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ELECTRONICALLY FILED
Superior Court of California,
County of San Diego
8/14/2026 9:43:20 AM

Clerk of the Superior Court
By D. Donaldson ,Deputy Clerk

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO

RAFAEL JASSO, on behalf of others similarly situated and the State of California under the Private Attorneys General Act,

Plaintiffs,

vs.

STEADFAST MANAGEMENT COMPANY, INC.; and DOES 1 through 50, inclusive,

Defendants.

Case No. 26CU043529C

Judge:
Department:

REPRESENTATIVE ACTION COMPLAINT

1. Civil Penalties under the Private Attorneys General Act (Labor Code §§ 2698 *et seq.*)

Action Filed:

Plaintiff RAFAEL JASSO, on behalf of all others similarly situated and the State of California under the Private Attorneys General Act ("Plaintiff") brings this CLASS AND REPRESENTATIVE ACTION COMPLAINT against Defendants STEADFAST MANAGEMENT COMPANY, INC.; and DOES 1 through 50, inclusive (collectively "Defendants"), alleging as follows:

INTRODUCTION

1. This is a representative action filed for wage and hour violations of the California Labor Code.

2. Defendants failed to pay Plaintiff and aggrieved employees at the lawful minimum wage rate for all hours worked, facilitated by company-wide practices of time editing, time shaving, and requiring off-the-clock work.

3. Defendants failed to pay overtime wages for all overtime hours worked and further underpaid overtime by excluding non-discretionary bonuses and employer-provided housing from the regular rate of pay.

4. Defendants failed to provide, authorize, and/or permit Plaintiff and the aggrieved employees to take compliant meal and rest periods, yet did not pay all meal and rest period premiums.

5. Defendants failed to reimburse Plaintiff and the aggrieved employees for necessary business expenses incurred in furtherance of their job duties.

6. Defendants failed to maintain accurate payroll records.

7. Defendants' employment policies, practices, and payroll administration systems enabled and facilitated these violations on a company-wide basis with respect to the the aggrieved employees.

8. Defendants are further liable for derivative claims for wage statements, untimely payment, and other associated violations.

9. Plaintiff seeks to recover the underpaid damages, plus associated penalties, interests, attorney's fees and costs.

JURISDICTION & VENUE

10. Jurisdiction of this action is proper in this Court under Article VI, Section 10 of the California Constitution as the causes of action are premised upon violations of California law.

11. The monetary damages and restitution sought exceed the minimal jurisdiction limits of the Superior Court.

12. This Court has jurisdiction over Defendants because, upon information and belief, Defendants have sufficient minimum contacts in California, or otherwise intentionally avail themselves to the California economy so as to render the exercise of jurisdiction over them by the California courts consistent with traditional notions of fair play and substantial justice.

13. Venue is proper in this Court under Code of Civil Procedure sections 393(a), 395, and/or 395.5 because, upon information and belief, Defendants conducted business and committed some of the alleged violations in this County.

PARTIES

A. Plaintiff Rafael Jasso

14. Plaintiff Rafael Jasso is an individual over 18 years of age who worked for Defendants in California as a non-exempt employee from about November 2019 to the present day. Plaintiff worked as a Maintenance Supervisor.

15. The State of California, via the Labor and Workforce Development Agency ("LWDA"), is the real party in interest in this action. (*Kim v. Reins Int'l California, Inc.* (2020) 9 Cal. 5th 73, 81 [The "government entity on whose behalf the plaintiff files suit is always the real party in interest."]). To the extent permitted by law, including pursuant *Balderas v. Fresh Start Harvesting, Inc.* (2024) 101 Cal. App. 5th 533 and *Rodriguez v. Packers Sanitation Services Ltd., LLC* (2025) 109 Cal.App.5th 69, the PAGA claim is brought exclusively as a representative action and does not include arbitrable claims.

B. Defendants

16. Defendant Steadfast Management Company, Inc. is a California corporation that maintains operations and conducts business throughout the State of California, including in this county.

17. The true names and capacities, whether individual, corporate, or otherwise, of the parties sued as DOES 1 through 50, are presently unknown, unascertainable, or uncertain, and are sued by such fictitious names under Code of Civil Procedure section 474. Upon information and belief,

each of DOES 1 through 50 constitutes a legal employer or is otherwise legally responsible in some manner for the acts and omissions alleged herein. This Complaint may be amended to reflect their true names and capacities once ascertained.

18. Upon information and belief, Defendants in this action are employers, co-employers, joint employers, and/or part of an integrated employer enterprise, as each of the Defendants exercised control over the wages, hours, and working conditions of the employees, suffered and permitted them to work, and otherwise engaged them as employees under California law.

19. Upon information and belief, at least some of the Defendants have common ownership, common management, interrelationship of operations, and centralized control over labor relations and are therefore part of an integrated enterprise and thus jointly and severally responsible for the acts and omissions alleged herein, including pursuant to Labor Code sections 558, 558.1, and 1197.1.

20. Upon information and belief, Defendants acted in all respects pertinent to this action as an alter-ego, agent, servant, joint employer, joint venturer, co-conspirator, partner, in an integrated enterprise, or in some other capacity on behalf of all other co-defendants, such that the acts and omissions of each defendant may be legally attributable to all others.

GENERAL ALLEGATIONS

21. Plaintiff and the aggrieved employees worked for Defendant as non-exempt employees and were compensated on an hourly basis within the applicable statutory period.

