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February 21, 2026

VIA ELECTRONIC SUBMISSION
CALIFORNIA LABOR & WORKFORCE DEVELOPMENT AGENCY
801 K STREET, SUITE 2101
SACRAMENTO, CA 95814

VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED
EMPIRE TODAY, LLC
333 NORTHWEST AVE
NORTHLAKE, IL 60164

AGENT FOR SERVICE OF PROCESS FOR EMPIRE TODAY, LLC
1505 CORPORATION CSC - LAWYERS INCORPORATING SERVICE
2710 GATEWAY OAKS DRIVE, SACRAMENTO, CA

NOTICE UNDER THE LABOR CODE PRIVATE ATTORNEYS GENERAL ACT OF 2004

Dear Sir or Madam:

This firm represents Michael Mulgrew ("Claimant"). This letter is sent pursuant to the California Labor Code Private Attorneys General Act of 2004 ("PAGA"), Labor Code § 2698 *et seq.*, as a prerequisite to bringing a civil action to recover civil penalties, unpaid wages, expenses, and other relief for violations of the California Labor Code on behalf of the State of California and other aggrieved employees.

I. STATEMENT OF FACTS

Empire Today, LLC ("Empire Today" or the "Company") is a business engaged in the sale and marketing of carpet, hard surface flooring, and window treatments to both the consumer and commercial marketplace throughout the State of California. Empire Today maintains multiple locations and conducts regular business operations within California.

Claimant is an adult resident of the State of California and was employed by Empire Today as an Outside Sales Flooring Consultant during the one-year period preceding this notice. Claimant, and other similarly situated aggrieved employees, performed sales services central to Empire Today's business, including in-home consultations, measurements, sales presentations, and coordination of flooring and window treatment projects.

While Claimant was employed by Empire Today, it failed to reimburse Claimant and other similarly situated aggrieved employees for work expenses incurred in direct consequence of the discharge of their duties in violation of Labor Code §§ 2800, 2802, and IWC Wage Order No. 4-2001.

While Claimant was employed by Empire Today, it failed to pay Claimant, and other similarly situated aggrieved employees, minimum and overtime wages in violation of Labor Code §§ 510, 1197, 1198, & 1199.

While Claimant was employed by Empire Today, it failed to provide meal and rest periods, and failed to pay proper premium wages for missed meal and rest periods, in violation of Labor Code §§ 226.7 & 512. Claimant and other similarly situated aggrieved employees were scheduled for back-to-back in-home consultations throughout the workday, often at geographically distant locations. Due to travel time, customer delays, and pressure to meet sales quotas, Claimant was regularly unable to take uninterrupted, off-duty meal periods of at least 30 minutes. Empire Today did not relieve Claimant of all duty during meal periods and expected Claimant to remain available to respond to customer calls, texts, and company communications. Similarly, rest periods were not authorized or permitted because Claimant's compensation was tied to completing scheduled sales appointments and generating commissions. Empire Today failed to pay one hour of premium pay for each missed meal and rest period.

While Claimant was employed by Empire Today, it willfully failed to timely pay wages to Claimant and other similarly situated aggrieved employees, both during employment and upon termination in violation of Labor Code §§ 201, 202, 204, & 210. Empire Today maintained a policy and practice of delaying payment of earned commissions until customer installation was completed and payment was received by the Company, even where the amount of commission was capable of being calculated earlier. As a result, commissions earned in one pay period were frequently paid weeks or months later. Claimant and other similarly situated aggrieved employees were not paid all wages earned during a semimonthly period within the timeframes mandated by Labor Code § 204. Upon separation from employment, Empire Today failed to include all earned but unpaid commissions, bonuses, and incentive compensation in final paychecks. Final wages did not include compensation for all hours worked, unreimbursed business expenses, or premium wages owed for meal and rest period violations.

