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County of Madera

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF MADERA

JOSE GARCIA, an individual, on
behalf of all others similarly situated,

Plaintiff,

v.

HBH CALIFORNIA, LLC., a Georgia
limited liability company, and DOES
1 through 50, inclusive,

Defendant.

Case No.: MCV098152

**PLAINTIFF'S REPRESENTATIVE ACTION
COMPLAINT FOR:**

- 1. PAGA Penalties for Failure to Provide Compliant Meal Periods or Pay Premiums;**
- 2. PAGA Penalties for Failure to Provide Rest Periods or Pay Premiums;**
- 3. PAGA Penalties for Failure to Pay Overtime Wages;**
- 4. PAGA Penalties for Failure to Pay Minimum Wages;**
- 5. PAGA Penalties for Failure to Pay Timely Wages;**
- 6. PAGA Penalties for Failure to Provide and Maintain Accurate Itemized Wage Statements.**

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1 Plaintiff JOSE GARCIA (“Plaintiff”), as a representative of the State of California, the
2 Labor and Workforce Development Agency (“LWDA”), and all other similarly situated current
3 and former Aggrieved Employees, hereby complains and alleges as follows:

4 **INTRODUCTION**

5 1. This action is brought by Plaintiff on behalf of all other similarly situated
6 Aggrieved Employees (as defined below) against Defendant HBH CALIFORNIA, LLC.
7 (“Defendant”) and DOES 1 through 50 (the DOES Defendants”), inclusive (collectively,
8 “Defendants”) on a representative action basis pursuant to the Private Attorneys General Act
9 (“PAGA”), Labor Code section 2698, *et seq.*

10 2. The term “Aggrieved Employees” is defined as Plaintiff and all similarly situated
11 California residents who are or were employed by Defendants as non-exempt employees who
12 worked at least one shift for Defendants in California during the PAGA Period.

13 3. The “PAGA Period” is defined as one (1) year prior to the filing of Plaintiff’s
14 PAGA Notice Letter to the LWDA through the present date and on-going. The PAGA Notice
15 Letter was filed with the LWDA on December 17, 2025. A true and correct copy of the PAGA
16 Notice Letter is attached hereto as **Exhibit 1**. Defendants’ violations of California’s wage and
17 hour laws, as described more fully below, have been ongoing throughout the PAGA Period.
18 Plaintiff reserves the right to amend this complaint to reflect a different PAGA Period as further
19 discovery is conducted.

20 4. As described in further detail below, during the PAGA period, Aggrieved
21 Employees were subjected to, *inter alia*, Defendants’ violations of California’s wage and hour
22 laws, including but not limited to California’s Labor Code and the Industrial Welfare
23 Commission (“IWC”)’s applicable Wage Orders.

24 5. Plaintiff, on behalf of the Aggrieved Employees, seeks and award of statutory
25 penalties pursuant to PAGA against Defendants for their violations of numerous Labor Code
26 provisions, including but not limited to sections 204, 210, 226(a), 226(e), 226.3, 226.7, 510,
27 512, 558, 1174, 1194, and 1198 for: (1) failure to provide legally-compliant meal periods and/or
28 pay meal period premiums; (2) failure to provide legally-compliant rest periods and/or pay rest

1 period premiums; (3) failure to pay all overtime wages owed; (4) failure to pay all minimum
2 wages owed; (5) failure to pay timely wages; and (6) failure to provide and maintain accurate
3 itemized wage statements.

4 6. Plaintiff does not bring this action for any individual claims. Plaintiff only brings
5 this action on a representative basis.

6 7. At all relevant times herein, Defendants have consistently maintained and
7 enforced the following unlawful policies and practices against Plaintiff and the Aggrieved
8 Employees during the PAGA Period:

- 9 a. Willfully failing to permit and/or authorize Aggrieved Employees to take
10 legally-compliant meal periods, or else provide premium compensation in
11 lieu thereof;
- 12 b. Willfully failing to permit and/or authorize Aggrieved Employees to take
13 legally-compliant rest periods, or else provide premium compensation in
14 lieu thereof;
- 15 c. Willfully failing to record all overtime hours incurred by Aggrieved
16 Employees;
- 17 d. Willfully failing to calculate the correct rate of overtime for Aggrieved
18 Employees;
- 19 e. Willfully failing to pay Aggrieved Employees all minimum wages owed
20 for all hours worked, including for time during which they were subject
21 to Defendants' control;
- 22 f. Willfully failing to record all actual hours worked by Aggrieved
23 Employees due to recording hours in such a way that fails to capture all
24 actual hours worked;
- 25 g. Willfully failing to compensate Aggrieved Employees for all hours
26 worked, including time spent performing off-the-clock work tasks;
- 27 h. Willfully failing to timely pay Aggrieved Employees all wages, including
28 meal and rest period premiums, regular "straight-time" wages, and all

overtime wages, when due and on their regular payday; and

- i. Willfully failing to provide and maintain accurate, itemized wage statements to Aggrieved Employees

JURISDICTION AND VENUE

8. This Court has subject matter jurisdiction over the causes of action alleged in this complaint as a Court of general subject matter jurisdiction and is not otherwise excluded from exercising subject matter jurisdiction over this action. The penalties recoverable collectively amongst all Aggrieved Employees do not exceed five million dollars (\$5,000,000.00). Further, there is no federal question at issue, as the issues herein are based solely on California statutes and law, including the Labor Code, the IWC's applicable Wage Orders, California's Code of Civil Procedure ("CCP"), and the California Rules of Court.

9. Venue is proper in this Court pursuant to Code of Civil Procedure sections 395 and 395.5 because Defendant transacts business in the State of California and employed Aggrieved Employees who resided in Madera County during the PAGA Period.

10. At all relevant times, Defendant employed Plaintiff and other Aggrieved Employees who worked for Defendant in Fresno County while residing in Madera County. During the PAGA Period, Plaintiff resided in Madera County and received wage statements from Defendant at his residence in Madera County. Accordingly, a substantial portion of the acts and omissions giving rise to the claims alleged herein occurred in, or were felt in, the County of Madera.

THE PARTIES

11. At all relevant times, Plaintiff was and is a resident of the State of California, residing in Madera County. Throughout the PAGA Period, Defendant employed Plaintiff to work as part of its Production Team.

12. The Aggrieved Employees consist of identifiable, current, and/or formerly similarly situated persons who worked for Defendants in California during the PAGA Period.

13. By way of this action, Plaintiff also seeks to represent the State of California and the LWDA.

1 14. Upon information and belief, Defendant is a Georgia limited liability company
2 which owns and operates food retailer and restaurant establishments across the United States
3 which sell and serve, *inter alia*, smoked hams to patrons. Defendant owns and operates one such
4 place of establishment in Fresno, California. To operate its facility, Defendant employs non-
5 exempt employees, such as Plaintiff and the PAGA Members.