22. Defendant employed Plaintiff in the position of Maintenance Supervisor from about November 2019 to the present. At all relevant times, Plaintiff and other aggrieved employees were subject to the wage and hour and employment protections set forth in the California Labor Code and IWC Wage Orders.

23. Defendant failed to pay Plaintiff and the aggrieved employees at the lawful minimum wage rate for all hours worked, resulting in unpaid minimum wages.

24. Specifically, Defendant engaged in an unlawful practice of time editing and time shaving, where they removed hours worked by Plaintiff and the aggrieved employees. During the relevant statutory period, Plaintiff and other aggrieved employees often worked through all or part of their unpaid meal periods. However, Defendant altered time records by inserting false meal breaks to

avoid paying for worked time. Upon information and belief, Defendant unilaterally executed these time edits without the knowledge or consent of aggrieved employees.

25. Defendant further maintained an unlawful practice of requiring Plaintiff and aggrieved employees to perform uncompensated off-the-clock work. Due to the nature of Defendant's property management operations, non-exempt employees were required to remain on-call and respond to property emergencies outside scheduled shifts.

26. For example, Plaintiff's personal phone number was linked to Defendant's emergency phone line. Plaintiff was required to answer calls and coordinate or handle emergency responses while off the clock. Plaintiff routinely received multiple off-the-clock calls, sometimes up to seven in a single day. Defendant required Plaintiff to remain on call every three weeks, resulting in an average of approximately two hours of uncompensated, off-the-clock work per on-call rotation. Defendant knew or should have known of this off-the-clock work, as Defendant managed the emergency dispatch systems and mandated the on-call schedules, yet Defendant systematically failed to record or compensate Plaintiff and other aggrieved employees for this time.

27. Defendant systematically failed to pay Plaintiff and the aggrieved employees overtime wages and the lawful rate of pay for overtime hours worked, resulting in substantial unpaid overtime wages.

28. As alleged herein, Defendants maintained an unlawful policy of requiring Plaintiff and the aggrieved employees to perform work off-the-clock, such as time spent addressing resident emergencies, resulting in uncompensated labor. Consequently, during workweeks when Plaintiff and the aggrieved employees worked more than eight (8) hours in a single day or more than forty (40) hours in a single week, this uncompensated off-the-clock time pushed their actual hours worked into overtime. By failing to record and compensate for this time, Defendant systematically denied Plaintiff and the aggrieved employees their earned overtime wages.

29. Furthermore, when Defendant paid overtime, Defendant failed to calculate overtime at the correct legal rate. Under California law, an employee's overtime rate must be based on their "regular rate of pay," which must include all forms of remuneration, not just the base hourly wage. Defendant provided Plaintiff and the aggrieved employees with additional forms of compensation,

including non-discretionary bonuses and employer-provided, on-site housing. This housing was provided as a form of compensation rather than solely for the convenience of Defendant. Despite legally requiring these forms of remuneration to be factored into the regular rate of pay, Defendant systematically excluded them. As a result, Defendant artificially deflated the overtime rate, paying Plaintiff and the aggrieved employees only 1.5 times their base hourly rate, rather than 1.5 times their true regular rate of pay, resulting in the underpayment of all recorded overtime and double-time hours.

30. Plaintiff and other aggrieved employees routinely experienced missed, late, short, and interrupted meal periods due to the pressures to keep up with the high demands of the job. Due to an impracticable workload and the high-intensity requirements of the job, Plaintiff and the aggrieved employees were often required to skip, miss, or otherwise experience non-compliant meal periods. For example, Plaintiff was required to manage vendor relations and urgently attend to emergencies with sudden notice, which frequently resulted in legally non-compliant meal periods.

31. Additionally, Defendant avoided paying all owed meal period premiums by failing to accurately record these violations and making unauthorized time edits to Plaintiff and the aggrieved employees' time records. For example, Plaintiff's manager would manually clock Plaintiff out for lunch earlier than the fifth hour of work to reflect a compliant break, regardless of whether a break was actually taken at that time. Plaintiff recalls he and the aggrieved employees regularly taking late meal periods throughout their employment but not receiving meal period premiums for these violations.

32. Furthermore, while Defendant routinely adjusted Plaintiff and other aggrieved employees' time records, Plaintiff's time records nonetheless reveal facial violations. An illustrative example of this violation is shown in Plaintiff's time card and corresponding wage statements from April 12, 2025 to April 25, 2025. During this pay period, Plaintiff’s time records reveal at least two violations, on April 17, 2025 and April 24, 2025, respectively. However, Plaintiff’s corresponding wage statement reveals no premiums were paid for these violations. Upon information and belief, Defendant’s failure to pay owed meal premiums was common among the aggrieved employees.

33. Plaintiff consistently took meal breaks after his fifth hour of work on shifts longer than six hours. However, Defendant never paid Plaintiff meal period premiums for these non-compliant

meal breaks. Upon information and belief, Defendant failed to pay Plaintiff and the aggrieved employees all meal period premiums at the regular rate of compensation as required by California law.

34. Due to an impracticable workload and the pressures to keep up with the demands of the job, Defendant failed to authorize and permit Plaintiff and aggrieved employees to take 10-minute rest period for every four hours worked (or major fraction thereof). As a direct result, Plaintiff would often entirely miss or experience non-compliant rest periods.

35. Every time Plaintiff or the aggrieved employees received a non-compliant rest period, they were owed a rest period premium at their regular rate of pay. However, during Plaintiff's employment with Defendant, Plaintiff has never received a rest period premium. Plaintiff alleges, based on information and belief, that this was a matter of common policy and practice with respect to other aggrieved employees.

