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May 7, 2026

<u>VIA ONLINE SUBMISSION</u>

California Labor & Workforce Development Agency
ATTN: PAGA Administrator
(https://dir.govfa.net/411)

Subject: *Christian Salazar v. Restoration Hardware, Inc., et al.*

Dear PAGA Administrator:

This office represents Christian Salazar in connection with his claims under the California Labor Code. Mr. Salazar was an employee of RESTORATION HARDWARE, INC.; RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC.; and/or PREMIER LAST MILE, LLC. For the purpose of this letter, Mr. Salazar collectively refers to these entities as "RH" or "PLM."

The employers may be contacted directly at the addresses below:

RESTORATION HARDWARE, INC.
15 KOCH ROAD SUITE K
CORTE MADERA, CA 94925

RH WHICH WILL DO BUSINESS IN CALIFORNIA AS
RESTORATION HARDWARE HOLDINGS, INC.
15 KOCH ROAD SUITE K
CORTE MADERA, CA 94925

PREMIER LAST MILE, LLC
27638 SUGAR LOAF DRIVE
WESLEY CHAPEL, FL 33544

Mr. Salazar intends to seek civil penalties, attorneys' fees, costs, and other available relief for violations of the California Labor Code, which are recoverable under sections 2698, *et seq.*, the Labor Code Private Attorneys General Act of 2004 ("PAGA"). Mr. Salazar seeks relief on behalf of himself, the State of California, and other persons who work or worked for RH as delivery drivers or delivery helpers and who were misclassified as independent contractors in California ("aggrieved employees"). This letter is sent in compliance with the notice and reporting requirements of California Labor Code section 2699.3.

RH employed Mr. Salazar from approximately 2022 to February 2026. Mr. Salazar worked as a Delivery Driver for RH out of its warehouse location in Ontario, California (located at 5170 S. Archibald Avenue, Ontario, California 91762). During his employment, Mr. Salazar typically worked 14-17 hours or more per day, and five (5) or more days per week. By the end of his employment, Mr. Salazar was compensated approximately $210 per day. His job duties included, without limitation, operating a 24-foot box truck, loading inventory, driving to delivery locations, completing deliveries, and assembling furniture.

RH committed each of the following Labor Code violations against Mr. Salazar, the facts and theories of which follow, making him an "aggrieved employee" pursuant to California Labor Code section 2699(c)(1):[1]

<u>RH's Company-Wide and Uniform Treatment and Practice of Misclassifying Delivery Drivers as Independent Contractors</u>

RESTORATION HARDWARE, INC. and RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC. are Delaware corporations and are a leading retailer and luxury lifestyle brand operating primarily in the home furnishings market, operating at least two (2) fulfillment and home delivery center locations in California. PREMIER LAST MILE, LLC is a Florida limited liability company that provides luxury home delivery and logistics services for furniture and appliance brands. Together, they operate a single integrated retail and delivery enterprise. Upon information and belief, RH maintains a single, centralized Human Resources (HR) department at its company headquarters in Corte Madera, California, or Wesley Chapel, Florida, which is responsible for communicating and implementing RH's company-wide policies to employees misclassified as independent contractors throughout California. RH continues to employ delivery drivers and driver helpers at various locations throughout California and continues to misclassify these employees as independent contractors.

RH contracts with delivery drivers and driver helpers, such as Mr. Salazar and other aggrieved employees, to provide delivery and installation services to RH's customers. Although Mr. Salazar and other aggrieved employees were uniformly classified by RH as "independent contractors," RH exercised extensive control over the manner, means, and conditions under which Mr. Salazar and other aggrieved employees performed their work, and have engaged in a scheme to create the façade that they do not employ delivery drivers or driver helpers to evade California's wage-and-hour protections for employees.

RH exercised control over Mr. Salazar's and other aggrieved employees' schedules, workload, and performance. For example, RH's supervisors texted Mr. Salazar and other aggrieved employees their start-times for reporting to the warehouse(s) to load merchandise, as well as the specific delivery route that Mr. Salazar and other aggrieved employees were to follow for completing deliveries. Thus, Mr. Salazar and other aggrieved employees were required to report to RH's warehouse(s) at the time designated by RH's supervisors. Mr. Salazar and other aggrieved employees did not have the ability to choose their own work start-times, set their delivery schedule, or select the geographic area of their routes. Moreover, Mr. Salazar had no meaningful ability to negotiate or alter his assigned routes, which frequently required him to drive long distances across Southern California. Mr. Salazar and other aggrieved employees were disciplined for declining work, including receiving warnings that failure to comply would result in reduced or discontinued work.

Additionally, RH required Mr. Salazar and other aggrieved employees to download, use, and comply with a proprietary Restoration Hardware delivery-monitoring mobile application ("RH mobile application"). This RH mobile application included Mr. Salazar's and other aggrieved employees' routes, delivery windows, customer information, and the complete list of items to be delivered. The RH mobile

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[1] These facts, theories, and claims are based on Mr. Salazar's experience and counsel's review of those records currently available relating to Mr. Salazar's employment. Discovery conducted in litigation of wage and hour claims such as these often reveals additional claims that the aggrieved employee was not initially aware of (because the aggrieved employee was not aware of the law's requirements, the employer misinformed its employee of the law's requirements, or because the employer effectively hid the violations). Thus, Mr. Salazar reserves the right to supplement this letter with additional facts, theories, and claims if he becomes aware of them subsequent to the submission of this letter.

application also includes GPS tracking, which allowed RH to monitor Mr. Salazar's and other aggrieved employees' movements and progress throughout the day. Mr. Salazar could be reprimanded for failing to perform deliveries strictly within RH's designated delivery windows. RH also required Mr. Salazar and other aggrieved employees to take photographs of the completed delivery, obtain the customer's signature, and click "Finish" in the application, before they were permitted to drive to the next location.

As another example, RH exercised control over Mr. Salazar's and other aggrieved employees' work by requiring they attend mandatory daily meetings led by RH supervisors, during which RH management provided instructions regarding the day's delivery procedures, reviewed customer feedback from prior deliveries, and publicly criticized Mr. Salazar and other aggrieved employees for performance issues. RH imposed strict dress code requirements, mandating that Mr. Salazar and other aggrieved employees wear all-black clothing, including black undershirts, underwear, socks, shorts, shoes, and hats, along with RH-branded shirts and RH-branded jackets. If Mr. Salazar's and other aggrieved employees' uniform failed to meet RH's standards, they could be sent home for the day, further demonstrating RH's control over the manner and means of Mr. Salazar's and other aggrieved employees' work.