6 15. The DOES Defendants are sued herein under fictitious names pursuant to CCP
7 section 474. The identity of the DOES Defendants is unknown to Plaintiff as Plaintiff does not,
8 at this time, know the true names or capacities of the DOES Defendants. Plaintiff will seek
9 leave of the Court to amend this Complaint to allege their true names and capacities once
10 ascertained. Plaintiff is informed and believes, and thereon alleges, that each DOES Defendant
11 is highly responsible in some manner for the events and happenings referred to herein, and
12 legally caused the injuries and damages alleged in this Complaint.

13 16. Plaintiff is informed and believes and thereon alleges that each and every
14 Defendant, including the DOES Defendants, was the authorized agent, principal, partner, joint
15 venturer and/or guarantor, actual or ostensible, of each and every other Defendant; and that each
16 and every Defendant had full authority to do as alleged herein, unless alleged otherwise.
17 Furthermore, each and every Defendant was operating within the course and scope of their
18 agency, or in a principal, partner, joint venturer, and/or guarantor, actual or ostensible,
19 relationship with each and every other Defendant during the course of events described herein,
20 unless alleged otherwise.

21 **PAGA ADMINISTRATIVE PREREQUISITE**

22 17. Plaintiff brings this case as a representative action seeking penalties for
23 Aggrieved Employees and the LWDA in a representative capacity, as provided for under
24 PAGA, Labor Code section 2698 *et seq.*, to the extent permitted by law, as an Aggrieved
25 Employee who was employed by Defendants. While employed by Defendants, Plaintiff did not
26 receive all regular, minimum, and overtime wages due; was not provided legally compliant
27 meal or rest periods and/or did not receive premium compensation in lieu thereof; was not
28 provided accurate itemized wage statements; and did not receive all wages owed in a timely

1 manner.

2 18. Pursuant to Labor Code section 2699.3, subdivision (a), a plaintiff may bring a
3 cause of action under the PAGA only after giving the LWDA and the employer notice of the
4 Labor Code sections alleged to have been violated; and after receiving notice from the LWDA
5 of its intention not to investigate, or after 65 days have passed without notice from the LWDA.

6 19. On December 17, 2025, prior to the filing of this Complaint, Plaintiff gave
7 written notice of the specified provisions alleged to have been violated, including the facts and
8 theories to support the alleged violations, as required by Labor Code section 2699.3 (“PAGA
9 Notice Letter”). This PAGA Notice Letter was sent via certified mail to Defendant, and was
10 submitted to the LWDA by electronically filing the PAGA Notice Letter via the Department of
11 Industrial Relations’ website.

12 20. More than sixty-five (65) days have elapsed since Plaintiff submitted his
13 December 17, 2025 PAGA Notice Letter to the LWDA and Defendant, and the LWDA has not
14 provided notice to Plaintiff of its intent to investigate the alleged violations. Also, Plaintiff has
15 not received notice of Defendant’ intent to cure any of the alleged violations. Accordingly,
16 Plaintiff has satisfied the administrative prerequisites for filing this action.

17 **FACTUAL ALLEGATIONS COMMON TO ALL CAUSES OF ACTION**

18 21. Plaintiff and Aggrieved Employees are, and at all times during the PAGA Period
19 were, “non-exempt employees” within the meaning of the California Labor Code and the
20 applicable IWC Wage Orders. Defendants are, and at all times during the PAGA Period were,
21 “employers” within the meaning of the California Labor Code and the applicable IWC Wage
22 Orders.

23 22. Defendant is a Georgia limited liability company which owns and operates food
24 retailer and restaurant establishments across the United States which sell and serve, *inter alia*,
25 smoked hams to patrons. Defendant owns and operates one such place of establishment in
26 Fresno, California.

27 23. During the PAGA Period, Defendants employed Plaintiff and Aggrieved
28 Employees as non-exempt, hourly-paid employees.

1 24. Plaintiff and Aggrieved Employees were typically scheduled to work 5 to 7 days
2 per week, and they were scheduled anywhere from 8 to 15 hours per shift.

3 25. During the PAGA Period, Plaintiff and the Aggrieved Employees were not
4 authorized or permitted to take uninterrupted, duty-free, 30-minute meal breaks before their
5 fifth hour of work. On some occasions, they were not authorized to take any meal break at all
6 during their shift.

7 26. When working shifts longer than ten (10) hours, they often were not authorized
8 nor permitted to take a second meal break. Also during the PAGA Period, Plaintiff and the
9 Aggrieved Employees were also continuously denied the opportunity to take uninterrupted, duty
10 free, 10-minute rest breaks every four hours of work or major fraction thereof.

11 27. Despite not receiving legally-compliant meal or rest breaks, Defendant did not
12 pay Plaintiff and the Aggrieved Employees any meal or rest break premium wages for every
13 day that they did not receive timely, uninterrupted, and/or complete meal or rest breaks.

14 28. During the PAGA Period, Plaintiff and the Aggrieved Employees were not
15 compensated for all time they were subject to Defendant's control. For example, they were not
16 compensated for time spent working when their meal or rest breaks were interrupted by
17 Defendant to perform work.

18 29. This caused them to receive less than the full minimum wages they were owed
19 because, if all hours spent under Defendant's control were actually recorded, then the hourly
20 rates of Plaintiff and Aggrieved Employees would come out to be less than minimum wage.
21 This additional work time caused Plaintiff and the Aggrieved to incur more than eight working
22 hours in one day and/or 40 hours in one week.

23 30. Despite this, they were not compensated for this additional time at their
24 applicable overtime rate.

25 31. As a result of Defendant's practices, Plaintiffs and the Aggrieved Employees did
26 not receive all premium, regular, minimum, and overtime wages that were due to them at the
27 time that they were owed. As a further result of Defendant's practices, they also did not receive
28 complete, accurate, and itemized wage statements reflecting the foregoing.

FIRST CAUSE OF ACTION

**PAGA Penalties for Failure to Provide Compliant Meal Breaks or Pay Premiums
for Violation of Labor Code §§ 226.7 & 512
and Section 11 of the Applicable Wage Order**

32. Plaintiff re-alleges and incorporates by reference each and every allegation set forth in the preceding paragraphs.

33. California Labor Code section 516 provides that the IWC may adopt working condition orders with respect to meal breaks for any workers in California. *See also* Lab. Code § 1198.

34. Pursuant to Labor Code section 512, no employer shall employ any person for a work period of more than five (5) hours without providing a meal period of not less than thirty (30) minutes. *Id.* at subd. (a); *see also* section 11(A) and (C) of IWC Wage Order No. 5-2001 (the “Applicable IWC Wage Order”).