36. Because Defendant failed to pay all wages and premiums in each pay period in which such wages were earned at the lawful rate, Defendant violated the untimely payment provisions. Defendant failed to pay all wages and premiums owed on the regular pay days scheduled each pay period within seven calendar days of the close of the payroll period.

37. Defendant failed to provide accurate itemized wage statements to the aggrieved employees each pay period. Defendant failed to list the correct "gross wages earned" or "net wages earned," as the employees earned wages and premiums that were not paid, resulting in an inaccurate reflection, and recording of "gross wages earned" on those wage statements. Likewise, Defendant failed to state on employee wage statements each pay period the applicable hourly rates in effect and the number of hours worked at that rate, as Defendant failed to pay all wages and premiums owed to employees. The amounts stated are instead depreciated and underpaid, resulting in an inaccurate reflection on the pay stub.

38. Additionally, Defendant failed to accurately list employees' "total hours worked," as the wage statements did not accurately include the uncompensated time that Plaintiff and other aggrieved employees worked due to Defendant's policy and practice of requiring off-the-clock work.

39. Plaintiff and other aggrieved employees cannot promptly and easily determine from the wage statement alone the wages paid or earned without reference to other documents or information.

Indeed, these wage statement violations are significant because they sow confusion among Plaintiff and other aggrieved employees with respect to what amounts were owed and paid, at what rates, the number of hours worked, and how those amounts were or should be calculated. The wage statements reflect a false statement of earnings and concealed the underlying problems and underpayments of employee wages.

40. Defendant required Plaintiff and the aggrieved employees to incur costs for work-related purposes without full reimbursement. In direct consequence of their job duties, Plaintiff and the aggrieved employees unavoidably and necessarily incurred these losses, expenditures, and costs as a matter of policy and practice. For example, Plaintiff was required to use his personal vehicle while on-the-clock to travel to various locations for company meetings and events, including trips to Irvine and Temecula, and to hardware supplies such as Home Depot. This was a common occurrence amongst the other aggrieved employees. Despite incurring these expenses as a direct result of Defendant's job requirements, Plaintiff and the aggrieved employees were never reimbursed for the mileage or related vehicle costs associated with these travels. To the extent Defendant reimbursed aggrieved employees, such amounts were insufficient to cover the necessary expenditures incurred.

41. Because of the policies and practices set forth above, including the failure to accurately account for wages earned or hours worked, Defendants failed to accurately maintain records in accordance with Labor Code section 1174 and the IWC Wage Orders.

<u>FIRST CAUSE OF ACTION</u>

CIVIL PENALTIES UNDER THE PRIVATE ATTORNEYS GENERAL ACT

Violation of Labor Code §§ 2698 *et seq.*

(By Plaintiff on Behalf of the State and the Aggrieved Employees Against All Defendants)

42. All outside paragraphs of this Complaint are incorporated into this section.

43. Plaintiff brings this cause of action as a proxy for the State of California on behalf of the following "aggrieved employees" pursuant to the Private Attorneys General Act ("<u>PAGA</u>"), codified as Labor Code section 2698 *et seq.*:

a. All current and former non-exempt employees who worked for Defendants in California at any time from one year prior to the postmark date of the initial

PAGA notice through date of trial.

44. Plaintiff reserves the right to amend, supplement, or add to this description of the aggrieved employees, according to proof.

45. The State of California, via the Labor and Workforce Development Agency ("LWDA"), is the real party in interest in this action with respect to this cause of action. (*Kim v. Reins Int'l California, Inc.* (2020) 9 Cal. 5th 73, 81 [The "government entity on whose behalf the plaintiff files suit is always the real party in interest."])

46. Labor Code section 2699(a) provides: "Notwithstanding any other provision of law,, any provision of this code that provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency or any of its departments, divisions, commissions, boards, agencies, or employees, for a violation of this code, may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of the employee and other current or former employees against whom a violation of the same provision was committed pursuant to the procedures specified in Section 2699.3. "

47. Any allegations regarding violations of the IWC Wage Orders are enforceable as violations of Labor Code section 1198, which states: "[t]he employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful."

48. Labor Code section 2699.3 sets forth the procedure for commencing an action for civil penalties under the PAGA.

49. On or about **June 3, 2026**, Plaintiff paid the requisite PAGA filing fee and provided written notice (by online electronic filing with the LWDA and by certified mail to Defendants) of Defendants' alleged Labor Code violations, including the facts and theories to support the alleged violations.

50. A true and correct copy of Plaintiff's written PAGA notice, entitled "Notice of Labor Code Violations" is attached hereto as Exhibit 1 and incorporated by reference as though fully set forth herein (the "PAGA notice").

51. To date, neither Plaintiff nor Plaintiff's counsel has received a response to Plaintiff's written PAGA notice from the LWDA.

52. Within 33 calendar days of the postmark date of the notice sent by Plaintiff, neither Plaintiff nor Plaintiff's counsel has received written notice by certified mail from any defendant providing a description of any actions taken to cure the alleged violations.

