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**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**FOR THE COUNTY OF SACRAMENTO**

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|---|---|
| TEDDY LAWRENCE DREHER, on behalf of himself and all others similarly situated, and the general public,<br><br>Plaintiffs,<br><br>v.<br><br>CENTER FOR EMPLOYMENT OPPORTUNITIES, INC., a New York corporation; and DOES 1 through 50, inclusive,<br><br>Defendants. | **<u>CLASS ACTION</u>**<br><br>Case No. 23CV007758<br><br><u>Assigned for All Purposes To:</u><br>Honorable Lauri Damrell<br>Dept. 22<br><br>**DECLARATION OF MATTHEW J. MATERN IN SUPPORT OF PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT**<br><br>Hearing Date: July 17, 2026<br>Time: 9:00 a.m.<br>Dept.: 22<br><br>Action filed: September 1, 2023<br>FAC filed: July 9, 2024<br>Trial: None Set |

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## DECLARATION OF MATTHEW J. MATERN

I, MATTHEW J. MATERN, hereby declare as follows:

1. I am an attorney at law, licensed to practice in the State of California. I am the principal of Matern Law Group, PC ("MLG"), counsel of record for plaintiff Curtisha Holden ("Plaintiff" or "Holden") in the above-entitled action.

2. I make this declaration on the basis of personal firsthand knowledge unless another source of information or belief clearly appears from the context, and as to all such matters, I believe them to be true. If called as a witness, I could and would readily and competently testify to all matters stated within.

3. I submit this declaration in support of Plaintiffs' Motion for Preliminary Approval of Class Action Settlement and PAGA Settlement.

## THE PARTIES

4. Defendant Center for Employment Opportunities, Inc. ("Defendant") is a non-profit organization which provides comprehensive training services for individuals returning from incarceration.

5. Plaintiff worked for Defendant as a Supervisor in Oakland, California from approximately April 3, 2023 to July 27, 2023.

## BACKGROUND

6. On October 24, 2023, Plaintiff submitted a notice to Defendant and the Labor and Workforce Development Agency ("LWDA") pursuant to Labor Code section 2699.3. A true and correct copy of Plaintiff's PAGA Notice is attached hereto as **Exhibit A**.

7. On September 1, 2023, plaintiff Teddy Lawrence Dreher ("Dreher") commenced this Action by filing a complaint against Defendant in Sacramento County Superior Court, alleging causes of action for (1) failure to provide meal periods; (2) failure to provide rest periods; (3) failure to pay hourly wages and overtime; (4) failure to pay proper reporting time wages; (5) failure to pay proper sick pay; (6) failure to provide accurate written wage statements, (7) failure to pay all wages upon termination; (8) failure to indemnify; and (9) unfair competition in violation of California Business and Professions Code section 17200, et. seq. (the "Dreher

Action.").

8. On November 1, 2023, the Dreher Action was removed to the United States District Court for the Eastern District of California and assigned Case No.: 2:23-cv-02515-JDP.

9. On November 16, 2023, Dreher filed a First Amended Complaint, adding a cause of action for penalties under the Labor Code Private Attorneys General Act ("PAGA").

10. On January 23, 2024, plaintiff Luke Perry ("Perry") filed a complaint against Defendant in Riverside County Superior Court entitled *Luke Perry v. Center for Employment Opportunities*, *Inc.,* alleging causes of action for (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to provide rest periods; (5) failure to reimburse for necessary business expenses; (6) failure to provide accurate written wage statements; and (7) unfair competition (the "Perry Action").

11. On March 5, 2024, the Perry Action was removed to the United States District Court for the Eastern District of California and assigned Case No. 24-cv-00489-KK-SP.

12. On January 25, 2024, Holden filed a complaint against Defendant in Alameda County Superior Court entitled *Curtisha Holden v. Center for Employment Opportunities*, *Inc.,* alleging causes of action for (1) failure to provide meal periods; (2) failure to authorize and permit rest periods; (3) failure to pay minimum wages; (4) failure to pay overtime wages; (5) failure to pay all wages due to discharged and quitting employees; (6) failure to maintain required records; (7) failure to furnish accurate written wage statements; (8) failure to indemnify employee for necessary expenditures incurred in discharge of duties; (9) unfair and unlawful business practices; and (10) penalties under PAGA (the "Holden Action").

