 17200 et seq.

Plaintiff and the Class are entitled to, and are, seeking such relief as may be necessary to restore to them the money and property which Defendants have acquired, or of which Plaintiff and the Class have been deprived by means of the above-described unfair and unlawful business practices. Plaintiff and the Class seek restitution of all money and property acquired by Defendants through these unfair and unlawful practices. Plaintiff and the Class seek disgorgement of all compensation retained by Defendants through these unlawful practices.

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

III. CONCLUSION

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

provisions under Labor Code, §2699. (Labor Code, §2699.3(a)(2)(A).) It is the intention of this office to file a civil complaint and to bring the appropriate claims under Labor Code, §2699, should your office not address these matters within the proscribed time.

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

Sincerely,

LIPELES LAW GROUP, APC

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

Kevin A. Lipeles, Esq.