While Claimant was employed by Empire Today, it failed to timely furnish to Claimant, and other similarly situated aggrieved employees, legally compliant wage statements in violation of Labor Code §§ 226, and IWC Wage Order No. 4-2001. The wage statements provided by Empire Today did not accurately reflect all hours worked because Claimant's hours were not tracked or recorded for commission-based pay periods. Wage statements failed to separately list overtime hours and the applicable overtime rate, and failed to show how commissions were calculated, including chargebacks, adjustments, or deductions. The failure to provide accurate itemized wage statements made it impossible for Claimant to determine whether he was properly compensated for minimum wages, overtime wages, and commissions.

While Claimant was employed by Empire Today, it unlawfully deducted wages from Claimant, and other similarly situated aggrieved employees, in violation of Labor Code § 221. Empire Today implemented a "draw against commission" system whereby purported hourly or advance payments were later recouped from earned commissions, even where the draw constituted wages already earned. Empire Today also imposed commission chargebacks for customer cancellations, installation issues, product shortages, or other matters outside Claimant's control, effectively shifting ordinary business losses onto employees. These deductions were taken without written authorization and reduced earned wages below the amount legally due.

While Claimant was employed by Empire Today, it knowingly required Claimant and other similarly situated aggrieved employees to agree, in writing, to unlawful terms and conditions of employment in violation of Labor Code § 432.5.

While Claimant was employed by Empire Today, it failed to maintain records reflecting the employment information for Claimant and other similarly situated aggrieved employees, for at least three (3) years, as required by California Labor Code § 1174. Empire Today did not maintain accurate daily time records reflecting all hours worked by Claimant and other similarly situated aggrieved employees, particularly during periods where employees were treated as commission-only or as independent contractors. Because hours were not recorded, employees were unable to verify whether they were paid minimum wages or overtime compensation.

While Claimant was employed by Empire Today, it failed to provide Claimant and other similarly situated aggrieved employees written notice of certain wage and other information required by Labor Code § 2810.5.

While Claimant was employed by Empire Today, it failed to provide Claimant and other similarly situated aggrieved employees a written contract setting forth the method by which commissions shall be computed and paid in violation of Labor Code § 2751.

While Claimant was employed by Empire Today, it knowingly and willfully misclassified Claimant and other similarly situated aggrieved employees as independent contractors to avoid compliance with the Labor Code, including the payment of wages, benefits, and payroll taxes, in violation of Labor Code § 226.8.

On or about October 21, 2025, Empire Today announced that, effective January 1, 2026, all Outside Sales Flooring Consultants would be required to receive pay as **1099 "Direct Sellers"**, pursuant to a contract between Empire Today and the individual or their entity. As part of this reclassification:

- Outside Sales Flooring Consultants were informed that, beginning in the 2026 tax year, they would no longer be eligible for Company-sponsored health and welfare plans;
- There would be no annual open enrollment for those plans;
- Coverage would cease as of December 31, 2025, with only individual COBRA elections offered thereafter; and
- Consultants would instead be directed to access benefits through the StrideHealth platform, consistent with Empire Today's treatment of purported independent contractors.

Although some Outside Sales Flooring Consultants had previously been classified as 1099 "Direct Sellers," Empire Today mandated this classification for all Outside Sales Flooring Consultants, regardless of their actual job duties, degree of control, or economic dependence on Empire Today.

Claimant is informed and believes, and thereon alleges, that Empire Today's unilateral conversion of Outside Sales Flooring Consultants from employees to independent contractors constitutes misclassification under California law and does not fall within any exemption or exception recognized by Assembly Bill No. 2257. Outside Sales Flooring Consultants continued to perform the same work, under the same control, for the same core business purposes after the reclassification.

II. LEGAL THEORY OF RECOVERY

As a result of Empire Today's misclassification of Claimant and other similarly situated aggrieved employees as independent contractors, Empire Today has committed, and continues to commit, the following violations of the California Labor Code, including but not limited to:

A. Empire Today Failed to Reimburse Employees for Work Expenses in Violation of Labor Code § 2800, 2802, and IWC Wage Order No. 4-2001.

Labor Code § 2800:

> "An employer shall in all cases indemnify his employee for losses caused by the employer's want of ordinary care."

Labor Code § 2802(a) states, in relevant part:

> "(a) An employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties…."