13. On March 1, 2024, the Holden Action was removed to the United States District Court for the Northern District of California and assigned Case No. 3:24-cv-01269.

14. On June 28, 2024, Plaintiffs filed a Second Amended Consolidated Complaint in the Dreher Action, adding Holden, Perry, and Cutrenia M. Saxon as named plaintiffs and proposed class representatives. Perry and Holden subsequently dismissed the Perry Action and the Holden Action.

15. On February 2, 2026, the District Court issued an order remanding the case to

Sacramento County Superior Court, pursuant to a stipulation of the Parties.

**INVESTIGATION AND DISCOVERY**

16. Prior to reaching the Settlement, Plaintiff and her counsel conducted an extensive investigation into the claims alleged, performed legal research, and engaged in informal discovery with Defendant.

17. In advance of mediation, Defendant produced relevant wage and hour policy documents, employee and workweek counts, and a representative sampling of the time and payroll records for the class members. Plaintiffs' expert analyzed the time and payroll records, which assisted Plaintiffs' counsel in preparing a damages model prior to the mediation.

18. Based on Plaintiff's discovery and investigation, Plaintiff was able to act intelligently and effectively in negotiating the proposed Settlement.

**SETTLEMENT NEGOTIATIONS**

19. On July 2, 2024, the Parties attended a private mediation session with experienced mediator Brandon McKelvey, Esq. The Parties did not reach a resolution of the action at the time of the mediation. However, the Parties continued to engage in settlement negotiations with the assistance of Mr. McKelvey following the mediation. On December 18, 2024, Mr. McKelvey issued a mediator's proposal outlining the material terms of a proposed class action settlement, which the Parties accepted.

20. The settlement negotiations were at arm's length and, although conducted in a professional manner, were adversarial. The Parties went into mediation willing to explore the potential for a settlement of the dispute, but each side was also prepared to litigate its position through trial and appeal if a settlement had not been reached.

**ADEQUACY OF REPRESENTATION AND QUALIFICATIONS OF CLASS COUNSEL**

21. MLG is a 25-attorney law firm that is actively and continuously practicing in employment litigation, representing almost entirely employee plaintiffs in both individual and class actions, in Superior Courts throughout the State, in the Court of Appeal, and in various Federal courts. MLG is one of the larger plaintiffs' employment law firms in California, with employment cases, including class, PAGA, and individual actions, representing over 95% of our

caseload.

22. I received a B.A. with honors in 1986 from Tulane University and my J.D. from Southwestern University School of Law in 1991. I became an active member of the State Bar of California in September 1992, and have been an active member in good standing continuously since then. I have been practicing as a litigation attorney in Los Angeles since 1992, and have been concentrating on employment litigation since approximately 1997.

23. In 1992, I founded the general partnership, which is the predecessor of Rastegar & Matern, Attorneys at Law, A Professional Corporation. In 2012, I founded Law Offices of Matthew J. Matern, which changed its name to Matern Law Group in January 2014 and to Matern Law Group, PC in May 2016. Since 1992, I have been heavily, successfully, and continuously involved in active litigation and trial work, including extensive work in employment litigation and wage and hour class actions.

24. Over the course of my career, I have been appointed class counsel in over 150 putative class and representative action settlements, with many of them settling in the seven figure range, including settlements in the amount of $140 million, $50 million, $30 million, $26 million, $19.9 million, $18 million, $9.75 million, $9.5 million, and $8.5 million. I have represented clients in numerous wage and hour class action lawsuits that settled with per-class-member recoveries in a range similar to the anticipated per-class-member recovery in the instant case.

25. I have also been appointed class counsel in over 35 certified wage and hour class action cases which involved contested certification proceedings.

26. Additionally, I have been counsel in a number of cases which resulted in published appellate victories, including *Argueta v. Worldwide Flight Services, Inc.* (Cal. Ct. App., Nov. 8, 2023, No. B306910) 2023 WL 8430285; *Zuniga v. Alexandria Care Center, LLC* (2021) 67 Cal. App. 5th 871; *Meeks v. AutoZone, Inc.*, (2018) 24 Cal.App.5th 855; *ABM Industries Overtime Cases* (2017) 19 Cal. App. 5th 277; *Julian v. Glenair, Inc*. (2017) 19 Cal. App. 5th 277; *Franco v. Athens Disposal Company, Inc.* (2009) 171 Cal. App. 4th 1277; *Gutierrez v. California Commerce Club* (2010) 187 Cal. App. 4th 969; *Pantoja v. Anton* (2011)

198 Cal. App. 4th 87; *Fuentes v. AutoZone, Inc.* (2011) 200 Cal. App. 4th 1221; *Ventura v. ABM Industries, Inc.* (2012) 212 Cal. App. 4th 258; and *Franco v. Arakelian Enterprises, Inc.* (2012) 211 Cal. App. 4th 314; and other non-published appellate victories.