35. California Labor Code section 226.7(a) provides that no employer shall require an employee to work during a meal period mandated by an applicable statute, regulation, standard, or order of the IWC.

36. The first meal period must start prior to the end of the employee’s fifth hour of work if the employee is working less than ten (10) hours. *Brinker Restaurant Corp. v Superior Court* (2012) 53 Cal. 4th 1004, 1041.

37. An employer may not require, cause, or permit an employee to work for a work period of more than ten (10) hours per day without providing the employee with a second uninterrupted meal period of not less than thirty (30) minutes, 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. Lab. Code § 512.

38. During the meal period, the employee is to be completely free of the employer’s control and must not be required to perform any work for the employer. *Id.* at 1040-1041.

39. If an employer fails to provide a legally compliant, duty-free meal period, the employee is entitled to one hour of “premium pay,” or an additional hour of pay at the employee’s regular rate of compensation for each workday that the meal period was not

provided. *See* Lab. Code § 226.7(c); Section 11(B) of the applicable Wage Order.

40. Here, Defendants violated and continue to violate Labor Code section 512 and Section 11 of the Applicable Wage Order by, among other things, failing to provide and authorize 30-minute, timely, duty-free meal periods on or before the fifth hour of work; failing to provide and/or authorize a second meal period for shifts longer than 10 hours; and requiring them to perform work or otherwise be subject to Defendants' control during their meal periods. As a result, Plaintiff and Aggrieved Employees' meal periods were frequently late, short, missed, or interrupted due to Defendants' unlawful policies and practices.

41. Despite the foregoing, Defendants failed to pay Plaintiff and Aggrieved Employees a meal period premium at the applicable rate for each shift during which their meal periods were interrupted, short, late, or missed, as required by Labor Code section 226.7(c).

42. Based on the foregoing, Defendants' failure to provide legally-compliant meal periods and/or pay premiums in lieu thereof amounts to violations of Labor Code sections 226.7 and 512, and thus Defendants are subject to penalties pursuant to PAGA.

43. Pursuant to Labor Code section 2699, subdivision (f)(2), Plaintiff, on behalf of himself, the LWDA, and the Aggrieved Employees, seeks to recover PAGA penalties from Defendants in the amount of one hundred dollars (\$100.00) for Defendants' initial violations and two hundred dollars (\$200.00) per pay period for each subsequent violation; in an amount according to proof at trial. Plaintiff also seeks attorneys' fees and costs pursuant to Labor Code section 2699(g), CCP section 1021.5, and any other applicable statute.

SECOND CAUSE OF ACTION
PAGA Penalties for Failure to Provide Rest Breaks or Pay Premiums
for Violation of Labor Code § 226.7
and Section 12 of the Applicable Wage Order

44. Plaintiff re-alleges and incorporates by reference each and every allegation set forth in the preceding paragraphs.

45. California Labor Code section 516 provides that the IWC may adopt working condition orders with respect to rest breaks for any workers in California. *See also* Lab. Code § 1198.

1 46. California law requires an employer to provide its employees with an
2 uninterrupted, duty-free rest period of not less than ten (10) minutes for each four hours worked
3 or a “major fraction thereof.” Lab. Code § 226.7; *see also* § 12 of the Applicable Wage Order.
4 The Division of Labor Standards Enforcement (“DLSE”) has interpreted the phrase “major
5 fraction thereof”, as applied to a four-hour period, to mean any amount of time in excess of two
6 hours—i.e., any fraction greater than half. *Brinker, supra*, 53 Cal.4th at 1029, citing Dept.
7 Industrial Relations, DLSE Opn. Letter No. 1999.02.16 (Feb. 16, 1999) p. 1.

8 47. “An employer shall not require an employee to work during a meal or rest or
9 recovery period mandated pursuant to an applicable statute, or applicable regulation, standard,
10 or order of the [IWC] . . .” Lab. Code § 226.7(b).

11 48. If an employer fails to provide a legally compliant, duty-free rest period, the
12 employee is entitled to one hour of “premium pay,” or an additional hour of pay at the
13 employee’s regular rate of compensation for each workday that the rest period was not
14 provided. Lab. Code § 226.7(c).

15 49. Under Labor Code section 226.7, if an employer maintains policies and practices
16 that do not authorize and permit the amount of rest time on the schedule called for under the law
17 (as specified in Section 12 of the applicable Wage Order), “it has violated the wage order and is
18 liable.” The *Brinker* Court explained in the context of rest breaks that employer liability
19 attaches from adopting an unlawful policy:

20 An employer is required to authorize and permit the amount
21 of rest break time called for under the wage order for its
22 industry. If it does not—if, for example, it adopts a uniform
23 policy authorizing and permitting only one rest break for
employees working a seven-hour shift when two are
required—***it has violated the wage order and is liable.***

24 *Brinker, supra*, 53 Cal.4th at 1033 (emphasis added).

25 50. Here, Defendants did not authorize Plaintiff and Aggrieved Employees to take
26 compliant rest breaks. Specifically, Plaintiff and Aggrieved Employees were not provided their
27 timely ten-minute duty-free rest breaks every four hours or major fraction thereof. These breaks
28

1 were frequently untimely, interrupted, cut short, or missed entirely.

2 51. Despite the foregoing, Defendants never paid any rest break premiums to
3 Plaintiff and Aggrieved Employees for each instance in which they did not receive a rest break
4 in compliance with the Labor Code and Section 12 of the Applicable Wage Order.

5 52. Based on the foregoing, Defendants' failure to provide legally-compliant rest
6 periods and/or pay premiums in lieu thereof amounts to violations of Labor Code section 226.7,
7 and thus Defendants are subject to penalties pursuant to PAGA.

9 53. Pursuant to Labor Code section 2699, subdivision (f)(2), Plaintiff, on behalf of
10 himself, the LWDA, and the Aggrieved Employees, seeks to recover PAGA penalties from
11 Defendants in the amount of one hundred dollars (\$100.00) for Defendants' initial violations
12 and two hundred dollars (\$200.00) per pay period for each subsequent violation; in an amount
13 according to proof at trial. Plaintiff also seeks attorneys' fees and costs pursuant to Labor Code
14 section 2699(g), CCP section 1021.5, and any other applicable statute.

15
16 **THIRD CAUSE OF ACTION**
17 **PAGA Penalties for Failure to Pay Overtime Wages**
18 **for Violation of Labor Code §§ 510, 1194, & 1198**
19 **and Section 3 of the Applicable Wage Order**

20 54. Plaintiff re-alleges and incorporates by reference each and every allegation set
21 forth in the preceding paragraphs.

22 55. Labor Code section 510 provides that any work in excess of eight hours on any
23 day, 40 hours in any work week, as well as all hours worked on the seventh consecutive day of
24 a workweek, shall be compensated at the rate of no less than 1.5 times the regular rate of pay.
25 *See also* Lab. Code § 1198; Section 3(A) of the Applicable IWC Wage Order.