While Claimant was employed by Empire Today, Claimant and other similarly situated aggrieved employees regularly used their own personal cell phone, computers, and maintained data and internet plans for the use of each. Empire Today failed to reimburse Claimant for any or all of these necessary business expenses in violation of § 2802.

Claimant and other Outside Sales Flooring Consultants were required to use their personal vehicles on a daily basis to travel to customer homes for consultations, measurements, and sales presentations. Empire Today did not reimburse Claimant for mileage, fuel, vehicle maintenance, insurance, depreciation, or other vehicle-related expenses incurred in direct consequence of these job duties.

Claimant and other similarly situated aggrieved employees were also required to purchase and maintain personal measuring tools, tablets, presentation materials, and home office equipment necessary to perform their job functions. Empire Today did not provide reimbursement for these business expenses.

Additionally, Claimant was required to maintain reliable internet service and cellular data sufficient to upload contracts, communicate with customers, and access Empire Today's systems and scheduling platforms. These expenses were necessary to perform assigned duties and were not optional.

Labor Code § 2802(c) provides that:

> "For purposes of this section, the term "necessary expenditures or losses" shall include all reasonable costs, including, but not limited to, attorney's fees incurred by the employee enforcing the rights granted by this section." Also, pursuant to §1197.1, any employer who violates § 2802 is also subject to a civil penalty of $100 for each aggrieved employee per pay period for each intentional initial violation and $250 for each subsequent violation, either intentional or unintentional, plus the unlawfully withheld expenses.

B. Empire Today Failed to Pay Minimum Wages and Overtime Compensation in Violation of Labor Code §§ 510, 1197, 1198, & 1199

Labor Code § 1197 states:

> "The minimum wage for employees fixed by the commission or by any applicable state or local law, is the minimum wage to be paid to employees, and the payment of a lower wage than the minimum so fixed is unlawful."

Labor Code § 1198 states:

> "The maximum hours of work and the standard conditions of labor fixed by the commission shall be the maximum hours of work and the standard conditions of labor for employees. The employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful."

Labor Code § 510 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."

While employed by Empire Today, Claimant, and other similarly situated aggrieved employees regularly worked, and were regularly required to work more than eight hours per day and/or forty hours a week, without receiving lawful overtime compensation. Empire Today would also failed to pay lawful overtime wages at the regular rate of pay and regularly and intentionally paid commission wages separate from other earned wages for the same pay period to avoid paying all earned overtime wages.

Claimant and other similarly situated aggrieved employees regularly performed work before and after scheduled appointments, including reviewing customer leads, confirming appointments, preparing sales presentations, communicating with installers, and completing administrative reporting tasks, without compensation for all hours worked.

Empire Today exercised significant control over Claimant's schedule by assigning appointments, imposing performance metrics, and requiring attendance at mandatory sales meetings and trainings. These mandatory activities frequently caused Claimant to work in excess of eight hours per day and forty hours per week.

Empire Today calculated commission payments without properly incorporating all nondiscretionary compensation into the regular rate of pay for purposes of overtime calculations. As a result, overtime wages were systematically underpaid.

In pay periods where commissions were low or subject to delay, Claimant's total compensation, when divided by total hours worked, frequently fell below the applicable minimum wage.

Labor Code § 1194 provides that:

> "(a) Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee 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."

Labor Code § 1194.2(a) provides, in relevant part:

> "In any action under Section…1194…to recover wages because of the payment of a wage less than the minimum wage fixed by an order of the commission or by statute, an employee shall be entitled to recover liquidated damages in an amount equal to the wages unlawfully unpaid and interest thereon. Nothing in this subdivision shall be construed to authorize the recovery of liquidated damages for failure to pay overtime compensation. A suit may be filed for liquidated damages at any time before the expiration of the statute of limitations on an action for wages from which the liquidated damages arise."

Labor Code § 1194.5 provides:

> "In any case in which a person employing an employee has willfully violated any of the laws, regulations, or orders governing the wages, hours of work, or working conditions of such employee, the division may seek, in a court of competent jurisdiction, and the court may grant, an injunction against any further violations of any such laws, regulations, or orders by such person."