27. Of the 25 attorneys at MLG, I am the attorney with the most active trial and pretrial calendar. I have personally tried approximately 25 cases, including approximately 20 jury trials.

28. My work has led me to be recognized as a Southern California Super Lawyer every year since 2009.

29. Deanna S. Leifer is a senior associate at MLG. She graduated from the University of California, Los Angeles in 2006 and received her J.D. from UCLA School of Law in 2009. She has been an active member of the California State Bar since December 2009. Ms. Leifer has extensive experience in both class action and single-plaintiff employment litigation in state and federal courts throughout California, and has been appointed class counsel in numerous certified class actions involving contested certification proceedings, including the Central District case *Negrete v. ConAgra Foods, Inc.,* USDC Case No. 2:16-cv-631-FMO-AJW, which involved the certification of 27 separate subclasses and resulted in an $18,000,000.00 class settlement. Ms. Leifer has over 15 years of experience litigating wage and hour class and PAGA cases involving claims relating to meal and rest period violations, unpaid minimum and overtime wages, and wage statement violations. Her work has led her to be recognized as a Southern California Rising Star in 2019, 2021, and 2022.

30. Plaintiff's counsel has invested significant time, resources, and expense in this case over the past two years with payment deferred to the end of the litigation and contingent on the outcome.

31. I am not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

32. I am not aware of any conflicts of interest between MLG and the Class Members or the other named plaintiffs.

33. No one at MLG has any financial interest in or otherwise has a relationship with

Apex Class Action LLC which would create a conflict of interest.

34. MLG has no interest in nor any actual or potential conflict of interest with the *cy pres* recipients Legal Aid of Northern California and Legal Aid of Southern California.

**CLASS REPRESENTATIVE SERVICE PAYMENT**

35. The Settlement provides for a $10,000.00 Class Representative Service Payment to Plaintiff. This payment is intended to recognize Plaintiff's substantial effort and risks in assisting with the prosecution of the Action on behalf of the Class Members. Over the past year, Plaintiff has performed her duties as class representative by cooperating with her counsel and taking actions to protect the interests of the class. Plaintiff provided valuable information regarding missed meal and rest periods and unpaid minimum and overtime wages. Plaintiff kept informed of the developments in the case, informed my office of relevant information, provided the names of witnesses, and participated in decisions concerning this case. The information and documentation provided by Plaintiff was instrumental in establishing the wage and hour violations alleged in the action, and the recovery provided for in the Settlement Agreement would not have been possible to obtain without her participation.

36. Plaintiff faced many risks in bringing this case as a class action. Because of Plaintiff's efforts, approximately 6,728 Class Members will now have the opportunity to participate in a Settlement and recover payment for wage violations they may have never known or been willing to pursue on their own. If each Class Member attempted to pursue his or her legal remedies individually, each person would have been required to expend a significant amount of their own time and monetary resources.

37. This Action would not have been possible without the aid of Plaintiff, who put her own time and effort into the litigation and placed herself at risk for the sake of the other Class Members. The requested service payment of $10,000.00 to Plaintiff is therefore reasonable to compensate Plaintiff for her active participation in the Action.

38. I am not aware of any conflicts of interest between Plaintiff and the Class Members.

///

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on February 26, 2026, at El Segundo, California.

*/s/Matthew J. Matern* _______________

Matthew J. Matern

# EXHIBIT A

MATERN LAW GROUP, PC

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Manhattan Beach, California 90266
www.maternlawgroup.com
Tel: (310) 531-1900 | Fax: (310) 531-1901

October 24, 2023

***__Via Online Submission__***
California Labor & Workforce
Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

***__Via Certified U.S. Mail - Return Receipt Requested__***
Center For Employment Opportunities, Inc.
50 Broadway, Suite 1604
New York, NY 10004

***__Via Certified U.S. Mail - Return Receipt Requested__***
Center For Employment Opportunities, Inc.
1599 West Grand Avenue
Oakland, CA 94607

**Re: Amended Notice Pursuant to California Labor Code § 2699.3**
**Employee:** Curtisha Holden
**Employer:** Center For Employment Opportunities, Inc.