26 56. Employees must be paid for all "hours worked." "Hours worked" means "the
27 time during which an employee is subject to the control of an employer and includes all the time
28 the employee is suffered or permitted to work, whether or not required to do so." Section 2(K)
of the Applicable Wage Order; *see also Mendiola v. CPS Security Solutions, Inc.* (2015) 60 Cal.

1 4th 833; *Frlekin v. Apple Inc.*, (2020) 8 Cal. 5th 1038, 1046.

2 57. When determining whether an employee is subject to an employer's control for
3 the purpose of deciding whether an activity is compensable, courts consider whether an activity
4 is "required", which includes both an activity that is "strictly required", as well as an activity
5 that is "practically required". *Frlekin, supra*, 8 Cal.5th at 1054-1055. The mandatory nature of
6 an activity is a factor to consider, as well as whether the activity primarily benefits the
7 employee or the employer, and whether the activity is enforced through disciplinary measures.
8 *Id.*, at 1056.

9 58. Notably, there is no *de minimis* defense for such time. *Troester v. Starbucks*
10 *Corp.*, 5 Cal.5th 829 (2018) (the California Supreme Court held that, in light of new
11 technologies allowing time-tracking with specificity, the *de minimis* principle was not
12 applicable in the context of an alleged policy requiring employees to work minutes off the clock
13 routinely).

14 59. As set forth above, Defendants policies and practices that resulted in Plaintiff
15 and Aggrieved Employees working more than eight hours in one day and/or more than forty
16 hours in one week.

17 60. Also as set forth above, Defendants' policies and practices required Plaintiff and
18 Aggrieved Employees to perform OTC work, such as perform work while clocked out,
19 including performing job duties during interrupted meal and rest periods. This often resulted in
20 them working more than eight hours in one day and/or 40 hours in one week. These OTC tasks
21 constituted compensable time because they were tasks that were performed by Plaintiff and
22 Aggrieved Employees while subject to Defendants' control, which were required by Defendants
23 as strictly and practically necessary in order to remain employed by Defendants.

24 61. Based on the foregoing, Defendants failed to compensate Plaintiff and Aggrieved
25 Employees for all overtime hours they incurred at the appropriate overtime rate.

26 62. Defendants knew or should have known that Plaintiff and Aggrieved Employees
27 incurred overtime hours, because Defendants required them to work more than eight hours in
28 one day and/or 40 hours in one week. Defendants also knew or should have known that

1 requiring Plaintiff and Aggrieved Employees to perform OTC work would result in them
2 exceeding eight hours in one day and/or 40 hours in one week.

3 63. Based on the foregoing, Defendants' failure to pay all overtime wages owed at
4 the correct overtime rate to Plaintiff and Aggrieved Employees amounts to violations of Labor
5 Code sections 510, 1194, and 1198, and thus Defendants are subject to penalties pursuant to
6 PAGA.

7 64. As a result of the unlawful acts of Defendants, Plaintiff, on behalf of himself, the
8 LWDA, and Aggrieved Employees, seeks to recover PAGA penalties from Defendants in an
9 amount according to proof at trial; and attorneys' fees and costs pursuant to Labor Code section
10 2699(g), CCP section 1021.5, and any other applicable statute.

11 **FOURTH CAUSE OF ACTION**
12 **PAGA Penalties for Failure to Pay All Minimum Wages**
13 **for Violation of Labor Code §§ 1194 & 1197**
14 **and Section 4 of the Applicable Wage Order**

15 65. Plaintiff re-alleges and incorporates by reference each and every allegation set
16 forth in the preceding paragraphs.

17 66. Labor Code section 1197 requires employees to be paid at least the minimum
18 wage fixed by the IWC, and any payment of less than the minimum wage is unlawful.

19 67. Similarly, Labor Code sections 1194, subdivision (a), and 1194.2, subdivision
20 (a), provide that an employer who has failed to pay its employees the legal minimum wage is
21 liable to pay those employees the unpaid balance of the unpaid wages *as well as* liquidated
22 damages in an amount equal to the wages due and interest thereon.

23 68. Likewise, the applicable Wage Orders also obligate employers to pay each
24 employee minimum wages for all hours worked. Cal. Code of Regs., tit. 8, sections 11010,
25 11040, 11050, 11070, 11160. Labor Code section 1198 states that it is unlawful to employ an
26 employee for longer hours than those fixed by the [applicable IWC] order or under conditions
27 that the IWC Wage Orders prohibit.

28 69. These minimum wage standards apply to each hour that employees work.
Therefore, an employer's failure to pay for any particular time worked by an employee is
unlawful, even if averaging an employee's total pay over all hours worked, paid or not, results in

1 an average hourly wage above minimum wage. Armenta v. Osmose, Inc. (2005) 135
2 Cal.App.4th 314, 324.

3 70. Furthermore, pursuant to Labor Code section 1197.1, subdivision (a), any
4 "employer or other person acting either individual or as an officer, agent, or employee of
5 another person" who causes or authorizes an employee to be paid less than the minimum wage,
6 shall be subject to a civil penalty, among other damages, as follows:

7 a. "For any initial violation that is intentionally committed, one hundred dollars
8 (\$100) for each underpaid employee for each pay period for which the
9 employee is underpaid."

10 b. "For each subsequent violation for the same specific offense, two hundred
11 fifty dollars (\$250) for each underpaid employee for each pay period for
12 which the employee is underpaid regardless of whether the initial violation is
13 intentionally committed."

14 71. Pursuant to Labor Code section 1199, "[e]very employer or other person acting
15 either individually or as an officer, agent, or employee of another person is guilty of a
16 misdemeanor and is punishable by a fine of not less than one hundred dollars (\$100) or by
17 imprisonment for not less than 30 days, or by both, who does any of the following:" (a) requires
18 the employee to work for longer hours than those fixed by the IWC; and/or (b) pays an
19 employee less than minimum wage.

20 72. Here, Defendant failed to fully conform its pay practices to the requirements of
21 the law during the relevant statutory periods. Plaintiff and Aggrieved Employees were not
22 compensated for all time spent under Defendant's control, including instances when their meal
23 or rest breaks were interrupted to perform work for Defendant.

24 73. Accordingly, the Plaintiff and Aggrieved Employees suffered periodic shortages
25 in the hours for which they were compensated, and thus did not receive all of their full-time
26 wages and/or the minimum wages which they were owed.

27 74. This uncompensated time violated California's requirement that employees be
28 compensated for all hours worked.