Labor Code § 1197.1 provides that:

> "(a) Any employer or other person acting either individually or as an officer, agent, or employee of another person, who pays or causes to be paid to any employee a wage less than the minimum fixed by an applicable state or local law, or by an order of the commission shall be subject to a civil penalty,

> restitution of wages, liquidated damages payable to the employee, and any applicable penalties imposed pursuant to Section 203." See also IWC Wage Order No. 4-2001, item 4.

Labor Code § 218.6 provides:

> "In any action brought for the nonpayment of wages, the court shall award interest on all due and unpaid wages at the rate of interest specified in subdivision (b) of Section 3289 of the Civil Code, which shall accrue from the date that the wages were due and payable as provided in Part 1 (commencing with Section 200) of Division 2."

Labor Code § 218.5 provides, in relevant part:

> "(a) In any action brought for the nonpayment of wages, fringe benefits, or health and welfare or pension fund contributions, the court shall award reasonable attorney's fees and costs to the prevailing party if any party to the action requests attorney's fees and costs upon the initiation of the action."

Labor Code § 1199 provides that:

> "Every 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 or causes any employee to work for longer hours than those fixed, or under conditions of labor prohibited by an order of the commission.
>
> (b) Pays or causes to be paid to any employee a wage less than the minimum fixed by an order of the commission.
>
> (c) Violates or refuses or neglects to comply with any provision of this chapter or any order or ruling of the commission."

Labor Code § 558 provides, in relevant part:

> "(a) Any employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows:
>
> (1) For any initial violation, fifty dollars ($50) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages.
>
> (2) For each subsequent violation, one hundred dollars ($100) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages.
>
> (3) Wages recovered pursuant to this section shall be paid to the affected employee."

C. **Empire Today failed to Timely Pay Wages Owed Both During Employment and Upon Termination in Violation of Labor code §§ 201, 202, 203, 204, & 210.**

Labor Code § 201 states, in relevant part:

> "(a) If an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately."

Labor Code § 202 states, in relevant part:

> "(a) If an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting."

Labor Code § 204 states, in relevant part:

> "(a) All wages, other than those mentioned in §§ 201, 201.3, 202, 204.1, or 204.2, 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. Labor performed between the 1st and 15th days, inclusive, of any calendar month shall be paid for between the 16th and the 26th day of the month during which the labor was performed, and labor performed between the 16th and the last day, inclusive, of any calendar month, shall be paid for between the 1st and 10th day of the following month…(b)(1) Notwithstanding any other provision of this section, all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period."

While Claimant was employed by Empire Today, it failed to timely pay Claimant, and other current or former Employees, in accordance with the provisions of Labor Code § 204, frequently paying earned wages significantly later than the proscribed time-period.

Claimant also alleges that Empire Today regularly failed to timely pay employees all earned commissions at the time those wages were earned and capable of being calculated. Because commissions constitute wages under California law, Empire Today fails to timely pay earned wages due to Employees in violation of California law.

Also, while Claimant was employed by Empire Today, it willfully failed to timely pay Claimant and all other similarly situated aggrieved employees for all earned wages due to them upon termination of their employment.

Labor Code § 203 provides that:

> "(a) If an employer willfully fails to pay, without abatement or reduction, in accordance with Sections 201, 201.3, 201.5, 201.9, 202, and 205.5, any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced; but the wages shall not continue for more than 30 days. An employee who secretes or absents himself or herself to avoid payment to him or her, or who refuses to receive the payment when fully tendered to him or her, including any penalty then accrued under this section, is not entitled to any benefit under this section for the time during which he or she so avoids payment."

Labor Code § 210 provides, in relevant part:

> "(a) In addition to, and entirely independent and apart from, any other penalty provided in this article, every person who fails to pay the wages of each employee as provided in Sections 201.3, 204, 204b, 204.1, 204.2, 205, 205.5, and 1197.5, 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 percent of the amount unlawfully withheld."