To Whom It May Concern:

This office represents Curtisha Holden ("Ms. Holden"), who was employed by Center For Employment Opportunities, Inc. ("CEO") as a supervisor in Oakland, California from approximately April 3, 2023 to July 27, 2023. Pursuant to the California Labor Code Private Attorneys General Act of 2004 ("PAGA"), Labor Code § 2698, *et seq.*, this letter sets forth the specific provisions of the Labor Code and Industrial Welfare Commission ("IWC") Wage Order No. 4-2001, which Ms. Holden alleges CEO violated, including the facts and theories to support the alleged violations. Please be advised that this letter constitutes written notice required by Labor Code § 2699.3, subdivisions (a)(1)(A) and (c)(1)(A), and may lead to immediate action against CEO in a court of law and/or administrative proceedings, as well as the imposition of substantial penalties and other remedies against CEO. Our office is submitting payment in the amount of $75.00 to the Accounting Unit of the Department of Industrial Relations for the requisite filing fee, pursuant to Labor Code § 2699.3, subdivisions (a)(1)(B) and (c)(1)(B).

We are investigating a potential class and representative action on behalf of CEO's current and former non-exempt employees in the State of California regarding, among other things, the following violations: failure to provide meal and rest periods in violation of Labor Code §§ 226.7 and 512 and Wage Order No. 4-2001, §§ 11-12; failure to pay one additional hour of compensation at the regular rate of compensation for each work day a meal or rest period is not provided in violation of Labor Code § 226.7 and Wage Order No. 4-2001, §§ 11(D) and 12(B); failure to pay minimum wages for all hours worked in violation of Labor Code §§ 1194, 1197 and 1197.1 and Wage Order No. 4-2001, § 4; failure to pay overtime wages in violation of Labor Code §§ 510 and 1194 and Wage Order No. 4-2001, § 3; failure to timely pay all wages earned in violation of Labor Code § 204; willful failure to pay all wages due to discharged and quitting employees in violation of Labor Code §§ 201-203; failure to furnish accurate itemized wage statements to employees in violation of Labor Code § 226; failure to maintain required records pursuant to Labor Code §§ 226, 1174 and 1174.5 and Wage Order No. 4-2001, § 7; failure to indemnify employees for necessary business expenditures pursuant to Labor Code § 2802; and unlawful deductions and withholdings from employees' wages in violation of Labor Code §§ 221, 223 and 224.

The allegations made by Ms. Holden on behalf of himself and all other current and former non-exempt employees of CEO in the State of California during the four years preceding the date of this notice are based on the following facts and theories: meal periods were less than 30 minutes, late (first meal periods starting after the fifth hour of work and/or second meal periods starting after the tenth hour), not given at all (including second meal periods after 10 hours of work), or interrupted; rest periods were less than 10 minutes, not provided, interrupted, and/or late; employees were not provided one hour of pay for each work day a meal period was not provided; employees were not provided one hour of pay for each work day a rest break was not authorized and permitted; employees were not reimbursed for necessary business expenditures; and employees were not paid proper minimum and overtime wages for all hours worked as required by California law.[1] Given the minimum wage, overtime, and meal and rest break violations, as set forth above, CEO failed to timely pay all wages due during employment and upon employees' separation from employment and employees' wage statements were inaccurate and failed to comply with California law. In short, CEO's unlawful employment practices and policies have deprived its employees of earned wages and other compensation.

**Failure to Provide Meal Periods**

Pursuant to Labor Code §§ 226.7 and 512 and Wage Order No. 4-2001, § 11, an employer is required to provide meal periods to its employees. An employer must provide a meal period to any employee who works a shift of more than five hours and a second meal period to any employee who works a shift of more than 10 hours. Furthermore, an employer must pay one extra hour of compensation for each work day a meal period is not provided. If an employee is not relieved of all duty during a meal period, the meal period shall be considered an "on duty" meal period and counted as time worked. A paid "on duty" meal period is permitted only when (1) the nature of the work prevents an employee from being relieved of all duty and (2) the parties have agreed in writing to on duty meal periods.