1 75. As a result of the unlawful acts of Defendants, Plaintiff, on behalf of himself, the
2 LWDA, and Aggrieved Employees, seeks to recover PAGA penalties from Defendants in an
3 amount according to proof at trial; and attorneys’ fees and costs pursuant to Labor Code section
4 2699(g), CCP section 1021.5, and any other applicable statute

5 **FIFTH CAUSE OF ACTION**
6 **PAGA Penalties for Failure to Pay Timely Wages**
7 **for Violation of Labor Code § 204**

8 76. Plaintiff re-alleges and incorporates by reference each and every allegation set
9 forth in the preceding paragraphs.

10 77. Labor Code section 204 expressly requires that “[a]ll wages...earned by any
11 person in any employment are due and payable twice during each calendar month, on days
12 designated in advance by the employer as the regular paydays.”

13 78. Premium pay constitutes “wages”, as that term is used in the Labor Code.
14 *Naranjo v. Spectrum Security Services, Inc.* (2022) 13 Cal. 5th 93, 118 (premium pay is fairly
15 understood as falling within the Labor Code’s general definition of wages).

16 79. Labor Code section 210(a) provides that “[i]n addition to, an entirely
17 independent and apart from, any other penalty provided in this article, every person who fails to
18 pay the wages of each employee as provided in Sections...204...shall be subject to a civil
19 penalty as follows:

- 20 a. For any initial violation, one hundred dollars (\$100) for each failure to pay
21 each employee;
22 b. For each subsequent violation, or any willful or intentional violation, two
23 hundred dollars (\$200) for each failure to pay each employee, plus 25% of
24 the amount unlawfully withheld.”

25 80. Here, due to Defendant’s failure to pay Plaintiff and Aggrieved Employees all
26 premium wages, minimum wages, and overtime wages that they were owed, it follows that
27 Defendant also failed to pay them all applicable wages on a timely and bi-monthly basis, giving
28 rise to a viable claim for unpaid wages and civil penalties pursuant to Labor Code section 210.

//

81. As a result of the unlawful acts of Defendants, Plaintiff, on behalf of himself, the LWDA, and Aggrieved Employees, seeks to recover PAGA penalties from Defendants in an amount according to proof at trial; and attorneys' fees and costs pursuant to Labor Code section 2699(g), CCP section 1021.5, and any other applicable statute.

SIXTH CAUSE OF ACTION

**PAGA Penalties for Failure to Provide and Maintain Accurate Itemized Wage Statements
for Violation of Labor Code §§ 226(a), 1174(d)
and Section 7 of the Applicable Wage Order**

82. Plaintiff re-alleges and incorporates by reference each and every allegation set forth in the preceding paragraphs.

83. Labor Code section 226, subdivision (a), requires that “at the time of each payment of wages,” employers must furnish employees with “an accurate itemized statement” that includes, *inter alia*, gross wages earned, total hours worked, net wages earned, and all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate.

84. Premium pay constitutes “wages”, as that term is used in the Labor Code. *Naranjo, supra*, 13 Cal. 5th 93 at 118, 121 (premiums are wages that can be the basis of derivative claims for wage statement penalties).

85. An employer has an affirmative duty to track employee's meal and rest breaks, hours worked, applicable rates of pay, and wages owed. *See* Section 7(A) of the Applicable Wage Order (every employer shall keep accurate information with respect to each employee including, *inter alia*, accurate time records showing meal and periods, total wages paid, and total hours worked).

86. Labor Code section 1174 also requires employers to keep accurate payroll records.

87. Labor Code section 226(e) provides that an employee is entitled to recover \$50 for initial pay period in which a violation of Section 226 occurs and \$100 for each subsequent pay period, not to exceed \$4,000, as well as an award of costs and reasonable attorney's fees, for all pay periods in which the employer fails to provide accurate itemized statements to the

1 employee causing the employee to suffer injury.

2 88. Pursuant to Labor Code section 226.3, any employer who violates section 226(a)
3 shall be subject to a civil penalty in the amount of two hundred and fifty dollars (\$250.00) per
4 employee per violation in an initial citation and one thousand dollars (\$1,000.00) per employee
5 for each violation in a subsequent citation, for which the employer fails to provide the employee
6 a wage deduction statement or fails to keep the records required in subdivision (a) of Section
7 226. *See Raines v. Coastal Pacific Food Distributors, Inc.* (2018) 23 Cal. App. 5th 667, 674-
8 675 (finding that Labor Code section 226.3 applies to all violations of Labor Code section
9 226(a)); *see also Magadia v. Wal- Mart Assocs.*, 384 F. Supp. 3d. 1058, 1109 (N.D. Cal. 2019)
10 (“the Court finds that Cal. Lab. Code § 226.3 penalties are applicable as the appropriate
11 measure of civil penalties under PAGA” for a violation of Labor Code section 226(a)).

12 89. An employee is deemed to suffer injury if the employer fails to provide a wage
13 statement containing all of the required information set forth in Labor Code section 226(a). *See*
14 Lab. Code § 226(e)(2). Further, Plaintiff, as an Aggrieved Employee, need not demonstrate or
15 prove that Defendants’ conduct in refusing to provide accurate and itemized wage statements
16 was knowing, intentional, or willful. *Lopez v. Friant & Assocs., LLC* (2017) 15 Cal. App.5th
17 773, 788; *see also Willner v. Manpower Inc.* 35 F. Supp. 3d 1116, 1136 (N.D. Cal. 2014) (to
18 obtain judgment on a PAGA claim, “all [plaintiff] needs to establish is a violation of section
19 226(a), which she has done, as discussed above.”); *McKenzie v. Fed. Exp. Corp.* 765 F.Supp.2d
20 1222, 1232 (C.D. Cal. 2011) (holding that “for the purposes of recovering PAGA penalties, one
21 need only prove a violation of Section 226(a), and need not establish a Section 226(e) injury.”);
22 *Aguirre v. Genesis Logistics*, 2013 U.S. Dist. LEXIS 189815, at *28 (C.D. Cal. July 3, 2013)
23 (“Plaintiff does not need to establish a Cal. Lab. Code § 226(e) injury to recover penalties under
24 § 2699(f) of PAGA.”)

25 90. As set forth above, Defendants did not compensate Plaintiff and Aggrieved
26 Employees for all hours worked due to its unlawful policies and practices requiring OTC work
27 and failure to compensate for all regular wages, overtime wages, and meal and rest period
28 premiums.

1 91. Accordingly, the wage statements issued by Defendants to Plaintiff and
2 Aggrieved Employees failed to include and/or itemize the correct amount of gross wages
3 earned, net wages earned, the applicable hourly rates in effect, regular and overtime hours
4 incurred, all premiums owed during the pay period, and the corresponding number of hours
5 worked at each hourly rate in violation of Labor Code section 226(a).

6 92. Defendants failed to provide Plaintiff and Aggrieved Employees wage
7 statements in compliance with Labor Code section 226, because Defendants mandated that
8 Plaintiff and Aggrieved Employees perform OTC work, attend meetings during their meal
9 periods, and work through meal rest periods.