53. Now that at least 65 days have passed from Plaintiff notifying Defendants of these violations, without notice of cure from Defendants or notice from the LWDA of its intent to investigate the alleged allegations and issue the appropriate citations to Defendants, Plaintiff exhausted all prerequisites and commenced this civil action under Labor Code section 2699 *et seq.*

54. As set forth in the PAGA notice attached as Exhibit 1 and incorporated into this Complaint, Defendants committed the following violations and are liable for all corresponding civil penalties:

a. ***Unpaid Hours Worked/Minimum Wage***. Violation of Labor Code §§ 1194, 1197, 1198; IWC Wage Orders.

b. ***Unpaid Overtime***. Violation of Labor Code §§ 510, 1194, 1198; IWC Wage Orders.

c. ***Unpaid Meal Period Premium Wages***. Violation of Labor Code §§ 226.7, 512, 1198; IWC Wage Orders.

d. ***Unpaid Rest Period Premium Wages***. Violation of Labor Code §§ 226.7, 516, 1198; IWC Wage Orders.

e. ***Untimely Payment of Wages During Employment***. Violation of Labor Code §§ 204, 204b, 210.

f. ***Non-Compliant Wage Statements***. Violation of Labor Code §§ 226, 226.3.

g. ***Unreimbursed Employee Expenses***. Violation of Labor Code §§ 2802, 2804.

h. ***Failure to Maintain Accurate Records***. Violation of Labor Code § 1174; IWC Wage Orders.

55. Plaintiff seeks to collect all recoverable civil penalties for the Labor Code violations alleged in this Complaint and the PAGA notice (including amendments thereto) against Defendants pursuant to Labor Code section 2699(a) and (f), in addition to attorneys' fees, costs, and interest to the extent permitted by law, including under Labor Code section 2699(k).

PRAYER

Plaintiff prays for judgment as follows:

a. For recovery of damages in amount according to proof;

b. For all recoverable pre- and post-judgment interest;

c. For this action to be maintained as a representative action under the PAGA;

d. For Plaintiff and counsel of record to be provided with all enforcement capability as if the action were brought by the State of California or the California Division of Labor Enforcement;

e. For recovery of all civil penalties and other recoverable amounts under the PAGA;

f. For reasonable attorneys' fees and costs of suit, including expert fees, to the extent permitted by law, associated with the PAGA claims pursuant to Labor Code § 2699, and Code of Civil Procedure section 1021.5 and any other applicable sections; and

g. For such other relief the Court deems just and proper.

Dated: August 14, 2026 ***Ferraro Vega Employment Lawyers, Inc.***

/s/ Andrew T. Katseanes
Andrew T. Katseanes
Rick A. Waltman
Attorneys for Plaintiff Rafael Jasso

<u>EXHIBIT 1</u>

Notice of Labor Code Violations

FERRARO VEGA
SAN DIEGO EMPLOYMENT LAWYERS

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June 3, 2026

NOTICE OF LABOR CODE VIOLATIONS
CALIFORNIA LABOR CODE SECTIONS 2698 *et seq*.

VIA CERTIFIED U.S. MAIL
- Electronic Return Receipt -

Steadfast Management Company, Inc.
18100 Von Karman Ave Suite 500
Irvine, CA 92612

- PAGA Notice & Filing Fee -
Submitted electronically to the Labor and Workforce Development Agency

Dear LWDA Officer and Company Representatives:

This letter serves as written notice under Labor Code section 2699.3 on behalf of **RAFAEL JASSO** ("Plaintiff(s)") and all other "covered employees" of the following "Defendant(s)":

STEADFAST MANAGEMENT COMPANY, INC.

Defendant shall mean and include the foregoing in addition to any other related employer entities, individuals under Labor Code sections 558 and 558.1, and all others who may be later added upon further investigation and discovery as liable employers.

This office serves as legal counsel for Plaintiff. If the California Labor and Workforce Development Agency ("LWDA") does not investigate the facts, allegations, and violations set forth in this notice within the statutorily prescribed 65-day period under Labor Code section 2699.3, Plaintiff intends to commence a civil action against Defendant as a proxy and agent of the State of California under the Private Attorneys General Act ("PAGA"). "PAGA allows an 'aggrieved employee'—a person affected by at least one Labor Code violation committed by an employer—to pursue penalties for all the Labor Code violations committed by that employer." *Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal.App.5th 745, 751; *Kim v. Reins International California, Inc.* (2020) 9 Cal.5th 73, 79. Plaintiff maintains standing to pursue these claims against Defendant as an aggrieved employee.

Through this notice, Plaintiff requests that Defendant complete an internal investigation and audit of the wage and hour and employment practices at issue and make a good faith effort to correct any violations. Plaintiff attempts to identify the non-compliant policies and practices affecting the aggrieved employees so that the parties may resolve the underlying damages and penalties in judgment or settlement approved by the Superior Court of California under Labor Code section 2699(s). Defendant is notified that any attempt to resolve this case should be conducted in coordination with Plaintiff's counsel to protect the interests of Plaintiff, the aggrieved employees, and the State of California via the LWDA. Plaintiff advises Defendant this letter should be also considered a reasonable attempt at settlement of this matter, subject to an exchange of additional documents and information. *Graham v. Daimler Chrysler Corp.* (2004) 24 Cal.4th 553, 561.

- BACKGROUND -

Defendant employed Plaintiff during the PAGA Period in the position of Maintenance Supervisor from about November 2019 to the present day. During their employment Plaintiff and the other covered (i.e., aggrieved) employees were subject to the wage and hour and employment protections set forth in the California Labor Code and IWC Wage Orders.

Through this notice, Plaintiff informs the LWDA of the Labor Code violations set forth herein. The "aggrieved employees" include Plaintiff and the following individuals:

> All current and former non-exempt employees, including those misclassified as non-exempt, and exempt employees who worked for Defendant in the State of California during one-year period preceding the date of this notice through the current date and the date of trial in any pending action (the "covered employees" and the "PAGA Period"). As defined, these covered current and former employees are "aggrieved employees" under PAGA.