Ms. Holden and other aggrieved employees were and are non-exempt employees and are entitled to the protections of California Labor Code §§ 226.7 and 512 and Wage Order No. 4-2001, § 11. CEO failed to provide its employees timely and uninterrupted 30-minute meal breaks. Ms.

[1] "[T]he statement that defendant has not provided its employees with proper rest periods states both the facts and the theory." *Gutierrez v. California Commerce Club, Inc.* (2010) 187 Cal.App.4th 969, 979 n.5.

Holden's and other aggrieved employees' meal periods were short (less than 30 minutes), late (first meal periods after the fifth hour of work and second meal periods after the tenth hour), interrupted, and/or missed. Ms. Holden and other aggrieved employees were regularly required to take meal periods that were less than 30 minutes in length. Ms. Holden and other aggrieved employees were often interrupted during their meal periods and asked work-related questions and/or required to return to work. In addition, Ms. Holden and other aggrieved employees were not provided a second 30-minute meal period when they worked shifts longer than 10 hours in length.

CEO further violated Labor Coder § 226.7 and Wage Order No. 4-2001 by failing to compensate Ms. Holden and other aggrieved employees who were not provided with meal periods in accordance with California law one additional hour of pay at each employee's regular rate of compensation for each work day a meal period was not provided.

**Failure to Authorize and Permit Rest Periods**

Pursuant to Labor Code § 226.7 and Wage Order No. 4-2001, § 12, an employer is required to provide rest periods to its employees. An employer must provide a 10 minute rest period for every four hours worked or major fraction thereof which insofar as practicable shall be in the middle of each work period. Furthermore, an employer must pay one extra hour of compensation for each work day a rest period is not authorized and permitted.

Ms. Holden and other aggrieved employees were and are non-exempt employees and are entitled to the protections of Labor Code § 226.7 and Wage Order No. 4-2001. CEO failed to authorize and permit its employees to take required rest periods. Ms. Holden and other aggrieved employees were often required to work through their rest breaks because there were not enough employees staffed to relieve Ms. Holden and other aggrieved employees for their rest breaks. When Ms. Holden and other aggrieved employees were able to take rest breaks, CEO failed to authorized and permit Ms. Holden and other aggrieved employees to take their rest breaks in the middle of each work period insofar as practicable.

CEO further violated Labor Code § 226.7 and Wage Order No. 4-2001, § 12 by failing to pay Ms. Holden and other aggrieved employees one additional hour of pay at each employee's regular rate of compensation for each work day a rest period was not authorized and permitted.

**Failure to Pay Minimum Wages**

Pursuant to Labor Code §§ 1194 and 1197 and Wage Order No.4-2001, § 4, payment to an employee of less than the applicable minimum wage for all hours worked in a payroll period is unlawful.

Ms. Holden and other aggrieved employees are current and former non-exempt employees and are entitled to the protections of Labor Code §§ 1194 and 1197 and Wage Order No. 4-2001, § 4. CEO failed to pay Ms. Holden and other aggrieved employees minimum wages for all hours worked by, among other things: requiring, suffering or permitting Ms. Holden and other similarly-situated individuals to work off-the-clock; requiring, suffering or permitting Ms. Holden and other aggrieved employees to work during their meal breaks without compensation; illegally and inaccurately recording time worked by Ms. Holden and other aggrieved employees; unlawfully rounding the time of Ms. Holden and other aggrieved employees; failing to properly calculate the regular rate of pay; and other methods to be discovered.

CEO's conduct violates Labor Code §§ 1194 and1197 and Wage Order No. 4-2001, § 4.

**Failure to Pay Overtime Wages**

Pursuant to California Labor Code §§ 510 and 1194 and Wage Order No. 4-2001, § 3, an employer must compensate its employees for all overtime, which is calculated at one and one-half times the regular rate of pay for hours worked in excess of eight hours per day and/or 40 hours per week, and for the first eight hours on the seventh consecutive work day, with double time for all hours worked in excess of eight hours on the seventh day of any workweek, or after 12 hours in any work day.

Ms. Holden and other aggrieved employees are current and former non-exempt employees and are entitled to the protections of Labor Code §§ 510 and 1194 and Wage Order No. 4-2001. CEO failed to compensate Ms. Holden and other aggrieved employees for all overtime hours worked as required under the foregoing provisions of the Labor Code and IWC Wage Order by, among other things: failing to pay overtime at one and one-half times or double the regular rate of pay as provided by Labor Code §§ 510 and 1194 and Wage Order No. 4-2001, § 3; requiring, suffering or permitting Ms. Holden and other aggrieved employees to work off-the-clock; requiring, suffering or permitting Ms. Holden and other aggrieved employees work during meal periods without compensation; illegally and inaccurately recording time worked by Ms. Holden and other aggrieved employees; unlawfully rounding the time of Ms. Holden and other aggrieved employees; failing to properly calculate the regular rate of pay; and other methods to be discovered.