RH also required Mr. Salazar and other aggrieved employees to undergo daily compliance checks, which included uniform inspections and the taking of compliance photographs by RH supervisors. These photographs were transmitted to RH's compliance team, further evidencing RH's ongoing monitoring and supervision of Mr. Salazar's and other aggrieved employees' work. Moreover, RH controlled the manner and means by which Mr. Salazar and other aggrieved employees performed certain deliveries and installations through on-site "RH Designers," who were present at delivery locations for RH's VIP customers. RH Designers instructed Mr. Salazar and other aggrieved employees on placement and setup within customers' homes. As a further example, PLM also required Mr. Salazar and other aggrieved employees to attend monthly mandatory in-person meetings at RH's warehouse(s) to discuss performance metrics and RH customer feedback. These meetings were conducted and led by RH's managers and supervisors.

Thus, Mr. Salazar and other aggrieved employees were not free from the control and direction of RH in connection with the performance of their work. Moreover, Mr. Salazar and other aggrieved employees performed work that was not outside the usual course of RH's business. RH's core business is the designing, marketing, selling, and delivery of high-end home furnishings. According to RH's most recent SEC Form 10-K[2], "[o]ur business depends upon the successful operation of our fulfillment centers, furniture home delivery centers and other aspects of our supply chain and customer delivery network, as well as upon our order management and fulfillment center services." RH's Form 10-K further states, "[w]e have also focused on elevating the customer experience, which includes improving our distribution and delivery of products and architecting a new fully integrated back-end operating platform, inclusive of the supply chain network, the home delivery experience as well as a new metric-driven quality system and company-wide decision data." The work Mr. Salazar and other aggrieved employees performed consisted of delivering and installing RH merchandise to its customers, which is an integral, indispensable, and usual part of RH's business operations.

Furthermore, because Mr. Salazar and other aggrieved employees rely (often exclusively) on the income they earn from RH to support themselves and their families, the economic reality is that Mr. Salazar and other aggrieved employees are RH's employees. Mr. Salazar and other aggrieved employees were not engaged in an independently established trade, occupation, or business of the same nature as the work performed for RH. Mr. Salazar and other aggrieved employees did not, for example, take any of the usual steps to establish and promote their businesses. Nor did Mr. Salazar and other aggrieved employees—

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[2] 10-K Annual Report 05/04/2026, "SEC Filings :: RH (RH)" https:// https://ir.rh.com/financials-filings/sec-filings/ (last accessed May. 5, 2026).

through incorporation, licensure, advertisements, or routine offerings to provide services to the public or to a number of potential customers—independently choose the burdens and benefits of self-employment by engaging in an independently established trade, occupation, or business. To the extent Mr. Salazar and/or other aggrieved employees independently established a business of the same nature as the work performed for RH, Mr. Salazar and other aggrieved employees were restricted from simultaneously carrying any other non-RH merchandise in their delivery vehicles when performing deliveries to RH customers.

Thus, RH exercised substantial control over Mr. Salazar's and other aggrieved employees' wages, hours, and working conditions. RH's uniform misclassification of Mr. Salazar and other delivery drivers and driver helpers as independent contractors is intentional, unjustified, and unlawful. Pursuant to California Labor Code section 3357, Mr. Salazar and other aggrieved employees are entitled to a presumption that they are in fact employees of RH. Moreover, the existence of any document purporting to create an independent contractor relationship is not determinative.

As a result of this misclassification, RH has violated numerous wage-and-hour provisions, including, but not limited to, failing to pay overtime wages for all overtime hours worked, failing to pay at least minimum wages for all hours worked, failing to provide meal and rest periods, and failing to provide reimbursement for necessary business-related expenses, among others.

Violation of California Labor Code §§ 226.8(a) and 2775(b) – Willful Misclassification

At all relevant times herein, Labor Code section 2775(b) provides the test for determining whether an individual performing work for another is an independent contractor or an employee, a standard commonly referred to as the "ABC Test." It states, as follows:

> [A] person providing labor or services for remuneration shall be considered an employee rather than an independent contractor unless the hiring entity demonstrates that all of the following conditions are satisfied.
> **(A)** The person is free from the control and direction of the hiring entity in connection with the performance of the work, both under the contract for the performance of the work and in fact.
> **(B)** The person performs work that is outside the usual course of the hiring entity's business.
> **(C)** The person is customarily engaged in an independently established trade, occupation, or business of the same nature as that involved in the work.

Under the ABC Test, the alleged employer, rather than the worker, has the burden of establishing that the worker is an independent contractor and not intended to be included within the relevant wage order's coverage. "The focus is not on the label attached to a worker's position, but on how that individual's job may reasonably be viewed." *Gonzales v. San Gabriel Transit, Inc.*, 40 Cal.App.5th 1131, 1154–1155 (2019). Further, the alleged employer must establish that the worker meets ***all three*** factors of the ABC Test or falls within an exception to the ABC Test. *Id.* at 1154 ("The ABC test is conjunctive, and the hiring entity's failure to establish any of the following three factors precludes a finding that the worker is an independent contractor . . . ."). Otherwise, Labor Code section 2775's default presumption applies and the worker must be treated as an employee. *See Dynamex Operations W. v. Superior Court*, 4 Cal.5th 903, 955 (2018) ("The ABC test presumptively considers all workers to be employees, and permits workers to be classified as independent contractors only if the hiring business demonstrates that the worker in question satisfies each of three conditions . . . .").

Here, at all relevant times herein, RH treated Mr. Salazar and other aggrieved employees as independent contractors despite the fact that RH failed to meet any of the prongs of the ABC Test, much less all three. First, RH retained the right to control the manner and method of how Mr. Salazar and other aggrieved employees performed their job duties, and RH retained all necessary control over Mr. Salazar and other aggrieved employees during their employment.