Plaintiff reserves the right to expand or narrow the definition of the "covered employees" in the forthcoming civil action. Furthermore, Plaintiff seeks all recoverable civil penalties for Defendant's violations and reserves the right to supplement this notice as further investigation is completed and further facts, witnesses, and violations are uncovered.

- PAGA CLAIMS -

Unpaid Hours Worked/Minimum Wage
Violation of Labor Code §§ 1194, 1197, 1198; IWC Wage Orders

Defendant violated Labor Code sections 1194, 1197, and 1198, along with the California Minimum Wage Order, the applicable local minimum wage ordinances, and the "Hours and Days of Work" and "Minimum Wages" sections of the applicable IWC Wage Orders with respect to the covered employees.

Labor Code section 1194 renders it unlawful for an employee to receive less than the legal minimum wage for hours worked in California. Labor Code section 1197 further mandates that "[t]he minimum wage for employees fixed by the commission 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 section 1198 renders "employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]" unlawful. The California Minimum Wage Order and the applicable sections of the IWC Wage Orders further require payment of minimum wages for all hours worked. The "Minimum Wages" sections of the applicable IWC Wage Order provide that "[e]very employer shall pay to each employee, on the established payday for the period involved, not less than the applicable minimum wage for all hours worked in the payroll period, whether the remuneration is measured by time, piece, commission, or otherwise." The foregoing California wage laws require payment of "not less than the applicable minimum wage *for all hours worked* in the payroll period" and California law does not allow averaging of pay over the hours worked in the pay period, even if the total pay results in an average above the minimum wage. *Armenta v. Osmose, Inc.* (2005) 135 Cal.App.3d 314, 324.

Defendant failed to pay Plaintiff and the covered employees at the lawful minimum wage rate for all hours worked, resulting in unpaid minimum wages.

Specifically, Defendant engaged in an unlawful practice of time editing and time shaving, where they removed hours worked by Plaintiff and the aggrieved employees. Plaintiff and other aggrieved employees often worked through all or part of their unpaid meal periods; however, Defendant would avoid paying this time by inserting false meal periods, regardless of Plaintiff's and the aggrieved employees' ability to take one. These changes were made unilaterally by Defendant and without the knowledge or consent of the aggrieved employees. This unlawful practice resulted in unpaid hours worked.

Furthermore, Defendant maintained an unlawful policy and practice of requiring Plaintiff and, upon information and belief, similarly situated aggrieved employees (such as Maintenance Supervisors and other property management personnel) to perform off-the-clock work without compensation. Due to the nature of the properties managed, employees were required to remain on-call and respond to emergencies outside of their regular scheduled shifts.

For example, Plaintiff's personal phone number was linked to Defendant's emergency phone line. Plaintiff was required to answer calls and coordinate or directly manage emergency property situations while off the clock. Plaintiff routinely received multiple off-the-clock calls, sometimes up to seven in a single day. Defendant required Plaintiff to remain on call every three weeks, resulting in an average of approximately two hours of uncompensated, off-the-clock work per on-call rotation. Defendant knew or should have known of this off-the-clock work, as Defendant managed the emergency dispatch systems and mandated the on-call schedules, yet Defendant failed to track or compensate Plaintiff and other aggrieved employees for this time.

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As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the covered employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Overtime
Violation of Labor Code §§ 510, 1194, 1198; IWC Wage Orders

Defendant violated Labor Code sections 510, 1194, and 1198, along with the "Hours and Days of Work" sections of the applicable IWC Wage Orders with respect to the covered employees.

Labor Code section 510 requires "[a]ny 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;" and "any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee;" and "any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee." Labor Code section 1194 renders it unlawful for an employee to receive less than the legal overtime rate for overtime hours worked in California. Labor Code section 1198 renders "employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]" unlawful. The IWC Wage Orders further require payment of overtime wages for all overtime hours worked, including the "Hours and Days of Work" sections.

Defendant systematically failed to pay Plaintiff and the covered employees overtime wages and the lawful rate of pay for overtime hours worked, resulting in substantial unpaid overtime wages.

As outlined in the unpaid hours worked section, Plaintiff was not paid for all of the time he spent working. Specifically, because his manager frequently adjusted timesheets to reflect lunch breaks taken earlier than the fifth hour, regardless of actual work performed, hours spent working went unrecorded. Additionally, Plaintiff's time spent addressing emergencies off-the-clock resulted in numerous hours of uncompensated labor. To the extent that these unaccounted-for hours resulted in Plaintiff working more than eight hours a day or forty hours in a week, Plaintiff is owed unpaid overtime as a result.

Even when Defendant did pay overtime, Defendant failed to pay it at the correct legal rate. Under California law, an employee's overtime rate must be based on their "regular rate of pay," which must include all forms of remuneration, not just the base hourly wage.

Defendant provided Plaintiff and the aggrieved employees with additional forms of compensation, including non-discretionary bonuses and employer-provided, on-site housing. This housing was provided as a form of compensation rather than solely for the convenience of Defendant. Despite legally requiring these forms of remuneration to be factored into the regular rate of pay, Defendant systematically excluded them. As a result, Defendant artificially deflated the overtime rate, paying Plaintiff only 1.5 times his base hourly rate, rather than 1.5 times his true regular rate of pay, resulting in the underpayment of all recorded overtime and double-time hours.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the covered employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Meal Period Premium Wages
Violation of Labor Code §§ 226.7, 512, 1198; IWC Wage Orders

Defendant violated Labor Code sections 226.7, 512, and 1198, along with the related sections of the IWC Wage Orders with respect to the covered employees.