In violation of California law, CEO has refused to perform its obligations to compensate Ms. Holden and other aggrieved employees for all wages earned and all hours worked. CEO's conduct violates Labor Code §§ 510 and 1194 and Wage Order No. 4-2001, § 3.

**Failure to Timely Pay All Wages Earned**

Pursuant to Labor Code § 204, an employer must pay its employees at least twice a month for all wages earned during the preceding pay period. Labor Code § 204 provides that 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. An employer using an alternate payday schedule must pay wages within seven calendar days of the end of the payroll period in which the wages were earned.

CEO failed to pay Ms. Holden and other aggrieved employees on their regularly scheduled payday for all work performed during the preceding pay period. For example, CEO required Ms.

Holden and other aggrieved employees to work off-the-clock, including during meal breaks, without compensation. CEO also failed to pay Ms. Holden and other aggrieved employees premium wages owed for each work day a meal period was not provided and each work day a rest period was not authorized and permitted. In addition, CEO failed to properly calculate the regular rate of pay for purposes of overtime compensation and meal and rest period premium payments.

CEO also failed to pay Ms. Holden and other aggrieved employees for the overtime wages they earned in violation of Labor Code § 204. Labor Code § 204 requires an employer to pay overtime wages no later than the payday for the next regular payroll period following the payroll period in which the overtime wages were earned. CEO knew it was required to pay overtime wages, yet on many occasions failed to pay Ms. Holden and other aggrieved employees overtime wages on any payday.

**Failure to Pay All Wages Due Upon Separation**

Pursuant to Labor Code §§ 201, 202 and 203, an employer is required to pay all earned and unpaid wages to an employee upon separation. Labor Code § 201 mandates that if an employer discharges an employee, the employee's wages accrued and unpaid at the time of discharge are due and payable immediately. Pursuant to Labor Code § 202, an employer is required to pay all accrued wages due to an employee no later than 72 hours after the employee quits his or her employment, unless the employee provided 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 § 203 provides that if an employer willfully fails to pay, in accordance with Labor Code §§ 201 and 202, any wages of an employee who is discharged or who quits, the employer is liable for waiting time penalties in the form of continued compensation to the employee at the same rate for up to 30 days.

CEO failed to pay accrued wages and other compensation to Ms. Holden and other aggrieved employees in accordance with Labor Code §§ 201 and 202. Because CEO required Ms. Holden and other aggrieved employees to work off-the-clock, including during meal breaks, failed to pay Ms. Holden and other aggrieved employees the premium wages for all meal periods which were not provided and all rest periods which were not authorized or permitted, and failed to properly calculate the regular rate of pay, CEO failed and continues to fail to pay the full earned and unpaid wages due to Ms. Holden and other aggrieved employees upon separation.

**Failure to Furnish Accurate Itemized Wage Statements**

Labor Code § 226 requires every employer to furnish each of its employees an accurate itemized wage 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, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (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.

CEO failed to timely provide Ms. Holden and other aggrieved employees accurate itemized wage statements in writing showing each employee's gross wages earned, total hours worked, all deductions made, net wages earned, and all applicable hourly rates in effect during each pay period and the corresponding number of hours worked at each hourly rate, in violation of Labor Code § 226 and Wage Order No. 4-2001, § 7.

CEO failed to provide its employees lawful meal and rest breaks; nevertheless, CEO failed to include in the wage statements the extra hour of compensation owed for each work day a meal break was not provided and each work day a rest break was not authorized and permitted. In addition, CEO had knowledge that Ms. Holden and other aggrieved employees performed work off-the-clock and were compensated for such time, yet CEO failed to include this time worked on Ms. Holden's and other aggrieved employees' wage statements. CEO also did not properly calculate Ms. Holden's and other aggrieved employees' regular rate of pay. As a result, Ms. Holden's and other aggrieved employees' wage statements did not include all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate.