10 93. Moreover, Defendants willfully failed to comply with Section 7 of the
11 Applicable Wage Order and Labor Code section 1174 by failing to maintain the above-
12 mentioned records, including accurate records of all hours worked, all meal and rest period time
13 entries, and all premiums owed to Plaintiff and Aggrieved Employees.

14 94. Defendants' failure to furnish accurate and complete itemized wage statements
15 has caused Plaintiff and Aggrieved Employees to incur economic damages in that they were not
16 aware what they were owed and not paid appropriate wages at the appropriate rates. *See*
17 *Cicairos v. Summit Logistics*, 133 Cal.App.4th 949, 954 ("If it is left to the employee to add up
18 the daily hours shown on the time cards or other records so that the employee must perform
19 arithmetic computations to determine the total hours worked during the pay period, the
20 requirements of section 226 would not be met"); *McKenzie v. Federal Express Corp.*, 765 F.
21 Supp. 2d 1222 (C.D. Cal. 2011) (wage statements violated California Labor Code by not
22 including, *inter alia*, total hours worked giving rise to claims under both section 226 and for
23 PAGA penalties); Lab. Code § 226(e)(2)(B) (clarifying that injury is established where the
24 wage statement violated Section 226(a)(1), (2), or (5), among other provisions, and where
25 employees cannot easily determine the gross or net wages earned by the employee during the
26 pay period).

27 95. Accordingly, because Defendants failed to include accurate and complete
28 information required by Labor Code section 226(a) on the wage statements it issued to Plaintiff

1 and Aggrieved Employees, they are deemed to have suffered injury, per Labor Code section
2 226(e)(2)(B).

3 96. Based on the foregoing, Defendants' failure to provide and maintain accurate and
4 itemized wage statements amounts to violations of Labor Code sections 226 and 1174, and thus
5 Defendants are subject to penalties pursuant to PAGA.

6 97. As a result of the unlawful acts of Defendants, Plaintiff, on behalf of himself, the
7 LWDA, and Aggrieved Employees, seeks to recover PAGA penalties from Defendants in an
8 amount according to proof at trial; and attorneys' fees and costs pursuant to Labor Code
9 sections 226(e), 226.3, 1174, and 2699(g), CCP section 1021.5, and any other applicable statute.

10 **PRAYER FOR RELIEF**

11 Wherefore, Plaintiff, on behalf of himself, the LWDA, and the Aggrieved Employees,
12 prays for judgment against Defendants as follows:

- 13 a. An Order that this action may proceed and be maintained as a
14 representative PAGA action;
- 15 b. For civil penalties for each Labor Code violation suffered by Plaintiff and
16 the Aggrieved Employees, as provided by PAGA and according to proof;
- 17 c. Reasonable attorney's fees and costs, pursuant to Labor Code sections
18 218.5, 226(e), and 2699(g); CCP section 1021.5; and any other statutory
19 basis or pursuant to the California Rules of Court;
- 20 d. Exemplary and punitive damages;
- 21 e. Interest as allowed by law;
- 22 f. An order directing Defendants to take such affirmative steps as may be
23 necessary and appropriate to correct the effect of its past unlawful acts
24 and practices; and

25 //

26 //

27 //

1 g. For all such other and further relief as the Court may deem just and
2 proper.
3

4
5 Dated: February 20, 2026

Respectfully Submitted,

6
7 **EMPLOYMENT RIGHTS LAWYERS, APC**
8 **LAW OFFICE OF TATIANA HERNANDEZ, P.C.**

9 *Amir Seyedfarshi*

10 Amir Seyedfarshi, Esq.

11 Tatiana Hernandez, Esq.

12 Attorneys for Plaintiff, the Aggrieved Employees, and
13 the LWDA
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EXHIBIT 1



EMPLOYMENT RIGHTS LAWYERS, APC
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December 17, 2025

Via Online Filing with the LWDA & Certified Mail to Defendant

HBH California, LLC
c/o Littler Mendelson
Jon Miller
Kimberly Shappley

Re: Jose Garcia v. HBH California, LLC
NOTICE OF INTENT TO FILE SUIT
(Labor Code § 2699.3)

To Whom It May Concern:

My firm, along with my co-counsel, Amir Seyedarshi of Employment Rights Lawyers, APC, represents Jose Garcia (“Plaintiff”) and a proposed group of current and former employees of HBH California, LLC (“HBH”) and/or any affiliated entities of HBH, including but not limited to any of its co-employers, successors in interest, and/or merged entities (“Defendant”) in connection with individual and/or PAGA representative action claims against Defendant for, *inter alia*, civil penalties based on the following:

- (1) Failure to provide legally complaint meal breaks and/or pay premiums in lieu thereof in violation of Labor Code sections 226.7 and 512;
- (2) Failure to provide legally compliant rest breaks and/or pay premiums in lieu thereof in violation of Labor Code sections 226.7;
- (3) Failure to pay all overtime wages in violation of Labor Code sections 510 and 1198;
- (4) Failure to pay all minimum wages in violation of Labor Code sections 1194 and 1197;
- (5) Failure to pay timely wages in violation of Labor Code section 204; and
- (6) Failure to provide and maintain accurate itemized wage statements in violation of Labor Code sections 226(a) and 1174(d).

In connection with these claims, Plaintiff, on behalf of himself and the Aggrieved Employees seeks PAGA penalties from at least one year prior to the date of this letter and ongoing (the “PAGA Period”). “Aggrieved Employees” are defined as:

Plaintiff and all other similarly situated California residents who are or were employed by Defendant as non-exempt employees who worked at least one shift for Defendant during the PAGA Period.

Plaintiff also seeks to represent the Labor and Workforce Development Agency (“LWDA”) in connection with these claims.

This Notice is hereby given to and is made against Defendant, and all related and/or alter ego companies, corporations, partnerships, and /or business entities, as well as against any and all officers, owners, directors, managers, managing agents, or entities who are or may be liable under law for any of the alleged violations as to the above-defined Aggrieved Employee who worked at any location of Defendant at any time during the PAGA Period in the State of California.

I. FACTUAL BACKGROUND

Plaintiff is a former employee of Defendant, who was hired as a non-exempt, hourly-paid employee in or around March 2023 to work on Defendant’s Production Team at Defendant’s Fresno location. Plaintiff’s job duties included restocking product, fulfilling orders, and assisting customers. Plaintiff and the Aggrieved Employees were typically scheduled to work 5 to 7 days per week, and they were scheduled anywhere from 8 to 15 hours per shift.