For example, as discussed above, RH exercised control over Mr. Salazar's and other aggrieved employees' schedules, workload, and performance. Mr. Salazar and other aggrieved employees did not have the ability to choose their own work start-times, set their delivery schedule, or select the geographic area of their routes. RH also required Mr. Salazar and other aggrieved employees to download, use, and comply with the RH delivery-monitoring mobile application which allowed RH to monitor Mr. Salazar's and other aggrieved employees' movements and progress throughout the day. Moreover, as stated, Mr. Salazar could be reprimanded for failing to perform deliveries strictly within RH's designated delivery windows and RH required Mr. Salazar and other aggrieved employees to follow strict processes and guidelines for completing deliveries.

As another example, RH exercised control over Mr. Salazar's and other aggrieved employees' work by requiring they attend mandatory daily meetings led by RH supervisors, during which RH management provided instructions regarding the day's delivery procedures, reviewed customer feedback from prior deliveries, and publicly criticized Mr. Salazar and other aggrieved employees for performance issues. Additionally, as previously discussed, RH imposed strict dress code requirements, and if Mr. Salazar's and other aggrieved employees' uniform failed to meet RH's standards, they could be sent home for the day. RH also required Mr. Salazar and other aggrieved employees to undergo daily compliance checks, which included uniform inspections and the taking of compliance photographs by RH supervisors. These photographs were transmitted to RH's compliance team, further evidencing RH's ongoing monitoring and supervision of Mr. Salazar's and other aggrieved employees' work.

Further, as stated, RH controlled the manner and means by which Mr. Salazar and other aggrieved employees performed certain deliveries and installations through on-site "RH Designers," who were present at delivery locations for RH's VIP customers. RH Designers instructed Mr. Salazar and other aggrieved employees on placement and setup within customers' homes. PLM also required Mr. Salazar and other aggrieved employees to attend monthly mandatory in-person meetings at RH's warehouse to discuss performance metrics and RH customer feedback. These meetings were conducted and led by RH's managers and supervisors. Thus, Mr. Salazar and other aggrieved employees were not free from the control and direction of RH in connection with the performance of their work.

Second, the job duties performed by Mr. Salazar and other aggrieved employees fell within RH's usual course of business. Specifically, the roles performed by Mr. Salazar and other aggrieved employees are clearly comparable to those of RH's employees whose services are provided within the usual course of RH's business of designing, marketing, selling, and delivery of high-end home furnishings. As stated above, according to RH's most recent SEC Form 10-K, "[o]ur business depends upon the successful operation of our fulfillment centers, furniture home delivery centers and other aspects of our supply chain and customer delivery network, as well as upon our order management and fulfillment center services." RH's Form 10-K further states, "[w]e have also focused on elevating the customer experience, which includes improving our distribution and delivery of products and architecting a new fully integrated back-end operating platform, inclusive of the supply chain network, the home delivery experience as well as a new metric-driven quality system and company-wide decision data." Thus, the work Mr. Salazar and other aggrieved employees perform was not merely incidental to RH's business, but rather, was an integral and ordinary part of that business.

Finally, Mr. Salazar and other aggrieved employees were not engaged in an independently established trade, occupation, or business of the same nature as the work performed for RH. Mr. Salazar and other aggrieved employees did not, for example, take any of the usual steps to establish and promote their businesses. Nor did Mr. Salazar and other aggrieved employees—through incorporation, licensure, advertisements, or routine offerings to provide services to the public or to a number of potential customers—independently choose the burdens and benefits of self-employment by engaging in an independently established trade, occupation, or business. As stated above, to the extent Mr. Salazar and/or other aggrieved employees independently established a business of the same nature as the work performed for RH, Mr. Salazar and other aggrieved employees were restricted from simultaneously carrying any other non-RH merchandise in their delivery vehicles when performing deliveries to RH customers.

Most importantly, this last prong of the ABC Test requires that RH show Mr. Salazar and other aggrieved employees "*actually . . . engaged* in an independent business, *not merely that [they] could be.*" *Gonzales* at 1155 (emphasis in original). "A company that labels as independent contractors a class of workers who are not engaged in an independently established business in order to enable the company to obtain the economic advantages that flow from avoiding the financial obligations that a wage order imposes on employers unquestionably violates the fundamental purposes of the wage order." *Dynamex* at 962. Here, RH violated California law by attempting to do so.

At all times relevant herein set forth, California Labor Code section 226.8 makes it illegal to willfully misclassify an employee as an independent contractor, providing:

> [i]t is unlawful for any person or employer to engage in any of the following activities: (1) Willful misclassification of an individual as an independent contractor. (2) Charging an individual who has been willfully misclassified as an independent contractor a fee, or making any deductions from compensation, for any purpose, including for goods, materials, space rental, services, government licenses, repairs, equipment maintenance, or fines arising from the individual's employment where any of the acts described in this paragraph would have violated the law if the individual had not been misclassified.

California Labor Code section 226.8(b) further provides that "[i]f the Labor and Workforce Development Agency or a court issues a determination that a person or employer has engaged in any of the enumerated violations of subdivision (a), the person or employer shall be subject to a civil penalty of not less than five thousand dollars ($5,000) and not more than fifteen thousand dollars ($15,000) for each violation, in addition to any other penalties or fines permitted by law."

Moreover, California Labor Code section 226.8(c) provides "[i]f the Labor and Workforce Development Agency or a court issues a determination that a person or employer has engaged in any of the enumerated violations of subdivision (a) and the person or employer has engaged in or is engaging in a pattern or practice of these violations, the person or employer shall be subject to a civil penalty of not less than ten thousand dollars ($10,000) and not more than twenty-five thousand dollars ($25,000) for each violation, in addition to any other penalties or fines permitted by law."

Here, RH's treatment of Mr. Salazar and other aggrieved employees cannot meet any part of the ABC Test and RH was aware of this. This treatment was RH's pattern and practice of willfully misclassifying RH's employees as independent contractors. Thus, RH intentionally and willfully misclassified Mr. Salazar and other aggrieved employees as independent contractors, in violation of Labor Code section 226.8(a). Mr. Salazar and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with Labor Code sections 226.8(a) and 2775(b), pursuant to Labor Code sections 226.8, 2786, and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 510 and 1198 – Unpaid Overtime

California Labor Code sections 510 and 1198 and the applicable Industrial Welfare Commission ("IWC") Wage Order require employers to pay employees working more than eight (8) hours in a day or more than forty (40) hours in a workweek at the rate of time-and-one-half (1 ½) times the regular rate of pay for all hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a workweek. The applicable IWC Wage Order further provides that employers are required to pay employees working more than twelve (12) hours in a day overtime compensation at a rate of two (2) times their regular rate of pay. An employee's regular rate of pay includes all remuneration for employment paid to, or on behalf of, the employee, including nondiscretionary bonuses and incentive pay.