**Failure to Maintain Required Records**

CEO failed to maintain records as required under Labor Code §§ 226 and 1174 and Wage Order No. 4-2001, § 7, including but not limited to the following records: total daily hours worked by each employee; applicable rates of pay; all deductions; meal periods; time records showing when each employee begins and ends each work period; and accurate itemized statements.

CEO failed to provide its employees lawful meal and rest breaks; nevertheless, CEO failed to include in the wage statements the extra hour of compensation owed for each work day a meal break was not provided and each work day a rest break was not authorized and permitted. In addition, Ms. Holden and other aggrieved employees performed work off-the-clock, including during meal breaks, and were compensated for such time. As a result, CEO failed to maintain accurate records of the total daily hours worked by each employee, meals periods, and when each employees began and ended each work period. Employees' wage statements also were inaccurate. In addition, CEO did not properly calculate Ms. Holden's and other aggrieved employees' regular rate of pay.

**Failure to Indemnify Employees for Necessary Expenditures Incurred in Discharge of Duties**

Labor Code § 2802(a) requires an employer to indemnify an employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer. CEO failed to indemnify Ms. Holden and other aggrieved employees for all business expenses and/or losses incurred in direct consequence of the discharge of their duties while working under the direction of CEO, including but not limited to expenses for the use of employees' personal cell phones for business purposes, uniforms, and safety equipment, and other employment-related expenses, in violation of Labor Code § 2802.

***

This notice is hereby given to CEO and any 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 California law for any of the violations alleged herein as to any locations or employees who worked at any time in the State of California.

This notice is made on behalf of all persons who are, were, or will be non-exempt employees of CEO, or any related or alter-ego company, corporation, partnership, and/or business entity at any time on or after a date four years prior to the date of this letter in the State of California.

This notice shall be construed as extending without limitation to any past, present, future, or continuing violation of the Labor Code, the applicable IWC Wage Order, or any applicable regulation which might be discovered as a result of a reasonable and diligent investigation made pursuant to this notice.

**This notice shall further represent Ms. Holden's reasonable attempt to settle her dispute with CEO prior to litigation. Pursuant to *Graham v. DaimlerChrysler Corp*., 34 Cal. 4th 553 (2004), this notice serves to apprise CEO of Ms. Holden's aforementioned grievances and the proposed remedies as detailed below, while affording CEO reasonable opportunity to meet Ms. Holden's demands.**

Demand is hereby made that CEO shall agree, in writing received at this office no later than 30 calendar days from the postmark date of this notice, as follows:

1. CEO shall pay Ms. Holden and all other similarly-situated persons employed by CEO at any time during the past 48 months back pay and compensation for the above-referenced violations.

2. CEO shall comply with all California labor laws and ensure that its non-exempt employees are provided lawful meal and rest breaks and paid minimum and overtime wages for all hours worked.

3. CEO shall conduct a survey or interview all current and former non-exempt employees in California during the past 48 months to obtain information from them regarding the number of meal and rest breaks which were not provided, with the investigation to be completed within 60 days.

4. CEO shall pay each employee one hour of pay for each work day he or she was not provided one or more meal breaks and each work day he or she was not authorized and permitted one or more rest periods, as required by Labor Code § 226.7.

5. CEO shall pay accrued interest to all employees at the rate of 10% per annum for said unpaid wages.

6. CEO shall reimburse those employees who were required to pay for any business expenses incurred for CEO benefit, including but not limited to expenses for cell phones, uniforms, and safety equipment.

7. CEO shall pay waiting time penalties, equal to 30 days of pay, to each former employee who was not paid all wages due as described herein.

8. CEO shall pay all penalties arising from the violations of the Labor Code and IWC Wage Order sections referenced above and pursuant to PAGA, Labor Code § 2698, et seq., including but not limited to penalties under Labor Code §§ 210, 225.5, 226.3, 558, 1174.5, 1197.1, 1199 and 2699 and Wage Order No. 4-2001, § 20.

If the Labor and Workforce Development Agency intends to investigate the allegations set forth herein, please notify this office of that decision by certified mail addressed to Matern Law Group, PC, 1230 Rosecrans Avenue, Suite 200, Manhattan Beach, California 90266. Additionally, please advise us if the Agency or CEO requires additional information regarding Ms. Holden's complaints.

Thank you for your prompt attention to this matter.

Very truly yours,

**MATERN LAW GROUP, PC**

Deanna S. Leifer, Esq.