Labor Code section 512 and the IWC Wage Orders require that employers provide an uninterrupted 30-minute meal period after no more than five hours of work and a second meal period after no more than 10 hours of work. *See Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1049. Labor Code section 226.7 requires that if a meal period is late, missed, short, or interrupted, the employer must pay one additional hour of pay at the employee's "regular rate" of compensation. *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858, 862 ("We hold that the terms are synonymous: "regular rate of compensation" under section 226.7(c), like "regular rate of pay" under section 510(a), encompasses all nondiscretionary payments, not just hourly wages"). "[T]ime records showing noncompliant meal periods raise a rebuttable presumption of meal period violations, including at the summary judgment stage." *Donohue v. AMN Services, LLC* (2021) 11 Cal.5th 58, 61. Labor Code section 1198 renders "employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]" unlawful. The IWC Wage Orders, including Section 11 (Meal Periods), further require one uninterrupted 30-minute meal period after no more than five hours of work and a second meal period after no more than 10 hours of work and an additional hour of pay at the employee's regular rate of compensation for each workday that a compliant meal period is not provided. Pursuant to Section 11(A) of the IWC Wage Orders, the California Supreme Court has held that the on-duty meal period exception is "exceedingly narrow" and applies only when (1) "the nature of the work prevents the employee from being relieved of all duty" and (2) *both* "the employer and employee have agreed, in writing, to the on-duty meal period." *Augustus v. AMB Security Services, Inc.* (2016) 2 Cal.5th 257, 266-276 (emphasis added). If these two requirements are not met, then the employer owes the employee one hour of premium pay for each non-compliant meal period taken under the purported on-duty meal arrangement. *Naranjo v. Spectrum Security Services, Inc.* (2019) 40 Cal.5th 444, 459.

Plaintiff and other covered employees routinely experienced missed, late, short, and interrupted meal periods due to the pressures to keep up with the high demands of the job.

Due to an impracticable workload and the high-intensity requirements of the job, Plaintiff and the covered employees were often required to skip, miss, or otherwise experience non-compliant meal periods. Specifically, Plaintiff was required to manage vendor relations and urgently attend to emergencies, resulting in legally non-compliant meal periods.

Additionally, Defendant avoided paying all owed meal period premiums by failing to accurately record these violations and making unauthorized time edits to Plaintiff and the aggrieved employees' time records. For example, Plaintiff's manager would manually clock Plaintiff out for lunch earlier than the fifth hour of work to reflect a compliant break, regardless of whether a break was actually taken at that time. Plaintiff recalls he and the aggrieved employees regularly taking late meal periods throughout their employment but not receiving meal period premiums for these violations.

Furthermore, while Defendant routinely adjusted Plaintiff and other covered employees' time records, Plaintiff's time records nonetheless reveal facial violations. An illustrative example of this violation is shown below:

P	Thu	04/17/2025	06:50 AM - 12:04 PM	LP	5.23
P	Thu	04/17/2025	12:54 PM - 03:48 PM		2.90
P	Thu	04/24/2025	06:50 AM - 11:54 AM	LP	5.07
P	Thu	04/24/2025	12:47 PM - 03:52 PM		3.08

CO.	FILE	DEPT.	CLOCK	VCHR. NO.	070
03F	204153			0000180024	1

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STEADFAST MANAGEMENT COMPANY, INC
18100 VON KARMAN AVE SUITE 500
IRVINE, CA 92612

Earnings Statement

Period Beginning: 04/12/2025
Period Ending: 04/25/2025
Pay Date: 05/02/2025

RAFAEL JASSO
[redacted]

Filing Status: Married filing jointly
Exemptions/Allowances:
Federal: Standard Withholding Table,$63 Extra Withholding

Social Security Number: XXX-XX-2256

Earnings	rate	hours	this period	year to date
Regular	31.8337	64.00	2,037.36	21,085.38
Overtime	47.7505	4.28	204.37	2,409.49
Bonus Wow			1,936.76	3,335.53
HOLIDAY	31.8337	8.00	254.67	1,018.68
PTO	31.8337	3.00	95.50	764.02
Volunteer	31.8337	8.00	254.67	254.67
FLOATING				254.67
Gross Pay			**$4,783.33**	29,122.44

Deductions		this period	year to date
Statutory			
	Federal Income Tax	-383.73	1,528.26
	Social Security Tax	-292.91	1,772.75
	Medicare Tax	-68.51	414.60
	CA State Income Tax	-122.13	297.64
	CA SDI Tax	-56.57	341.95
Other			
	Critical Illnes	-24.04	
	Health Accident	-5.60	
	Medical	-66.00*	594.00
	Shorttermdis	-13.53	121.77
	Supp. Life Ins.	-6.93	
	Supp. Life Ins.	-3.46	
	Vision	-3.65*	32.85
	401K	-574.00*	3,062.72
	401K Loan 1	-62.38	561.42
	401K Loan 2	-63.04	567.36
	Net Pay	**$3,036.85**	

Other	this period	year to date
Checking	-3,036.85	
Net Check	**$0.00**	

*** Excluded from federal taxable wages**

Your federal taxable wages this period are $4,139.68

Other Benefits and Information	this period	total to date
Employer Ad&D	0.77	6.93
Employer Life	3.75	33.75
Employer Ltd	5.49	49.41
Employer Med	327.22	2,944.98
Employer Vis	2.61	23.49
G.T.L.	10.80	97.20
P.T.O. Avail	71.48	
401K Er Match	143.50	873.68
Totl Hrs Worked	87.28	