RH willfully failed to pay all overtime wages owed to Mr. Salazar and other aggrieved employees. During the relevant time period, Mr. Salazar and other aggrieved employees were not paid overtime premiums for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty (40) hours in a week, because all hours that they worked were not recorded.

As set forth above, RH's misclassification of Mr. Salazar and other aggrieved employees as independent contractors and "exempt" status from overtime and other related wage-and-hour protections, including meal and rest periods, is, and was, willful, intentional, unjustified, and unlawful. Mr. Salazar and other aggrieved employees typically worked forty (40) to sixty (60) hours per week and more than ten (10) hours per day, of which RH was fully aware. However, because RH misclassified Mr. Salazar and other aggrieved employees as "exempt" from overtime, RH did not record their hours worked and did not pay any overtime wages for hours worked in excess of eight (8) hours in one day, twelve (12) hours in a day, or forty (40) hours in one week.

Mr. Salazar and other aggrieved employees regularly worked in excess of eight (8) hours in one day, twelve (12) hours in a day, and forty (40) hours in one week, and were never paid overtime wages. For example, as delivery drivers and/or delivery helpers, Mr. Salazar and other aggrieved employees spent time attending daily meetings, undergoing compliance checks, loading inventory onto trucks; driving to several delivery locations; completing deliveries for RH's customers; communicating with RH's customers regarding the status of deliveries; assembling furniture for RH's customers; cleaning up remaining trash from RH's customers' homes or from RH's warehouses; and regularly driving from RH's warehouse in Ontario to distant locations such as San Diego, Ventura, and Bakersfield, often totaling up to 17 hours per day. However, RH paid Mr. Salazar and other aggrieved employees daily flat rate day rates, which did not vary based on the number of hours worked. As a result of RH's willful misclassification of Mr. Salazar and other aggrieved employees, Mr. Salazar and other aggrieved employees were denied overtime pay.

Additionally, Mr. Salazar and other aggrieved employees were required to review text message communications from RH's management after their shifts or on their days off. For example, at the end of each day, Mr. Salazar would receive a text message from RH's managers with his work schedules, the assigned delivery routes for the following work day, and other work-related announcements, and Mr. Salazar was required to spend time off-the-clock reviewing the text messages. As a further example, as stated, RH also required Mr. Salazar to attend monthly mandatory in-person meetings held by RH's supervisors at its warehouse(s) to discuss performance metrics and feedback from RH customers, which usually lasted for three (3) hours per instance.

Because RH misclassified Mr. Salazar and other aggrieved employees as "exempt," RH also failed to provide Mr. Salazar and other aggrieved employees with meal periods and instead required that they perform work during unpaid meal periods. Because Mr. Salazar and other aggrieved employees typically worked shifts of eight (8) hours a day or more or forty (40) hours a week or more, most, if not all unpaid time worked during meal periods qualified for overtime premium pay.

RH knew or should have known that as a result of these company-wide practices and/or policies, including its misclassification of independent contractors such as Mr. Salazar and other aggrieved employees as "exempt," Mr. Salazar and other aggrieved employees were performing their assigned duties off-the-clock and during meal periods, and were suffered or permitted to perform work for which they were not paid. Because Mr. Salazar and other aggrieved employees worked shifts of eight (8) hours or more a day, or forty (40) hours a week or more, much of this off-the-clock work qualified for overtime premium pay. Therefore, Mr. Salazar and other aggrieved employees were not paid overtime wages for all of the overtime hours they actually worked.

RH's failure to pay Mr. Salazar and other aggrieved employees the balance of overtime compensation, as required by California law, violates the provisions of California Labor Code sections 510 and 1198. Mr. Salazar and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with the applicable IWC Wage Order and Labor Code sections 510 and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 – Unpaid Minimum Wages

California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 require employers to pay employees the minimum wage fixed by the IWC. The payment of a lesser wage than the minimum so fixed is unlawful. Compensable work time is defined in Wage Order No. 9-2001 as "the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work for the employer, whether or not required to do so." Cal. Code Regs. Tit. 8, § 11090(2)(H) (defining "Hours Worked").

As set forth above, due to RH's policies and/or practices of willful misclassification of delivery drivers and driver helpers, RH failed to track this time that Mr. Salazar and other aggrieved employees spent working off-the-clock, and Mr. Salazar and other aggrieved employees received no compensation for this time. As stated, Mr. Salazar and other aggrieved employees spent time attending daily meetings, undergoing compliance checks, loading inventory, driving to several distant delivery locations, completing deliveries, communicating with RH's customers, assembling furniture for RH's customers, cleaning up remaining trash from RH's customers' homes or from RH's warehouses, reviewing text message communications from RH's management after their shifts or on their days off, and attending mandatory in-person meetings on RH's premises. However, as stated, RH paid Mr. Salazar and other aggrieved employees daily flat rates, which did not vary based on the number of hours worked. Mr. Salazar and other aggrieved employees were misclassified as independent contractors and thus not paid any hourly wage. Thus, Mr. Salazar and other aggrieved employees were not paid even minimum wage for all of the hours they worked as a result of being paid on a fixed-rate basis, and the wages paid to them were not sufficient to compensate them for all hours they worked at a minimum wage rate on a cumulative basis, in violation of California Labor Code sections 1182.12, 1194, 1197, and 1197.1.

Additionally, RH has no policies in place for the provision of meal periods and did not provide Mr. Salazar and other aggrieved employees with an opportunity to take uninterrupted, duty-free meal periods. To the extent RH deducted time for meal periods which Mr. Salazar and other aggrieved employees did not receive, they were not paid for all hours worked. Thus, RH failed to pay Mr. Salazar and other aggrieved employees for actual hours worked during meal periods because these hours were not correctly recorded.

RH did not pay minimum wages for all hours worked by Mr. Salazar and other aggrieved employees. To the extent that these off-the-clock hours did not qualify for overtime premium payment, RH did not pay at least minimum wages for those hours worked off-the-clock in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198.