Labor Code § 218.5 provides, in relevant part:

> "(a) In any action brought for the nonpayment of wages, fringe benefits, or health and welfare or pension fund contributions, the court shall award reasonable attorney's fees and costs to the prevailing party if any party to the action requests attorney's fees and costs upon the initiation of the action."

Labor Code § 218.6 provides:

> "In any action brought for the nonpayment of wages, the court shall award interest on all due and unpaid wages at the rate of interest specified in subdivision (b) of Section 3289 of the Civil Code, which shall accrue from the date that the wages were due and payable as provided in Part 1 (commencing with Section 200) of Division 2."

D. Empire Today Failed to Timely Furnish Legally Compliant Wage statements in Violation of Labor Code §§ 226

Labor Code § 226(a) states, in relevant part:

> "Every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees, either as a detachable part of the check, draft, or voucher paying the employee's wages, or separately when wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee…(3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned…(7) the name of the employee and only the last four digits of his or her social security number…(9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee…The deductions made from payment of wages shall be recorded in ink or other indelible form, properly dated, showing the month, day, and year, and a copy of the statement and the record of the deductions shall be kept on file by the employer for at least three years at the place of employment or at a central location within the State of California. For purposes of this subdivision, "copy" includes a duplicate of the itemized statement provided to an employee or a computer-generated record that accurately shows all of the information required by this subdivision."

The wage statements provided by Empire Today to Claimant, and other similarly situated aggrieved employees, fail to comply with the requirements of §§ 226(a) and by failing to provide all the information required by this section. The missing information required by §§ 226(a) and includes, inter alia, the total hours worked, the beginning and/or ending dates of the pay period, name and address of the legal entity that is the employer, all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate, the overtime rate of pay, all deductions, and an itemization, accounting, or other explanation of how the commission is calculated.

Labor Code § 226.3 provides:

> "Any employer who violates subdivision (a) of Section 226 shall be subject to a civil penalty in the amount of two hundred fifty dollars ($250) per employee per violation in an initial citation and one thousand dollars ($1,000) per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage deduction statement or fails to keep the records required in subdivision (a) of Section 226. The civil penalties provided for in this section are in addition to any other penalty provided by law."

E. <u>Empire Today Unlawfully Deducted Wages in Violation of Labor Code § 221</u>

Labor Code § 221 states:

> "It shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee."

As stated above, Claimant alleges that Empire Today has a policy, practice, guideline and/or procedure by which Employees are not paid earned bonus and commission wages after termination. Claimant alleges that Empire Today unlawfully withheld balance of these wages upon termination of Employees in violation of Labor Code § 221.

Claimant further alleges that Empire Today regularly and intentionally makes unlawful deductions from earned wages during employment through unexplained deductions from earned commissions and unlawfully deducting hourly "draw" wages from earned commissions.

Labor Code § 225 provides:

> "The violation of any provision of Sections 221, 222, 222.5, or 223 is a misdemeanor." Labor Code § 225.5 provides, in relevant part:
>
> "In addition to, and entirely independent and apart from, any other penalty provided in this article, every person who unlawfully withholds wages due any employee in violation of Section 212, 216, 221, 222, or 223 shall be subject to a civil penalty as follows:
>
> (a) For any initial violation, one hundred dollars ($100) for each failure to pay each employee.
>
> (b) For each subsequent violation, or any willful or intentional violation, two hundred dollars ($200) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld."

F. <u>Empire Today failed to maintain sufficient employment records in violation of Labor Code § 1174</u>

Labor Code § 1174 states, in relevant part:

> "Every person employing labor in this state shall…(c) Keep a record showing the names and addresses of all employees employed…(d) Keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept in accordance with rules established for this purpose by the commission, but in any case shall be kept on file for not less than three years. An employer shall not prohibit an employee from maintaining a personal record of hours worked, or, if paid on a piece-rate basis, piece-rate units earned."

While Claimant was employed by Empire Today, it failed to keep and maintain employment records in accordance with the location and temporal provisions of Labor Code § 1174.