Important Notes

COMPANY PH#:(949) 852-0700

BASIS OF PAY: HOURLY

STEADFAST MANAGEMENT COMPANY, INC
18100 VON KARMAN AVE SUITE 500
IRVINE, CA 92612

Advice number: 00000180024
Pay date: 05/02/2025

Deposited to the account of	account number	transit ABA	amount
RAFAEL JASSO	xxxxxx1314	xxxx xxxx	$3,036.85

THIS IS NOT A CHECK

Extract from Plaintiff's Time Card and Corresponding Wage Statements from 04/12/2025 - 04/25/25

Here, during the pay period from April 12, 2025 to April 25, 2025, Plaintiff was, on multiple occasions, not provided a meal break until after their fifth hour of work while working shifts exceeding six hours. Plaintiff's time records reveal at least two violations, on April 17, 2025, and April 24, 2025, respectively; however plaintiff's corresponding wage statement reveals no premiums were paid for these violations.

Plaintiff consistently took meal breaks after his fifth hour of work on shifts longer than six hours. Moreover, Defendant never paid Plaintiff meal period premiums for these non-compliant meal breaks. When Defendant did not provide compliant meal periods, Defendant failed to pay Plaintiff and the covered employees all meal period premiums at the regular rate of compensation as required by California law.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the covered employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Rest Period Premium Wages
Violation of Labor Code §§ 226.7, 516, 1198; IWC Wage Orders

Defendant violated Labor Code sections 226.7, 516, and 1198, and the related sections of the IWC Wage Orders with respect to Plaintiff and the covered employees.

Labor Code sections 226.7 and 516 and the IWC Wage Orders require that employers authorize and permit an uninterrupted 10-minute rest period for each four-hour period (or major fraction thereof) that an employee works. Labor Code section 226.7 requires that if a rest period is non-compliant, the employer must pay one additional hour of pay at the employee's "regular rate" of compensation. *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858, 862 ("We hold that the terms are synonymous: "regular rate of compensation" under section 226.7(c), like "regular rate of pay" under section 510(a), encompasses all nondiscretionary payments, not just hourly wages"). Labor Code section 1198 renders "employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]" unlawful. The IWC Wage Orders, including Section 12 (Rest Periods), further require one uninterrupted 10-minute rest period for each four-hour period (or major faction thereof) worked and an additional hour of pay at the employee's regular rate of compensation for each workday that a compliant rest period is not authorized or permitted.

Due to similar reasons explained in the "Unpaid Meal Period" section above, such as an impracticable workload and the pressures to keep up with the demands of the job, Plaintiff and the covered employees were not always authorized or permitted to take their rest periods. Specifically, while employed by Defendant, Plaintiff would often experience non-compliant rest periods.

Every time Plaintiff or the covered employees received a non-compliant rest period, they were owed a rest period premium at their regular rate of pay. However, during Plaintiff's employment with Defendant, Plaintiff never received a rest period premium. Plaintiff alleges, based on information and belief, that this was a matter of common policy and practice with respect to other covered employees.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the covered employees, up to the maximum amount allowed as set forth under the Labor Code.

Untimely Payment of Wages During Employment
Violation of Labor Code §§ 204, 204b, 210

Defendant violated Labor Code sections 204 and/or 204b and 210, as applicable, with respect to Plaintiff and the covered employees.

Labor Code section 204(a) requires payment of "all wages" for non-exempt employees at least twice each calendar month. Labor Code section 204(d) states all wages due must be paid "not more than seven calendar days following the close of the payroll period." Labor Code section 204b applies to employees paid on a weekly basis and also requires the payment for all labor within the required pay periods. Labor Code section 210 provides "every person who fails to pay the wages of an employee as provided in Section … 204 … shall be subject to a civil penalty" of $100 for an initial violation and $200 plus 25% of the amount unlawfully withheld for a subsequent violation.

Because Defendant failed to pay all wages and premiums in each pay period in which such wages were earned at the lawful rate, Defendant violated Labor Code section 204 and/or 204b (for weekly employees, as applicable). Defendant violated Labor Code sections 204 and 204b by failing to pay all wages and premiums owed on the regular pay days scheduled each pay period within seven calendar days of the close of the payroll period, as a result of the policies and practices set forth in this notice.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the covered employees, up to the maximum amount allowed as set forth under the Labor Code.

Non-Compliant Wage Statements
Violation of Labor Code §§ 226, 226.3

Defendant violated Labor Code sections 226(a) and 226.3 with respect to the covered employees by failing to furnish itemized wage statements each pay period that accurately list all information required by Labor Code section 226(a)(1) through (9).

Labor Code section 226(a) requires an employer to furnish wage statements to employees semimonthly or at the time of each payment of wages, "an accurate itemized statement in writing showing:" (1) gross wages earned, (2) total hours worked, (3) the number of piece rate units earned and applicable piece-rate in effect, (4) all deductions, (5) net wages earned, (6) the inclusive dates of the pay period, (7) the name of the employee and last four digits of SSN or an EIN, (8) the name and address of the legal name of the employer, and (9) all applicable hourly rates in effect during the pay period and the number of hours worked at each hourly rate by the employee.