Accordingly, RH regularly failed to pay at least minimum wages to Mr. Salazar and other aggrieved employees for all of the hours they worked in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Mr. Salazar and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with the applicable IWC Wage Order and Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198 – Failure to Provide Meal Periods

California Labor Code sections 226.7, 512(a), 516, and 1198 and the applicable IWC Wage Order require employers to provide meal periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. Pursuant to Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order, an employer may not require, cause or permit an employee to work for a period of more than five (5) hours per day without providing the employee with an uninterrupted meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is not more than six (6) hours, the meal period may be waived by mutual consent of both the employer and the employee. Under California law, first meal periods must start after no more than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal.4th 1004, 1041-1042 (2012). Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order also require employers to provide a second meal period of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay an employee one (1) additional hour of pay at the employee's regular rate, except that if the total hours worked is no more than twelve (12) hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

As stated, during the relevant period, RH systematically (and improperly) classified Mr. Salazar and other aggrieved employees as independent contractors and, on that basis, did not provide them with meal periods and did not take any measures to relieve them of their duties to take compliant meal periods. Moreover, on information and belief, RH had, and continues to have, a company-wide policy and/or practice of assigning its delivery drivers multiple, time-sensitive deliveries, located across various geographical distances and locations, without building in sufficient time to allow for 30-minute meal periods, which prevented Mr. Salazar and other aggrieved employees from taking all uninterrupted 30-minute meal periods, and forced them to work during their meal periods to complete their assigned deliveries. Moreover, RH failed to schedule and/or adhere to a schedule for meal periods, which further caused Mr. Salazar and other aggrieved employees to not be relieved of their duties for compliant meal periods. Further, travel time between RH's customers' delivery locations could take longer than anticipated due to traffic conditions, which further impeded Mr. Salazar and other aggrieved employees from taking compliant meal periods.

As a result, Mr. Salazar and other aggrieved employees had to work through all or part of their meal periods, had their meal periods interrupted, and/or had to wait extended periods of time before taking meal periods. For example, Mr. Salazar was sometimes required to completely forgo his meal periods due to RH's willful misclassification of delivery drivers as independent contractors, delivery scheduling policies and practices, and failure to schedule and/or adhere to a schedule for meal periods.

Additionally, RH did not provide Mr. Salazar and other aggrieved employees with second 30-minute meal periods on days that they worked in excess of ten (10) hours in one day. During the relevant time period, Mr. Salazar worked shifts in excess of 10 hours in one day and did not take a second meal period during those shifts. Mr. Salazar and other aggrieved employees did not sign valid meal period waivers on days that they were entitled to meal periods and were not relieved of all duties.

At all times herein mentioned, RH knew or should have known that, because it had misclassified Mr. Salazar and other aggrieved employees as "exempt" and for the reasons stated above, Mr. Salazar and other aggrieved employees were not actually relieved of all duties to take timely, uninterrupted meal periods. RH further knew or should have known that RH did not pay Mr. Salazar and other aggrieved employees all meal period premiums when meal periods were late, interrupted, shortened, and/or missed.

Moreover, RH engaged in a company-wide practice and/or policy of not paying meal period premiums owed when compliant meal periods are not provided. Because of this practice and/or policy, Mr. Salazar and other aggrieved employees have not received premium pay for missed, late, and interrupted meal periods.

Accordingly, RH failed to provide all meal periods in violation of California Labor Code sections 226.7, 512(a), 516, and 1198. Mr. Salazar and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with the applicable IWC Wage Order and Labor Code sections 226.7, 512(a), 516, and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 226.7, 516, and 1198 – Failure to Authorize and Permit Rest Periods

California Labor Code sections 226.7, 516, and 1198 and the applicable IWC Wage Order require employers to provide rest periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. California Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC. The applicable IWC Wage Order provides that "[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period" and that the "rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof" unless the total daily work time is less than three and one-half (3 ½) hours.

To comply with its obligation to authorize and permit rest periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an employer must "relinquish any control over how employees spend their break time, and relieve their employees of all duties—including the obligation that an employee remain on call. A rest period, in short, must be a period of rest." *Augustus, et al. v. ABM Security Services, Inc.*, 2 Cal.5th 257, 273 (2016).

During the relevant time period, RH regularly failed to authorize and permit Mr. Salazar and other aggrieved employees to take a ten (10) minute rest period per each four (4) hour period worked or major fraction thereof.

RH's company-wide practices, including systemic misclassification, prevented Mr. Salazar and other aggrieved employees from being relieved of all duty in order to take compliant rest periods. Additionally, as with meal periods, RH's company-wide scheduling policies and practices of assigning its delivery drivers multiple, time-sensitive deliveries across various geographical distances and locations, prevented Mr. Salazar and other aggrieved employees from being able to take rest periods. RH also wholly failed to schedule rest periods, which led to Mr. Salazar and other aggrieved employees not being authorized and permitted to take rest periods.

As a result of RH's practices and policies, Mr. Salazar and other aggrieved employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without receiving all uninterrupted 10-minute rest periods to which they were entitled. For example, Mr. Salazar sometimes had to forgo his rest periods during his employment, due to RH's willful misclassification of delivery drivers as independent contractors, delivery scheduling policies and practices, and failure to schedule rest periods.

RH has also engaged in a company-wide practice and/or policy of not paying rest period premiums owed when compliant rest periods are not authorized and permitted. Because of this practice and/or policy, Mr. Salazar and other aggrieved employees have not received premium pay for all missed rest periods.

Accordingly, RH failed to authorize and permit all rest periods in violation of California Labor Code sections 226.7, 516, and 1198. Mr. Salazar and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with the applicable IWC Wage Order and Labor Code sections 226.7, 516, and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 226(a), 1174(d), and 1198 – Non-Compliant Wage Statements and Failure to Maintain Accurate Payroll Records

California Labor Code section 226(a) requires employers to make, keep and provide true, accurate, and complete employment records. RH has not provided Mr. Salazar and other aggrieved employees with properly itemized wage statements. Labor Code section 226(e) provides that if an employer fails to comply with providing an employee with properly itemized wage statements as set forth in 226(a), then the employee is entitled to recover the greater of all actual damages or $50 for the initial pay period in which a violation occurs and $100 per employee for each violation in a subsequent pay period, not to exceed $4,000. Further, Labor Code section 226.3 provides that any employer who violates section 226(a) shall be subject to a civil penalty in the amount of $250 per employee per violation in an initial citation and $1,000 per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage statement or fails to keep the required records pursuant to Section 226(a).