During the PAGA Period, Plaintiff and the Aggrieved Employees were not authorized or permitted to take uninterrupted, duty-free, 30-minute meal breaks before their fifth hour of work. On some occasions, they were not authorized to take any meal break at all during their shift. When working shifts longer than ten (10) hours, they often were not authorized nor permitted to take a second meal break. Also during the PAGA Period, Plaintiff and the Aggrieved Employees were also continuously denied the opportunity to take uninterrupted, duty free, 10-minute rest breaks every four hours of work or major fraction thereof. Despite not receiving legally-compliant meal or rest breaks, Defendant did not pay Plaintiff and the Aggrieved Employees any meal or rest break premium wages for every day that they did not receive timely, uninterrupted, and/or complete meal or rest breaks.

During the PAGA Period, Plaintiff and the Aggrieved Employees were not compensated for all time they were subject to Defendant’s control. For example, they were not compensated for time spent working when their meal or rest breaks were interrupted by Defendant to perform work. This caused them to receive less than the full minimum wages they were owed because, if all hours spent under Defendant’s control were actually recorded, then the hourly rates of Plaintiff and Aggrieved Employees would come out to be less than minimum wage. This additional work time caused Plaintiff and the Aggrieved to incur more than eight working hours in one day and/or 40 hours in one week. Despite this, they were not compensated for this additional time at their applicable overtime rate.

As a result of Defendant’s practices, Plaintiffs and the Aggrieved Employees did not receive all premium, regular, minimum, and overtime wages that were due to them at the time

that they were owed. As a further result of Defendant's practices, they also did not receive complete, accurate, and itemized wage statements reflecting the foregoing.

II. PAGA CLAIMS

A. Non-Compliant Meal Breaks

Pursuant to Labor Code section 512, no employer shall employ any person for a work period of more than five (5) hours without providing a meal period of not less than thirty (30) minutes. *Id.* at subd. (a). However, if the total work period for that day is less than six hours, then the meal period may be waived by mutual consent. *Id.* The first meal period must start prior to the end of the employee's fifth hour of work if the employee is working less than ten (10) hours. *Brinker Restaurant Corp. v Superior Court* (2012) 53 Cal. 4th 1004 ("*Brinker*"), 1041. Also pursuant to Labor Code section 512, an employer may not require, cause, or permit an employee to work for a work period of more than ten (10) hours per day without providing the employee with a second uninterrupted meal period of not less than thirty (30) minutes, 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. During the meal period, the employee is to be completely free of the employer's control and must not be required to perform any work for the employer. *Id.* at 1040-1041. If an employer fails to provide a legally compliant, duty-free meal period, the employee is entitled to one hour of "premium pay," or an additional hour of pay at the employee's regular rate of compensation for each workday that the meal period was not provided. Lab. Code § 226.7(c); IWC Wage Order 5-2001 § 11.

Here, during the PAGA Period, Plaintiff and the Aggrieved Employees were not permitted to take their first and/or second timely, duty-free, 30-minute meal periods. On some occasions, Defendant did not authorize nor permit Plaintiff and Aggrieved Employees to take any meal break at all during their shifts. Accordingly, they were entitled to receive premium pay for each day that they did not receive a compliant meal break, yet Defendant failed to pay rest period premiums, in violation of Labor Code section 226.7.

B. Non-Compliant Rest Breaks Periods

California law requires an employer to provide its employees with an uninterrupted, duty-free rest period of not less than ten (10) minutes for each four hours worked or a "major fraction thereof." Lab. Code § 226.7; IWC Wage Order 4-2001 § 12. The Division of Labor Standards Enforcement ("DLSE") has interpreted the phrase "major fraction thereof", as applied to a four-hour period, to mean any amount of time in excess of two hours—i.e., any fraction greater than half. *Brinker, supra*, 53 Cal.4th at 1029, citing Dept. Industrial Relations, DLSE Opn. Letter No. 1999.02.16 (Feb. 16, 1999) p. 1. "An employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission . . ." Lab. Code § 226.7(b). If an employer fails to provide a legally compliant, duty-free rest period, the employee is entitled to one hour of "premium pay," or an additional hour of pay at the employee's regular rate of compensation for each workday that the rest period was not

provided. Lab. Code § 226.7(c). The *Brinker* Court explained in the context of rest breaks that employer liability attaches from adopting an unlawful policy:

An employer is required to authorize and permit the amount of rest break time called for under the wage order for its industry. If it does not—if, for example, it adopts a uniform policy authorizing and permitting only one rest break for employees working a seven-hour shift when two are required—*it has violated the wage order and is liable.*

Brinker at 1033 (emphasis added).

Here, Plaintiff and Aggrieved Employees were not provided their timely ten-minute duty-free rest breaks every four hours or major fraction thereof. These breaks were frequently untimely, interrupted, cut short, or missed entirely. They could not simply take these breaks. Accordingly, they were entitled to receive premium pay for each day that they did not receive a compliant rest break, yet Defendant failed to pay rest period premiums, in violation of Labor Code section 226.7

C. Failure to Overtime

Labor Code section 510 requires an employer to compensate an employee who works more than eight (8) hours in one workday, forty (40) hours in a workweek, and for the first eight (8) hours worked on the seventh consecutive day no less than one and one-half times the “regular rate of pay” for an employee. Further, employers are obligated to compensate employees at no less than twice the regular rate of pay when an employee works more than twelve (12) hours in a day or more than eight (8) hours on the seventh consecutive day of work. *Id.* In accordance with Labor Code section 1194, employees can not agree to work for a lesser wage than the amount proscribed by Labor Code section 1194.

Here, Defendant violated its duty to accurately and completely compensate Plaintiff and Aggrieved Employees for all overtime hours worked at the applicable overtime rate. For example, Plaintiff and Aggrieved Employees were not compensated for all time they were subject to Defendant’s control for instances when their meal or rest breaks were interrupted to perform work for Defendant. This additional time caused Plaintiffs to work over eight (8) hours in one day and/or forty (40) hours in one week. Despite the foregoing, Defendant never paid Plaintiff and Aggrieved Employees for all additional overtime hours they incurred at the applicable overtime rate, in violation of the Labor Code section 510.

D. Failure to Pay All Minimum Wages

Labor Code section 1197 requires employees to be paid at least the minimum wage fixed by the IWC, and any payment of less than the minimum wage is unlawful. Similarly, Labor Code sections 1194, subdivision (a), and 1194.2, subdivision (a), provide that an employer who has failed to pay its employees the legal minimum wage is liable to pay those employees the unpaid balance of the unpaid wages *as well as* liquidated damages in an amount equal to the wages due and interest thereon. Likewise, the applicable Wage Orders also obligate employers

to pay each employee minimum wages for all hours worked. Cal. Code of Regs., tit. 8, §§ 11010, 11040, 11050, 11070, 11160. Labor Code section 1198 states that it is unlawful to employ an employee for longer hours than those fixed by the [applicable IWC] order or under conditions that the IWC Wage Orders prohibit.