Defendant failed to provide accurate itemized wage statements to the covered employees each pay period as a result of the policies and practices set forth in this notice. Defendant violated Labor Code section 226(a)(1) and (5) by not listing the correct "gross wages earned" or "net wages earned," as the employees earned wages and premiums that were not paid, resulting in an inaccurate reflection, and recording of "gross wages earned" on those wage statements. Likewise, in violation of Labor Code section 226(a)(9), Defendant failed to state on employee wage statements each pay period the applicable hourly rates in effect and the number of hours worked at that rate, as Defendant failed to pay all wages and premiums owed to employees. The amounts stated are instead depreciated and underpaid, resulting in an inaccurate reflection on the pay stub.

Additionally, Defendant violated Labor Code section 226(a)(2) by failing to accurately list employees' "total hours worked," as the wage statements did not accurately include the uncompensated time that Plaintiff and other aggrieved employees worked due to Defendant's policy and practice of requiring off-the-clock work.

Plaintiff and other covered employees cannot promptly and easily determine from the wage statement alone the wages paid or earned without reference to other documents or information. Indeed, these wage statement violations are significant because they sow confusion among Plaintiff and other covered employees with respect to what amounts were owed and paid, at what rates, the number of hours worked, and how those amounts were or should be calculated. The wage statements reflect a false statement of earnings and concealed the underlying problems and underpayments of employee wages.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the covered employees, up to the maximum amount allowed as set forth under the Labor Code.

Unreimbursed Employee Expenses
Violation of Labor Code §§ 2802, 2804

Defendant violated Labor Code section 2802 with respect to the covered employees by failing to reimburse the covered employees for all necessary expenditures or losses incurred as part of their job duties.

Labor Code section 2802 requires an employer to "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, or of his or her obedience to the directions of the employer, even though unlawful, unless the employee, at the time of obeying the directions, believed them to be unlawful." *See, e.g., Espinoza v. West Coast Tomato Growers, LLC*, 2016 WL 4468175 at *4, n.2 (S.D. Cal. Aug. 24, 2016, No. 14-CV-2984 W (KSC)).

Labor Code section 2804 affirms that "[a]ny contract or agreement, express or implied, made by any employee to waive the benefits of this article or any part thereof, is null and void, and this article shall not deprive any employee or his personal representative of any right or remedy to which he is entitled under the laws of this State."

Defendant required Plaintiff and the covered employees to incur costs for work-related purposes without full reimbursement. In direct consequence of their job duties, Plaintiff and the covered employees unavoidably and necessarily incurred these losses, expenditures, and costs as a matter of policy and practice. For example, Plaintiff was required to use his personal vehicle to travel to various locations for company meetings and events, including trips to Irvine and Temecula and to stores like Home Depot. This was common amongst the other aggrieved employees. Despite incurring these expenses as a direct result of Defendant's job requirements, Plaintiff and the aggrieved employees were never reimbursed for the mileage or related vehicle costs associated with these travels. To the extent Defendant reimbursed aggrieved employees, such amounts were insufficient to cover the necessary expenditures incurred. At all times, Defendant was required to comply with the reimbursement mandate of Labor Code sections 2800 and 2802.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the covered employees, up to the maximum amount allowed as set forth under the Labor Code.

Failure to Maintain Accurate Records
Violation of Labor Code § 1174; IWC Wage Orders

Defendant violated Labor Code sections 1174 and the IWC Wage Orders by failing to maintain accurate employee payroll records with respect to Plaintiff and other covered employees.

Labor Code section 1174 requires that employers maintain accurate "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." Section 7(A) of the IWC Wage Orders, which may be enforced through Labor Code section 1198, mandates similar recordkeeping obligations.

Because of the policies and practices set forth in this notice, including the failure to accurately account for wages earned or hours worked, Defendant failed to accurately maintain records in accordance with Labor Code section 1174 and the IWC Wage Orders.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the covered employees, up to the maximum amount allowed as set forth under the Labor Code.

Attorneys' Fees and Costs
Labor Code § 2699(k)(1)

Plaintiff has been compelled to retain the services of counsel to protect the interests of other covered employees and the State of California. Plaintiff continues to incur attorneys' fees and costs, which are recoverable under California law, including Labor Code section 2699(k)(1).

- LITIGATION HOLD NOTICE –

This letter imposes a duty upon all defendants and their respective employees, officers, directors, executives, attorneys, human resource and payroll personnel, accountants, and other agents to preserve all physical and electronic evidence, including electronically stored information and emails, which relate to the employment of Plaintiff and the covered employees specified in this notice. Evidence includes, but is not limited to, Defendants' written employment and payroll policies and handbooks; the covered employees' personnel files and payroll records, such as paystubs, time records, wage statements, compensation reports, as well as the underlying electronic data in Excel or similar format. Memoranda and internal and external correspondence relating to the subject matter of this notice shall also be maintained. Failure to preserve and retain relevant evidence may constitute spoliation of evidence and result in an adverse inference or sanctions.

If you have any questions regarding the scope of your obligations to preserve evidence, please consult your legal counsel and always err on the side of caution. Periodic or regularly scheduled purges or deletions of information covered by this hold must be suspended immediately.

- CONCLUSION -

If the LWDA does not pursue enforcement, Plaintiff intends to bring representative claims on behalf of the State of California and the covered employees seeking civil penalties for violations of the Labor Code and the IWC Wage Orders, along with attorneys' fees, costs, interest, and other appropriate relief.

Please advise if the LWDA intends to investigate any of the factual or legal allegations set forth in this notice. Defendant may contact Plaintiff's counsel with any questions regarding this letter or the forthcoming lawsuit.

Sincerely,

Andrew T. Katseanes

Z.E.

Cc Plaintiff Rafael Jasso
Karina Cabrera, Human Resources Manager, Karina.cabrera@steadfastco.com