During the relevant time period, RH has knowingly and intentionally failed to provide Mr. Salazar and other aggrieved employees with any wage statements. RH did not provide Mr. Salazar and other aggrieved employees with itemized wage statements as a result of misclassifying them as independent contractors and denying their status as employees. Because RH did not issue any wage statements to Mr. Salazar and other aggrieved employees, RH has violated and continues to violate Labor Code section 226(a) in its entirety.

Specifically, RH has knowingly and intentionally failed to provide wage statements to Mr. Salazar and other aggrieved employees wage statements that list: gross wages earned in violation of section 226(a)(1); total hours worked in violation of section 226(a)(2); the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis in violation of section 226(a)(3); all deductions in violation of section 226(a)(4); net wages earned in violation of section 226(a)(5); the inclusive dates of the period for which aggrieved employees were paid in violation of section 226(a)(6);

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 in violation of section 226(a)(7); the name and address of the legal entity that is the employer in violation of section 226(a)(8); and all and all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate in violation of section 226(a)(9). In addition, RH failed to provide Mr. Salazar and other aggrieved employees the option to elect to receive hard copies of their wage statements at any time and/or failed to provide them with the ability to easily access the information and convert the electronic wage statements into hard copies at no expense to them.

California Labor Code section 1174(d) provides that "[e]very person employing labor in this state shall . . . [k]eep a record showing the names and addresses of all employees employed and the ages of all minors" and "[k]eep, 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 . . . ." Labor Code section 1174.5 provides that employers are subject to a $500 civil penalty if they fail to maintain accurate and complete records as required by section 1174(d). During the relevant time period, and in violation of Labor Code section 1174(d), RH willfully failed to maintain accurate payroll records for Mr. Salazar and other aggrieved employees showing the daily hours they worked and the wages paid thereto as a result of failing to record any hours that they worked and as a result of misclassifying them as independent contractors.

California Labor Code section 1198 provides that the maximum hours of work and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set forth in the applicable IWC Wage Order. Section 1198 further provides that "[t]he employment of any employees for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful." Pursuant to the applicable IWC Wage Order, employers are required to keep accurate time records showing when the employee begins and ends each work period and meal period. During the relevant time period, RH engaged in company-wide practices and/or policies of failing to record any hours worked or keep records of meal periods as a result of misclassifying Mr. Curz and other aggrieved employees as independent contractors, and thereby failed to keep accurate records of work period and meal period start and end times for Mr. Salazar and other aggrieved employees, in violation of section 1198. Also, in light of RH's failure to provide Mr. Salazar and other aggrieved employees with second 30-minute meal periods to which they were entitled, RH kept no records of meal start and end times for second meal periods.

Because RH failed to provide the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on wage statements, Mr. Salazar and other aggrieved employees have been prevented from verifying, solely from information on the wage statements themselves, that they were paid correctly and in full. Instead, Mr. Salazar and other aggrieved employees have had to look to sources outside of the wage statements themselves and reconstruct time records to determine whether in fact they were paid correctly and the extent of underpayment, thereby causing them injury.

Mr. Salazar and other aggrieved employees are therefore entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with the applicable IWC Wage Order and Labor Code sections 226(a), 1174(d), and 1198, pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f), and (k).

Violation of California Labor Code § 204 – Failure to Timely Pay Wages During Employment

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that 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. Alternatively, California Labor Code section 204 provides that the requirements of this section are deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven (7) calendar days following the close of the payroll period.

During the relevant time period, RH failed to pay Mr. Salazar and other aggrieved employees all wages due to them, including, but not limited to, overtime wages, minimum wages, meal and rest period premiums, and/or sick leave pay, within any time period specified by California Labor Code section 204.

Mr. Salazar and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with Labor Code section 204, pursuant to Labor Code sections 210 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 201 and 202 – Failure to Timely Pay Final Wages Upon Termination

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (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.

RH willfully failed to pay Mr. Salazar and other aggrieved employees who are no longer employed by RH the earned and unpaid wages set forth above, including but not limited to, overtime wages, minimum wages, meal and rest period premiums, and/or sick leave pay, either at the time of discharge, or within seventy-two (72) hours of their leaving RH's employ.

Mr. Salazar and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with Labor Code sections 201 and 202, pursuant to Labor Code sections 256 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 221 and 224 – Unlawful Deductions

California Labor Code section 221 provides that 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. California Labor Code section 224 also provides in pertinent part that it is lawful to withhold a portion of the employee's wages if "a deduction is expressly authorized in writing by the employee."

During the relevant time period, RH unlawfully deducted a portion of wages previously paid to Mr. Salazar and other aggrieved employees in violation of California Labor Code section 221. On information and belief, RH maintained a company-wide policy of charging delivery drivers and driver helpers for alleged property damage, including but not limited to damage to walls, railings, steps, and floors, as well as for late deliveries, defective merchandise, and any loss or damage to RH's goods. These charges were imposed when RH's clients submitted claims, and were passed on to Mr. Salazar and other aggrieved employees regardless of fault and resulted in a discount of their wages.

RH's practice, which resulted in a discount of wages to employees, is tantamount to taking deductions from Ms. Salazar's and other aggrieved employees' paychecks without their written authorization and therefore constitutes an unlawful deduction of wages, in violation of Labor Code sections 221 and 224. Ms. Salazar and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and seek injunctive relief to bring RH into compliance with Labor Code sections 221 and 224, pursuant to Labor Code sections 225.5 and/or 2699(a), (f), and (k).

Violation of California Labor Code § 246 – Failure To Provide Sick Leave Benefits and Written Notice of Paid Sick Leave

At all relevant times herein, California Labor Code sections 245.5, 246, 246.5, 247, 247.5, 248.5, and 249 provide employees who have worked in California for 30 or more days from the commencement of employment with paid sick days, to be accrued at least one hour for every 30 hours worked. Pursuant to California Labor Code section 246(b)(4), employers must provide no less than 40 hours or five (5) days of paid sick leave (or equivalent paid leave or paid time off) in each year of the employee's employment. California Labor Code section 246(i) provides that an employer must provide an employee with written notice that sets forth the amount of paid sick leave available, or paid time off that an employer provides in lieu of sick leave, for use on either the employee's itemized wage statement or in a separate written statement provided on the designated pay date with the employee's wages.