Labor Code § 1174.5 provides:

> "Any person employing labor who willfully fails to maintain the records required by subdivision (c) of Section 1174 or accurate and complete records required by subdivision
>
> (d) of Section 1174, or to allow any member of the commission or employees of the division to inspect records pursuant to subdivision (b) of Section 1174, shall be subject to a civil penalty of five hundred dollars ($500)."

G. Empire Today Failed to Provide Written Commission Agreements in Violation of Labor Code § 2751

Labor Code § 2751 provides, in relevant part:

> "(a) Whenever an employer enters into a contract of employment with an employee for services to be rendered within this state and the contemplated method of payment of the employee involves commissions, the contract shall be in writing and shall set forth the method by which the commissions shall be computed and paid. (b) The employer shall give a signed copy of the contract to every employee who is a party thereto and shall obtain a signed receipt for the contract from each employee."

While Claimant was employed by Empire Today, it failed to provide Claimant and other similarly situated aggrieved employees with written contractual terms setting forth the method by which commissions shall be computed and paid.

Labor Code § 2699(f) provides, in relevant part:

> "(f) For all provisions of this code except those for which a civil penalty is specifically provided, there is established a civil penalty for a violation of these provisions, as follows:
>
> …(2) If, at the time of the alleged violation, the person employs one or more employees, the civil penalty is one hundred dollars ($100) for each aggrieved employee per pay period for the initial violation and two hundred dollars ($200) for each aggrieved employee per pay period for each subsequent violation."

H. Empire Today Willfully Misclassified Employees as Independent Contractors in Violation of Labor Code § 226.8

Labor Code § 226.8 provides, in relevant part:

> "(a) It is unlawful for any person or employer to engage in willful misclassification of an individual as an independent contractor.
>
> (b) If the Labor and Workforce Development Agency or a court issues a determination that a person or employer has engaged in willful misclassification, the person or employer shall be subject to civil penalties of not less than five thousand dollars ($5,000) and not more than fifteen thousand dollars ($15,000) for each violation.
>
> (c) If the Labor and Workforce Development Agency or a court determines that a person or employer has engaged in a pattern or practice of willful misclassification, the person or employer shall be subject to civil penalties of not less than ten thousand dollars ($10,000) and not more than twenty-five thousand dollars ($25,000) for each violation."

While Claimant was employed by Empire Today, it knowingly and willfully misclassified Claimant and other similarly situated aggrieved employees as independent contractors, rather than employees, in order to avoid the payment of wages, payroll taxes, employee benefits, and compliance with the California Labor Code, in violation of Labor Code § 226.8.

Empire Today controlled the manner and means by which Claimant performed his work, including assigning sales territories, providing company-branded materials, setting pricing parameters, requiring use of company systems, imposing performance metrics and quotas, and requiring mandatory meetings.

Claimant did not operate an independently established business, did not advertise services to the general public, and was economically dependent on Empire Today for income.

The work performed by Claimant—selling flooring and window treatments—was within the usual course of Empire Today's core business.

Despite this control and economic dependence, Empire Today required Claimant to execute agreements labeling him as a 1099 "Direct Seller" as a condition of continued work.

III. LABOR CODE PROVISIONS VIOLATED BY EMPIRE TODAY

Claimant alleges that Empire Today violated Labor Code §§ 201, 202, 203, 204, 210, 221, 226, 226.7, 510, 512, 558, 1174, 1197, 1198, 226.8, 2750.3, 2751, 2800, 2802, 2810.5, and 432.5.

IV. NOTICE OF INTENT TO FILE CIVIL ACTION

If Claimant does not receive written notice from the Labor and Workforce Development Agency within the time prescribed in Labor Code § 2699.3 subd. (a)(2)(a) that it intends to investigate the alleged violations, Claimant intends to file an action against Empire Today seeking wages, expenses, penalties and other allowed damages pursuant to the Labor Code Private Attorneys General Act of 2004 (Labor Code § *2698 et seq*.).

Regards,

ACS LAW PC

Amir H. Azimzadeh, Esq.