These minimum wage standards apply to each hour that employees work. Therefore, an employer's failure to pay for any particular time worked by an employee is unlawful, even if averaging an employee's total pay over all hours worked, paid or not, results in an average hourly wage above minimum wage. *Armenta v. Osmose, Inc.* (2005) 135 Cal.App.4th 314, 324.

Furthermore, pursuant to Labor Code section 1197.1, subdivision (a), any "employer or other person acting either individual or as an officer, agent, or employee of another person" who causes or authorizes an employee to be paid less than the minimum wage, shall be subject to a civil penalty, among other damages, as follows:

- (1) "For any initial violation that is intentionally committed, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee is underpaid."
- (2) "For each subsequent violation for the same specific offense, two hundred fifty dollars (\$250) for each underpaid employee for each pay period for which the employee is underpaid regardless of whether the initial violation is intentionally committed."

Pursuant to Labor Code section 1199, "[e]very employer or other person acting either individually or as an officer, agent, or employee of another person is guilty of a misdemeanor and is punishable by a fine of not less than one hundred dollars (\$100) or by imprisonment for not less than 30 days, or by both, who does any of the following:" (a) requires the employee to work for longer hours than those fixed by the IWC; and/or (b) pays an employee less than minimum wage.

Here, Defendant failed to fully conform its pay practices to the requirements of the law during the relevant statutory periods. Plaintiff and Aggrieved Employees were not compensated for all time spent under Defendant's control, including instances when their meal or rest breaks were interrupted to perform work for Defendant. As a result, the Plaintiff and Aggrieved Employees suffered periodic shortages in the hours for which they were compensated, and thus did not receive all of their full-time wages and/or the minimum wages which they were owed. This uncompensated time violated California's requirement that employees be compensated for all hours worked.

E. Failure to Pay Timely Wages

Pursuant to Labor Code section 200, "wages" include "all amounts for labor performed by employees of every description, whether the amount is fixed or ascertained by the standard of time, task, piece, commission basis, or other method of calculation." The term "wages" includes meal and rest break premiums. *See Naranjo v. Spectrum Security Services, Inc.* (2022) 13 Cal. 5th 93, 110-118 (California Supreme Court held that unpaid meal and rest break

premiums are “wages” that can be the basis of derivative claims for waiting time penalties and wage statement penalties). Labor Code section 204 expressly requires that “[a]ll wages . . . earned by any person in any employment are due and payable twice during each calendar month, on days designated in advance by the employer as the regular paydays.” *Id.* at subd. (a). Additionally, Labor Code section 210(a), provides that, in addition to, and entirely independent and apart from, any other penalty provided under the Labor Code, every person who fails to pay wages pursuant to section 204 shall be subject to a civil penalty as follows:

- (1) For any initial violation, one hundred dollars (\$100) for each failure to pay each employee;
- (2) For each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25% of the amount unlawfully withheld.”

Here, due to Defendant’s failure to pay Plaintiff and Aggrieved Employees all premium wages, minimum wages, and overtime wages that they were owed, it follows that Defendant also failed to pay them all applicable wages on a timely and bi-monthly basis, giving rise to a viable claim for unpaid wages and civil penalties pursuant to Labor Code section 210.

F. Inaccurate Wage Statement Claim

Pursuant to Labor Code section 226, employers are obligated to furnish an itemized wage statement showing: (1) gross wages earned; (2) total hours worked; (3) the number of piece-rate units earned and any applicable piece rate (if applicable); (4) all deductions; (5) net wages earned; (6) the inclusive dates of the pay period; (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number; (8) the legal name and address of employer; and (9) all applicable hourly rates in effect and the corresponding number of hours worked at each rate during the pay period. *Id.* at subd. (a). An employer has an affirmative duty to track employee’s hours worked and meal periods. *See IWC Wage Order* section 7(A) (“Every employer shall keep accurate information with respect to each employee including . . . time records showing when the employee begins each work period[,] [m]eal periods[,] and total daily worked shall also be recorded.”); *See also Naranjo, supra*, 13 Cal. 5th at 110-111, 117-118 (meal and rest break premiums are wages that can be the basis of derivative claims for wage statement penalties). Additionally, if an employer does not keep such records, as is the case here, the burden shifts to the employer to show that proper timekeeping procedures were maintained. *See Hernandez v. Mendoza* (1988) 199 Cal. App. 3d 721, 727 (burden shifted to employer to produce evidence either of the precise amount of work or evidence to negate the reasonableness of the inference to be drawn from the employee’s evidence).

Labor Code section 226(e) provides that an employee is entitled to recover \$50 for initial pay period in which a violation of Section 226 occurs and \$100 for each subsequent pay period, not to exceed \$4,000, as well as an award of costs and reasonable attorney’s fees, for all pay periods in which the employer fails to provide accurate itemized statements to the employee causing the employee to suffer injury.

Here, during the PAGA Period, Plaintiff and Aggrieved Employees did not receive wage statements which included all of the required information under Labor Code section 226(a), including all meal and rest period premiums owed, all overtime wages owed, and all minimum wages owed; and thus the wage statements issued to these individuals failed to include the correct amount of gross wages earned, the net wages earned, all applicable hourly rates in effect during the pay period, and the corresponding number of hours worked at each hourly rate in violation of Labor Code § 226(a)(1), (2), (5) and (9).

Furthermore, Defendant's failure to furnish accurate itemized wage statements has caused Plaintiff and the Aggrieved Employees to incur economic damages in that they were not aware that they were owed, due to not being paid compensation for overtime and their time spent on non-compliant meal and rest periods. *See Cicairos v. Summit Logistics, Inc.* (2005) 133 Cal.App.4th 949, 960-961 (reversing summary judgment for defendants where wage statements did not "give an accurate report of the hours plaintiff worked, at least not on its face"). "If it is left to the employee to add up the daily hours shown on the timecards or other records so that the employee must perform arithmetic computations to determine the total hours worked during the pay period, the requirements of section 226 would not be met." *Id.* at 955; *see also* Lab. Code § 226(e)(2)(B) (clarifying that injury is established where the wage statement violated Section 226(a)(1), (2), or (5), among other provisions, and where employees cannot easily determine the gross or net wages earned by the employee during the pay period).

III. CONCLUSION

Pursuant to Labor Code section 2699.3, the foregoing is meant to notify Defendant and the LWDA of the facts and information set forth above in connection with Plaintiff's PAGA claims, as detailed above. Plaintiff will pursue PAGA penalties and other Labor Code statutory penalties based on the above-detailed PAGA claims, on both an individual basis and on behalf of the Aggrieved Employees.

Regards,

/s/ Amir Seyedfarshi
Amir Seyedfarshi

cc: Tatiana Hernández, Esq.