During the relevant time period, on information and belief, RH systematically failed to provide Mr. Salazar and other aggrieved employees paid sick leave of no less than 40 hours or five (5) days. Specifically, Mr. Salazar worked in excess of 30 days for RH in California and was therefore eligible to receive paid sick leave. However, on information and belief, RH failed to provide Mr. Salazar and other aggrieved employees with any sick leave benefits, in violation of Labor Code section 246(b)(1)-(4).

Additionally, during the relevant time period, RH failed, on a company-wide basis, to provide Mr. Salazar and other aggrieved employees with written notice on wage statements and/or other separate written statements that listed the amount of paid sick leave (or equivalent paid leave or paid time off) available to them. RH's systematic failure to provide written notice of sick leave benefits to Mr. Salazar and other aggrieved employees is in violation of Labor Code section 246(i).

Mr. Salazar and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with Labor Code section 246, pursuant to Labor Code sections 248.5 and/or 2699(a), (f), and (k).

Violation of California Labor Code § 450 – Compelling Patronization

Labor Code section 450 provides that an employer may not "compel or coerce any employee, or applicant for employment, to patronize his or her employer, or any other person, in the purchase of anything of value." An employer violates section 450 by forcing an employee to patronize the employer's business in the purchase of a company-provided good.

During the relevant time period, RH had a company-wide policy of not providing any uniform items to Mr. Salazar and other aggrieved employees in relation to the shifts they were scheduled to work and for the tasks they were required to perform, and Mr. Salazar and other aggrieved employees were forced to pay out-of-pocket for their uniform items. For example, Mr. Salazar spent approximately $75-$100 out-of-pocket to purchase an RH-branded jacket from RH. Thus, RH failed to provide necessary uniform items to employees, forcing employees to purchase additional uniform items.

RH's conduct of compelling and/or coercing Mr. Salazar and other aggrieved employees to purchase goods from it is in violation of California Labor Code section 450. Mr. Salazar and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with Labor Code section 450, pursuant to Labor Code sections 2699(a), (f), and (k).

Violation of California Labor Code §§ 551 and 552 – Failure to Provide One Day's Rest in Seven

California Labor Code section 551 provides that every person employed in any occupation of labor is entitled to one day's rest in seven. California Labor Code section 552 prohibits employers from requiring employees to work more than six consecutive days without a day of rest. California Labor Code section 556 exempts an employer from the day-of-rest requirement when the total hours worked by an employee do not exceed 30 hours in any week or six (6) hours in any one day thereof.

During the relevant time period, on information and belief, RH scheduled Mr. Salazar and other aggrieved employees to work six (6) or more hours per day and seven (7) consecutive days in a workweek. Because Mr. Salazar and other aggrieved employees worked over 30 hours per week and over six (6) hours per day in any one day in a workweek, they were not exempt from the day-of-rest requirement. To the extent that Mr. Salazar and other aggrieved employees may have signed purported waivers of their right to a day's rest in seven, such waivers are invalid.

Thus, RH caused Mr. Salazar and other aggrieved employees to work more than six days in seven, in violation of Labor Code sections 551 and 552. Mr. Salazar and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with Labor Code sections 558 and/or 2699(a), (f), and (k).

Violation of California Labor Code § 2802 – Unreimbursed Business Expenses

California Labor Code section 2802 requires employers to pay for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal.App.4th 1137, 1144 (2014). The applicable wage order, IWC Wage Order No. 9-2001, provides that: "[w]hen tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft." IWC Wage Order No. 9-2001 also provides that: "[w]hen uniforms are required by the employer to be worn by the employee as a condition of employment, such uniforms shall be provided and maintained by the employer."

First, during the relevant time period, RH, on a company-wide basis, required that Mr. Salazar and other aggrieved employees use their own personal mobile devices, including, but not limited to, cellular phones, and/or mobile data to carry out their job duties, but failed to reimburse them for the costs of their work-related mobile device expenses. For example, as set forth above, RH required Mr. Salazar to download various mobile applications, such as the RH mobile application for displaying routes, delivery windows, and customer information, as well as allowing RH to actively monitor Mr. Salazar's movements and progress throughout the day. As another example, Mr. Salazar was required to use his personal cellular phones for communicating with RH's managers regarding work-related matters. As a further example, Mr. Salazar was required to review text message communications from RH's managers regarding his work schedules, assigned delivery routes, and other work-related announcements. Although RH required

Mr. Salazar and other aggrieved employees to utilize their personal mobile devices and/or mobile data to carry out their work-related responsibilities, RH failed to reimburse them for this cost.

Second, during the relevant time period, RH had a company-wide policy of requiring Mr. Salazar and other aggrieved employees to utilize their own personal delivery vehicles to carry out company business, but failed to reimburse them for all costs of travel, including mileage, fuel, truck maintenance, and insurance premiums. Specifically, RH required Mr. Salazar and other aggrieved employees to travel to jobsites across Southern California to complete their assigned deliveries, but did not reimburse them for their travel expenses. For example, RH regularly required Mr. Salazar to drive his personal delivery vehicle from RH's warehouse in Ontario to distant locations such as San Diego, Ventura, and Bakersfield. Although RH required Mr. Salazar and other aggrieved employees to utilize their own delivery vehicles to carry out their work-related responsibilities, RH did not reimburse them for their travel expenses.

Third, during the relevant time period, RH required Mr. Salazar and other aggrieved employees to purchase supplies and equipment necessary for the performance of their duties, but failed to reimburse them for their out-of-pocket costs. For example, Mr. Salazar was required to purchase his own 4-wheel dollies, moving blankets, and magic erasers for work purposes, because RH failed to provide him with the necessary supplies and equipment which were required for him to complete his assigned duties.

Fourth, during the relevant time period, RH required Mr. Salazar and other aggrieved employees to wear uniform items, including RH-branded shirts and RH-branded jackets. However, RH did not provide Mr. Salazar and other aggrieved employees with any uniforms to wear for their shifts throughout the week. Because RH failed to provide Mr. Salazar and other aggrieved employees with any uniform items in relation to their shifts and for the tasks they were required to perform, Mr. Salazar and other aggrieved employees were forced to pay out-of-pocket for their uniform items. For example, Mr. Salazar spent approximately $75-$100 on his RH-branded jacket.

Moreover, because RH failed to provide Mr. Salazar and other aggrieved employees with any uniform items, Mr. Salazar had to wash his uniforms more frequently than he would otherwise do laundry, and incur expenses in doing so. As a result, Mr. Salazar had to wash his uniform items more frequently than other clothing and/or separately from his regular clothing, thus incurring additional laundry expenses for the upkeep of his uniforms. Thus, RH failed to provide and maintain uniforms it required Mr. Salazar and other aggrieved employees to wear during their shifts and forced them to incur the costs of purchasing and maintaining employee uniforms.

RH could have provided Mr. Salazar and other aggrieved employees with the actual equipment for use on the job, such as company mobile devices, company vehicles, supplies and equipment, as well as uniform items or access to laundering services. Or, RH could have reimbursed employees for the costs of their mobile device usage, mileage and travel expenses, supply and equipment expenses, and laundering expenses or provided a uniform maintenance allowance. Instead, RH passed these operating costs onto Mr. Salazar and other aggrieved employees.

Thus, RH had, and continues to have, a company-wide policy and/or practice of not reimbursing employees for expenses necessarily incurred in violation of California Labor Code section 2802. Mr. Salazar and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with the applicable IWC Wage Order and Labor Code section 2802, pursuant to Labor Code sections 2699(a), (f), and (k).

Violation of California Labor Code § 2810.5(a)(1)(A)-(C) – Failure to Provide Notice of Material Terms of Employment

California's Wage Theft Prevention Act was enacted to ensure that employers provide employees with basic information material to their employment relationship at the time of hiring, and to ensure that employees are given written and timely notice of any changes to basic information material to their employment. Codified at California Labor Code section 2810.5, the Wage Theft Prevention Act provides that at the time of hiring, an employer must provide written notice to employees of the rate(s) of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, the regular payday designated by the employer, and any allowances claims as part of the minimum wage, including meal or lodging allowances. Effective January 1, 2015, an employer's written notice pursuant to section 2810.5 must also include a statement that the employee may accrue and use sick leave; has a right to request and use accrued paid sick leave; may not be terminated or retaliated against for using or requesting the use of accrued paid sick leave; and has the right to file a complaint against an employer who retaliates.

RH failed to provide Mr. Salazar and other aggrieved employees written notice that lists the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C). RH's failure to provide Mr. Salazar and other aggrieved employees with written notice of basic information regarding their employment with RH is in violation of Labor Code section 2810.5.

Mr. Salazar and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring RH into compliance with Labor Code section 2810.5, pursuant to Labor Code sections 2699(a), (f), and (k).

California Labor Code § 558(a)

California Labor Code section 558(a) provides "[a]ny 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 . . . . (2) For each subsequent violation, one hundred dollars ($100) for each underpaid employee for each pay period for which the employee was underpaid . . . ." Labor Code section 558(c) provides that "[t]he civil penalties provided for in this section are in addition to any other civil or criminal penalty provided by law." RH, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Mr. Salazar's and other aggrieved employees' rights by violating various sections of the California Labor Code.

Accordingly, Mr. Salazar seeks the remedies set forth in Labor Code section 558 for himself, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 1194.5, 2699(a), 2699(k), 2699.3(a), 2699.3(c), 2699.5, and 558, Mr. Salazar, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties and injunctive relief for himself, all other aggrieved employees, and the State of California against RH for violations of California Labor Code sections 201, 202, 204, 221, 224, 226(a), 226.7, 226.8(a), 246, 450, 510, 512(a), 516, 551, 552, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2775(b), 2802, and 2810.5.

Therefore, on behalf of all aggrieved employees, Mr. Salazar seeks all applicable civil penalties related to these violations of the California Labor Code pursuant to PAGA.

Thank you for your attention to this matter. If you have any questions, please contact me at the phone number or address below:

Ninel Kocharyan
Capstone Law APC
1875 Century Park East, Suite 1860
Los Angeles, CA 90067
(310) 556-4811

Best Regards,

Ninel Kocharyan

Copy: RESTORATION HARDWARE, INC. (via U.S. Certified Mail); RH WHICH WILL DO BUSINESS IN CALIFORNIA AS RESTORATION HARDWARE HOLDINGS, INC. (via U.S. Certified Mail); PREMIER LAST MILE, LLC (via U.S. Certified Mail)

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15 Koch Road
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Corte Madera, CA 94925

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15 Koch Road
Suite K
Corte Madera, CA 94925

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15 Koch Road
Suite K
Corte Madera, CA 94925

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☐ Agent
☐ Addressee

B. Received by (*Printed Name*)

C. Date of Delivery

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Restricted Delivery
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PREMIER LAST MILE, LLC
27638 Sugar Loaf Drive
Wesley Chapel, FL 33544

9590 9402 7706 2122 1556 24

2. Article Number (Transfer from service label)

9589 0710 5270 2639 6037 41

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent
☐ Addressee

B. Received by (*Printed Name*)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
■ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail
☐ Insured Mail Restricted Delivery (over $500)
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

CAPSTONE LAW, APC
1875 Century Park East
Suite #1860
Los Angeles, CA 90067

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

CERTIFIED MAIL®

9589 0710 5270 2639 6037 41

9589 0710 5270 2639 6037 41

PREMIER LAST MILE, LLC
27638 Sugar Loaf Drive
Wesley Chapel, FL 33544

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee
$
Extra Services & Fees (check box, add fee)
☐ Return Receipt (hardcopy)
☐ Return Receipt (electronic)
☐ Certified Mail Restricted Delivery
☐ Adult Signature Required
☐ Adult Signature Restricted Delivery
Postage
$
Total Postage and Fees
$
Sent To
Street and Apt. No., or PO Box No.
City, State, ZIP+4®

SALAZAR v. RESTORATION HARDWARE

Postmark

PREMIER LAST MILE, LLC
27638 Sugar Loaf Drive
Wesley Chapel, FL 33544

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions